

GUIDELINES

FOR

Preparation of Five Year Strategic Plan

For the

WATER SUPPLY & SANITATION SECTOR



**Punjab Devolved Social Services
Programme
Government of Punjab, Lahore**



**Planning and Development Board
Government of Punjab, Lahore**

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ACRONYMS

ADB	Asian Development Bank
ADP	Annual Development Programme
BCC	Behavior Change Campaign
CBO	Community Based Organization
CCB	Community Citizen Board
DFID	Department for International Development (UK)
DG	District Government
DHQ	District Headquarters
DSP	Decentralization Support Programme
FY	Financial Year
GDP	Gross Domestic Product
JICA	Japanese International Cooperation Agency
LG	Local Government
M&E	Monitoring & Evaluation
MCC	Monitoring Committee of Councils
MDGs	Millennium Development Goals
MICS	Multiple Indicator Cluster Survey
MTBF	Medium Term Budgetary Framework
NFC	National Finance Commission
NGO	Non-Governmental Organization
O&M	Operation and Maintenance
PC-I	Planning Commission Proforma I
PG	Provincial Government
P&DD	Planning and Development Department
PCWSSP	Punjab Community Water Supply and Sanitation Project
PDSSP	Punjab Devolved Social Services Program
PFC	Provincial Finance Commission
PHED	Public Health Engineering Department
PIHS	Pakistan Integrated Household Survey
PLD	Provincial Line Department
PLGO	Punjab Local Government Ordinance
P-PRSP	Punjab Poverty Reduction Strategy Paper
PRSP	Punjab Rural Support Programme
PRMP	Punjab Resource Management Programme
THQ	Tehsil Headquarters
TMA	Tehsil Municipal Administration
TMO	Tehsil Municipal Officer
TO(I&S)	Tehsil Officer(Infrastructure & Services)
UNICEF	United Nations Children's Fund
WS&S	Water Supply and Sanitation

ABSTRACT
(4 Key Parts of the Guidelines)

The Guidelines for Preparation of Five-Year Strategic Plan have been developed in a manner that they are user-friendly and can be implemented with precision. The Guidelines have four parts, indicated clearly and in detail in the Table of Contents. The four parts are inter-related and follow each other in order.

Part-I defines and elaborates briefly the concept of ‘Strategic Planning’. It also differentiates the Strategic Planning approach from the regular planning mode as has been practiced in the Provincial Government. **Part- II** contains a review of the relevant Policy Documents of the Provincial Government. This part is significant since the Policy Documents provide policy framework to the overall planning system to be adopted in the future. **Part-III** gives details of what the Strategic Planning methodology entails and how its various components feed into each other. **Part-IV** spells out how the Strategic Plan is made and how strategies can be enacted and implemented.

The division of the document into four parts, it is believed, will make the development as well as the subsequent implementation of the Strategic Plan more convenient and simple.

GUIDELINES FOR PREPARATION OF FIVE YEAR STRATEGIC PLAN FOR WATER SUPPLY AND SANITATION SECTOR FOR THE PUNJAB

1 - Introduction

Efficient and effective social service delivery is recognized and acknowledged globally as a major feature of economic development. Having an inextricable linkage with poverty alleviation, it has become an area of tremendous importance for governments in the developing countries. Pakistan is no exception to this global trend and pro-poor service delivery figures prominently in all the important government policy papers and plans. The international donor agencies and partners in development have also committed themselves to the goal of improving service delivery in Pakistan and have developed partnerships with the provincial governments.

1.1 - Background

It is important to state right at the outset that planning in Pakistan has generally been undertaken as an 'activity' rather than a 'process'. This has had serious implications for the overall planning edifice, which became an input-based, almost annual exercise where issues are dealt with individually and not collectively or in an integrated manner. Strategic Planning, on the other hand, has an integrated and broad framework as well as character. It is intrinsically process-oriented and relies heavily on strategic inputs like situation analysis, action plans and M&E mechanisms.

The Punjab Devolved Social Services Program (PDSSP) has been launched in the Punjab with the assistance of Asian Development Bank (ADB) and UK Department for International Development (DFID) with the objective of improving service delivery and to strengthen the planning and budgeting processes at the local government level. The PDSSP provides a flexible framework for action through transfer of funds to the Local Governments for spending on service delivery in health, education, special education and water supply & sanitation sectors subject to a conditional grants mechanism.

The conditions laid down in the Programme's Policy Matrix include the notification by the Planning and Development Department of guidelines for 5 years strategic plans for the above mentioned social sector departments. The Provincial Line Departments of Health, Education, Special Education and

Public Health Engineering would subsequently develop their five years strategic plans in accordance with these notified guidelines. A Planning Specialist was selected for undertaking the preparation of these guidelines; this document is a result of his work.

1.2 - Strategic Planning

'Strategic Planning' can be defined as the act of developing policies, choosing actions and allocating resources to achieve desired objectives. It is a long term, future oriented process of assessment, goal setting and strategy building that maps an explicit path between the present and a vision of the future that relies on careful consideration of an organization's capabilities and environment and leads to priority based resource allocation and other decisions. It also includes new ideas and innovative approaches for achieving objectives. On the other hand, the crucial factors in 'regular planning' are resource mobilization and direction of the investment into proper channels. Here priorities are fixed according to resource availability.

Strategic Planning is seen as a separate activity which attempts to provide broad directional framework for the more detailed plans. Long term strategies are applied in combination with shorter term rolling plans which have at any one time a three year cycle; thus providing a flexible response to the need for short term detailed plans within the context of a longer term view. Strategic Planning also includes a comprehensive review of the sectoral activities/services which helps in the prioritization of detailed strategies and direction for the future.

This contrasts with and often replaces the more traditional five year plans (Annex-I highlights some of the deficiencies in the five-year plans) that have been widely used in the public sector.

1.3 - Difference between Strategic and Regular Plans

Strategic Planning	Regular Planning
Relies heavily on identifying and resolving issues.	Focuses more on specifying goals and objectives and translating them into current budgets and work programs.
Emphasizes assessment of the environments outside and inside the agency far more than the regular planning does.	More inward looking.
Embodies qualitative shifts in direction and includes a broad range of contingency plans	Typically linear extrapolations of the present.
'Strategic' planners usually consider a range of possible futures and focus on the implications of present decisions and actions in relation to that range.	'Regular' planners tend to assume a most likely future and then work backward to map out the sequence of decisions and actions necessary to reach the assumed future.

Another merit of Strategic Planning lies in the fact that it is considered to be a disciplined effort to produce fundamental decisions and actions that shape and guide what an agency is, what it does and why it does. It also outlines the direction an organization is intending to follow, with broad guidelines as to the implications for services or action. In fact it is a prerequisite for effective performance review and performance budgeting.

The process of Strategic Planning can be depicted through the following illustration:



Nowadays, Strategic Planning is considered to be a more useful and comprehensive approach for social sector planning as compared to regular planning. Realizing its importance, Government of the Punjab is gradually shifting to this approach, especially in the social sectors. It is pertinent to point here that the existing planning methodology of the WS&S Sector has got parts of the Strategic Planning process. Situation Analysis and Sector Assessment are conducted albeit not in these names and not particularly in the mode suggested by the strategic planning process. It will be worthwhile if the concept of Strategic Planning is incorporated as a process in the planning methodology and formalized.

An attempt has been made in the following paragraphs to review the relevant work done so far and to provide guidelines needed for the preparation of a Strategic Plan for the WS&S Sector.

2 - Review of Related Studies

The MDGs constitute the main goals that the PG has to target over the medium-term. They are commonly acknowledged as a valid and a mutually reinforcing framework for measuring development progress and encompass an array of pressing education needs. Three of the eight MDGs relate to the

WS&S Sector. The MTDf has proposed to increase the water supply coverage to 75% in 2010. Although Strategic Planning has not been adopted formally in the Punjab, a start has however been made by the preparation and circulation of the Punjab Poverty Reduction Strategy Paper (P-PRSP) and by initiating a study relating to Situation Analysis, Issues and Strategies Paper on WS&S Sector; both prepared by PMU of the P&D Department. Similarly, the Finance Department has come up with the Medium Term Budgetary Framework (MTBF) which has alluded towards the importance of Strategic Planning. Objectives and strategies of these documents are summarized below:

i) PUNJAB-POVERTY REDUCTION STRATEGY PAPER (P-PRSP)

The objectives and targets of the P-PRSP relate to governance reforms, qualitative and quantitative improvements in services delivery, improved fiscal and financial management, promotion of private sector and sectoral programs for poverty. It gives a list of causes of poverty in the province (Annex-II). P-PRSP is based on certain cross cutting themes which may be seen in Annex-III. The document provides the following guidelines in order to restructure and strengthen the planning systems at the provincial and district levels for reduction in the regional and vertical inequalities, provision of better social and physical infrastructure, employment generation and reduction in poverty.

- Preparation of development programmes incorporating the priorities of the stakeholders within the Medium Term Rolling Plan.
- Introduction of procedures for incorporating population, gender and environmental concerns in the development programme.
- Institutionalization of mechanisms to get regular feedback from stakeholders, institutes, academia, civil society and business.
- Focusing on efficient implementation of the development plans by devising scientific monitoring/evaluation system.
- Assisting the DGs in preparation of their development programmes and monitoring the same at the provincial level.
- Developing online integration with international organizations, national, provincial and district governments and other institutions in the public and private sectors.

- Developing methodology for accelerated completion of development schemes to optimize the benefits through reduction in the throw-forward of the development programme.

It is pertinent to mention that sectoral development programs were implemented in the past which aimed at poverty reduction but these did not aim specifically at the poor as a target group. P-PRSP is the first document which aims at addressing the needs of the poor. These guidelines are therefore applicable to all the sectors and can form the basis of the overall planning framework.

The allocation to social sectors indicates that in addition to 9% per annum across the board increase in budgetary provision to poverty related expenditure, in line with NFC projections, there would be an incremental percentage increase per annum to priority sectors. It may be pointed out that while allocating funds to social sectors, highest priority has been recommended to be assigned to Water Supply and Sanitation as shown below:

i.	Water Supply and Sanitation	25% per annum additional financing through foreign assistance.
ii.	Elementary and Secondary Education	11% per annum
iii.	Higher Education	4% per annum
iv.	Primary and Secondary Health Care	7% per annum
v.	Preventive Health and Population Welfare	8% per annum
vi.	Tertiary Health Care	7% per annum
vii.	Expenditure on Safety Nets	8% per annum

ii) **SITUATION, ISSUES AND STRATEGIES PAPER**

The study has carried out an elaborate review of the existing situation in the WS&S Sector. Main features of the study are given in Annexure-IV. Its salient features include a situation analysis of the sector indicating major issues and concerns, objectives of the WS&S

Sector and it delves into its needs and requirements while highlighting the problems. In particular, it indicates deficiencies pertaining to absence of service delivery standards, under-funding in areas of priority and lack of adequate training facilities.

iii) MEDIUM TERM BUDGETARY FRAME WORK

The MTBF has been formulated in the Finance Department and includes a comprehensive analysis of the availability of resources and their allocation for the next three years. This brings in a much-needed element of predictability and strategy-based financial management. Salient features of the MTBF are given in Annexure – V.

ADP Guidelines Issued by P&D Board

P&D's Letter no. 1(45) RO (ADP) P&D/2004; dated 11th December, 2004 has communicated guidelines for formulation of the ADP in the MTBF Mode. It also contains the 'Strategy' of ADP 2005-06. The salient points of the Strategy are:

- Maximum allocations for ongoing schemes to avoid deferring benefits;
- Required counterpart funding for foreign-aided projects;
- Allocations for regional development projects;
- Containment of the throw forward; and
- Adequate new programmes to increase coverage.

Excerpts of the Letter are placed at Annex-VI. These guidelines should be adhered to by the WS&S Sector.

This Framework indicates that the Government of the Punjab is committed to reducing poverty by enhancing pro poor spending in the future with particular focus on the social sectors. It is intended to reform the public financial management system by:-

- i) adopting and disseminating output based performance budgeting,
- ii) developing the Provincial Departments and DGs into competent financial management organization
- iii) creating an enabling environment for services delivery
- iv) strengthening accountability through effective financial reporting and monitoring.

The MTBF strategies aim at achieving an annual growth rate of 8% in the GDP of the Punjab. The objective is to achieve per capita income level of US\$ 1000/- by 2012 and US\$ 2000 by 2020. Targets and objectives given in policy matrix of MTBF have been followed while preparing the budget for 2005-06. The development expenditure for the province has been projected to be enhanced from Rs.64.59 billion during 2004-05 to Rs.126.87 billion during 2007-08.- a growth rate of 25.23%. It is note worthy that not only development expenditure will increase, the current expenditure will also be enhanced from Rs.139.77 billion in 2004-05 to Rs.184.19 billion in 2007-08.

MTBF implementation in the WS&S Sector

The WS&S Sector has followed the objectives set in the MTBF while preparing the ADP for 2005-06. The allocation for 2005-06 of Rs. 4500 million is 80% higher than the ADP allocation of Rs.2500 for 2004-05. About 91% of this allocation would go to districts for:-

	(Rs. Million)
➤ Punjab Community WS&S Project Phase-II	443.175
➤ Rural Water Supply Schemes	275.475
➤ Rural Sewerage & Drainage Schemes	572.367
➤ CM's Accelerated Programme for WS&S	1238.588
➤ Southern Punjab Development Packages	210.237
➤ Urban Water Supply & Sanitation	1574.750

This trend should be continued and the commitment to MTBF should not waiver.

Good resource and expenditure planning implies a long-term perspective

that informs policy and budget decisions because such decisions typically commit government to expenditure beyond one year. Good resource planning requires an institutional system that achieves the following:

- ❖ **Disciplines policy choices within a realistic aggregate resource constraint over the medium term;**
- ❖ **Requires interventions to compete for funding and ensures that policy and spending decisions are based on full disclosure of their expected effects and costs over the medium term;**
- ❖ **Translates long-term strategic priorities into sustainable programmes and projects;**
- ❖ **Better matching of spending with overall resource availability over the medium term, thereby increasing the likelihood that policies in the poverty reduction strategy will have be consistent with short-term financing and stabilization needs;**
- ❖ **Sectoral allocations of spending more in line with government priorities, on the basis of comprehensive review of resources and policy options and their respective costs;**
- ❖ **Improved sector planning and management by requiring the simultaneous programming of recurrent and investment expenditures, among other reforms; and**
- ❖ **Increased effectiveness and efficiency of spending by requiring line departments to better define their goals and objectives, and where possible, link spending amounts to measures of performance in terms of outputs and outcomes.**

Guidelines for making the MTBF strategy useful and productive

- Clarity on the objectives and priorities of government policy, and on criteria for public expenditure
- Realistic forecasting of the resources available for allocation, communicated in a timely fashion to those required to manage them
- Planning and analysis directly linked to the allocation of resources
- Clear and appropriate guidance to departments on how their budget proposals should be prepared, requiring them to show how their expenditure proposals contribute to strategic government objectives
- Discretion for departments to make choices
- Capacity and incentives within departments to prepare realistic and appropriate expenditure proposals, informed by evidence and analysis
- An effective 'challenge' function, linking budget allocations to assessment of departmental expenditure proposals for their compliance with government policies and priorities
- A reasonable correspondence between the priorities of the budget and the MTBF and the resources actually released to departments
- A capacity to monitor the extent to which the actual pattern of expenditures within departments reflects the priorities set out in their budget proposals.

GUIDELINES FOR STRATEGIC PLANNING PROCESS

After describing strategic planning briefly and putting things in the context of the major policy documents of the Provincial Government, we now move on to the various guidelines/steps involved in the Strategic Planning Process. This forms the core of this document.

3 - **Vision**

Strategic planning is visionary and long range in nature. It shows the aspirations of all those who are concerned and involved. 'Vision' is a compelling, conceptual, vivid image of the desired future and focuses and ennobles an idea about a future state of being in such a way as to excite and compel an agency toward its attainment. Vision statement should be brief, positive, precise, practical and inspiring and should provide a broad base of support for future development initiatives.

The Vision of the PHED is appropriate and is reproduced hereunder:

"The vision is a sector with sustainable and rapid development providing maximum population coverage with improved and efficient quality of water

supply and sanitation (WATSAN) service delivery, creating supportive climate, institutions, eradicating poverty, enhancing human capacity and building modern governance.”

4 - Mission

‘Mission’ sets the arena in which the organization will compete and it determines how resources will be allocated. Basically, the general pattern of growth and directions for the future are determined. The primary purpose of having such a mission statement is to bring clarity of focus to members, to give them an understanding of how and what they do. The PHED has developed a clear and concise Mission Statement which is as follows:

“Enhancing development in the water supply and sanitation sector to accelerate the achievement of sustainable water, sanitation and waste management services to all people of Punjab with special attention to the un-served poor.”

5 - Situation Analysis

Situation analysis is a detailed and focused analysis of the existing reality, trends and needs. Its purpose is to provide a broad basis of understanding. The sector needs, availability of services and the general policy environment are reviewed with a view to determining a realistic benchmark. It includes a review of demographic patterns, infrastructure, organizational setup, pattern of services and their utilization, resources available and their utilization, efficiency and effectiveness of services and policies etc. It is pertinent to mention that the WS&S sector has already done a sectoral analysis while conducting the exercise on determining the missing facilities in the sector. This exercise has contributed meaningfully and can form the basis of many subsequent studies and also help in policy formulation.

The following is proposed to be indicated in the Situation Analysis:

5.1 - Issues and Weaknesses, Deficiencies in the Sector

Situation Analysis should deal elaborately and lucidly about the important issues facing the sector. It should indicate unambiguously the weaknesses and deficiencies hampering the smooth implementation of the various interventions in WS&S Sector. In particular, this component of the Situation Analysis should delve into aspects like water born disease, population not covered by clean drinking water and sewerage/drainage facilities, factors that constrain effective and efficient service delivery etc. It should also look into the criteria of setting up WS&S facilities and the deficiencies associated with such efforts. It can include:

5.2- Structural Set up & Service Delivery

- Indicate district wise number of villages and towns with population, sources of water supply with number of villages falling under each source and their population .Number of towns having piped water facility with population coverage .
- Indicate criteria for setting up water supply and sanitation schemes, in sweet water zones, and barani/brackish area.
- Indicate total number of villages in barani/brackish area, villages already covered with mechanized water supply and sanitation schemes with population coverage, villages without water supply and sanitation facilities and their population .
- Find out missing facilities e.g. staff, equipment, materials, instruments, etc. giving district wise number of schemes with rural urban break up.

Three agencies are working in the field i.e. PHED for Tameer-e-Punjab Programme, Punjab Community Water Supply and Sanitation Project, and Southern Punjab Basic Services Project being run by TMAs in 21 Districts of the Southern Punjab. Give following information about these projects separately:

PHED

PCWSSP

TMAs

Total

Rural Area

- Total no. of schemes of WS & Sanitation initiated
- Schemes completed by end March, 2005.
- Schemes handed over to the community.
- Schemes not taken over so far .
- Schemes closed or not working .
- Unit cost.
- Population covered by the operating schemes.
- Percentage of population covered .

Urban Area

- Total No. of schemes of WS & Sanitation started
- Schemes completed by end March,2005.
- Schemes operated by TMA after completion .
- Schemes not taken over
- Unit cost
- Population coverage (%)

- Describe system of garbage disposal and solid waste management in towns and villages. Discuss deficiencies of the system and experiments tried in the past along with the results. Also discuss the performance of the sanitary workers.
- Indicate experiences gained from foreign aided schemes of JICA, UNICEF, World Bank and ADB and indicate the technology used, unit cost incurred. It is also important to determine cost effective approaches, which can be replicated in the province.
- Identify number of towns and villages which are facing problems to operate/maintain, completed schemes due to poor resource generation /cost recovery /low tariff /administrative in-efficiencies.etc
- Indicate the various tasks carried out by the staff of the TMO as well as the TO (I&S) in addition to the work relating to WS&S and how much time is being given to water supply and sanitation schemes. Also indicate if all the staff working on WS&S operations have relevant knowledge and technical skill to carry out planning, designing, execution and operation/maintenance of the schemes.
- Indicate infrastructure available with PHED and TMAs for planning, designing, technical appraisal, execution and operation of water supply and sanitation schemes and need for capacity building giving details of work load.
- Equity of access can be measured from the spread of facilities and services provided to the users. Highlight WS&S facilities available with urban-rural break-up separately for public and private sector.

5.3 -Human Resource Management

The imbalance between human resources and requirements of the WS&S sector is serious and immense. Population coverage with WS&S has improved but has still not reached the desired levels. There is a human resource crisis of sorts at all levels. The crisis is manifest in the lack of ability of the personnel with the requisite qualification and skills to manage WS&S sector assignments and are generally rife in all cadres of the Department.

The training and capacity building exercises at various levels do not carry a lot of value or substance and fail to equip the trainees appropriately. The personnel holding administrative assignments have no formal qualification of management. They are not trained in any relevant disciplines of Public Administration or Modern Management. As a consequence, their skills are

quite limited, deficient or questionable. Strategic Planning needs to address these functional and structural weaknesses in a holistic manner. Situation Analysis in the Strategic Planning framework should remain cognizant of these shortcomings and should also factor in the following aspects:

- A discussion on the organizational structure of the agencies involved in implementation and operation of water supply, sanitation and solid waste management schemes should figure prominently. Determine if the existing structure is capable to achieve the plan targets or not. Total posts and vacancies of technical and managerial staff should be indicated separately along with measures taken to remove deficiencies. Also indicate the total posts of sanitary workers, vacant posts and absenteeism.
- Examine the training needs for both pre-service and in-service training and indicate the existing availability of training facilities along with short falls with respect to all the sub-sectors.
- Indicate the arrangements for imparting training to technical officers in regard to planning and contract award procedures. Also indicate how far the system adopted by PHED is delivering goods. Also indicate the deficiencies in the system.
- Deficiency in quality of human resources may need incorporating some innovation i.e. out sourcing assessment; leading to such a decision should be rational and realistic. Consultant should be brought in after conducting a cost benefit analysis.
- Availability of human resources. Number of sanctioned posts and vacancies separately for males and females, rural-urban break-up for various types of educational institutions. Position about management staff should also be discussed. Ascertain as to why the teachers are reluctant to go to remote areas. Measures taken to rationalize staff needs be highlighted as well.
- Analyze gender imbalance in staffing. Assess as to why the females do not go to rural areas. Indicate measures taken in this regard and draw inferences from the results. Ascertain if the policies relating to recruitment and posting are favourable to women or not. Highlight steps taken in this regard.
- Examine the training facilities available for pre-service training. Work out total needs, existing availability and measures taken to remove the deficiency. Also indicate if training facilities are available in less

developed and remote areas. Examine in-service training facilities also and assess whether these are sufficient to meet new challenges. Find out ways and means to fill the gaps.

Institutional aspects of Strategic Planning carries great significance. A comprehensive analysis of the human resource available, the deficiencies and future needs projection are critical to making the Strategic Plan workable and realistic. This part of the Situation Analysis feeds into the Institutional Action Plan that is formulated for the actual Strategic Plan. In this context, Situation Analysis should also contain some details about the issues related to governance.

It is believed that rent seeking and corruption shrink the range of opportunities available as investment becomes less productive, the cost of capital increases, and private sector also gets dissuaded from making meaningful contribution in service delivery. While Situation Analysis does not have to comment explicitly about the prevalence of corruption, it still should mention the measures taken to check corrupt practices and rent-seeking.

5.4 - Budgetary Allocation and Utilization

A strategic plan neither grounded in fiscal reality nor linked to the budget would only be a dream.

Strategic planning and budgeting are integral components of good management. Strategic plan charts direction, while the budget provides resources to implement the plan. Resource allocation without strategic thinking would be short sighted and unresponsive to future conditions.

Allocations and expenditure review - Current Budget.

- Review allocation of funds for the WS&S sector on the basis of prioritization, trends, distribution between rural-urban areas and among different sub sectors.
- Year-wise release of funds and their utilization, causes of low utilization and measures taken to improve the situation should be clearly

indicated. Discuss the allocation and utilization for salary and non salary component of the budget. It is also advisable to review past five years allocation and expenditure patterns and the change over the years.

Allocation and expenditure review - Development Budget.

- Review allocation of funds for the WS&S sector, basis of prioritization, trends, distribution between rural-urban areas and among different sub sectors, distribution between ongoing and new schemes, magnitude of throw forward and its subsectoral distribution, year wise release of funds and their utilization, causes of low utilization and measures taken to improve the situation it is desirable to review past five year allocation and expenditure patterns and the change over the years.
- Make an estimation of expenditure incurred by the private sector and NGO supported facilities in the previous five years on the basis of unit cost per patient.

PLDs should remember that:

The tighter is the resource constraint, the greater is the necessity of ensuring high returns from investments.

5.5 - Public – Private Partnership

Public-Private Partnership has come to stay as pivotal to the development paradigm and already has a few success models. WS&S sector stands to gain immensely from it and the Department should nurture such partnerships so that they reach fruition without getting bogged down in intricate procedures. The following can be the components of Situation Analysis pertaining to this aspect:

- Indicate the methodology used to involve community in planning designing execution, operation and maintenance of WS&S schemes. Also indicate how many CBO management committees have been formed and how many are working effectively. Especially in relation to collection of bills and involvement of users in awareness raising and management.
- Indicate number of NGOs, CBOs, and Trusts working in partnership with the public sector for improving WS&S facilities. Describe the best practices as well as models not

working well with reasons thereof. Indicate type of services provided and number of projects undertaken by them and experience gained.

- Indicate the number of schemes managed by NGOs, CBOs and Trusts etc. Also highlight contribution made by them, expenditure accrued, expenditure short falls and per unit cost. Also discuss the performance of water user committees, preferably on the basis of a few simple indicators
- Highlight the regulatory measures for NGOs and private sector if any.
- Indicate number of schemes initiated and completed by Punjab Rural Support Programme in Barani area and sweet water zone alongwith population cover and the unit cost. Ascertain the impact (both qualitative and quantitative) of this change on the delivery of services.
- Discuss the role of government in respect of the private and the NGO sector. It can be broken into:
 - i) Financing; indicate number of grants alongwith amounts; their impact.
 - ii) Provision of services; indicate terms under which the private sector can use public sector services/facilities for extension of WS&S services.
 - iii) Facilitation; indicate deficiencies/difficulties in procedures relating to registration and access to availability of information.
 - iv) Regulatory measures available at present; indicate problems in implementation of existing laws. Also indicate the steps needed to improve the situation
 - v) Quality control of WS&S services; indicate the standards set if any and procedure for checking quality. What are the deficiencies in the system and measures taken in this regard?

- Analyze the role of the PG in respect of the following:
 - i) Simplification of procedures, rules and laws.
 - ii) Dissemination of information about people's rights and delivery of social services, duties/responsibilities of service providers, recovery charges, fees etc.
 - iii) Accountability in regard to provision of services.
 - iv) Conducting surveys and studies relating to socio-economic development/status.
- Indicate the number of WS&S schemes operated by NGOs, CBOs, Charities and Trusts. Indicate the level of community involvement and the role played by them in operation and recovery of user charges. Also indicate as to how many schemes are running into losses.
-

5.6 - Other Important Factors

- Examine the factors behind the deficiencies and constraints in respect of planning and designing of WS&S schemes in the TMAs. Indicate the services provided by the PHED and assess as to whether the system is working satisfactorily or not.
- Describe the system of solid waste management and garbage disposals. Indicate the shortcomings of the existing system and measures taken to settle the things.
- Behavior change and awareness campaign needs careful consideration. On this hinges the prospect of creating an attitudinal change in the masses. Indicate the steps taken in regard to this campaign and what is the impact of the campaign and if it has helped to create an attitudinal change towards sanitation and cleanliness. Indicate shortcomings in the BCC and measures taken to make up the deficiencies. Look at all the aspects and dimensions of the BCC.
- Monitoring and supervision system also needs to be looked into; determine as to what is the capacity of the system both at the Provincial and Tehsil levels and what are the shortcomings. Indicate measures taken to remove the shortcomings. Indicate clearly the reference point or concerned office.
- Indicate the best practices and lessons which can be learnt for each of the above groupings. To elaborate, what were the best practices in

terms of equity of access (assessing availability and coverage of WS&S services) in attaining sustainability and strengthening public-private partnerships.

- Conduct surveys and studies relating to socio-economic development/status.
- Identify problems relating to coordination with the DGs and federal agencies.
- With the promulgation of PLGO 2001, roles of the PG and LGs have considerably changed. Review the existing functional and managerial structures at provincial and LG levels and their capacities relating to the following policy issues and directions:-
 - Coordination with the District and Federal Governments
 - Budgeting, resource mobilization, income distribution and expenditure strategies
 - Setting standards and provision of services by social sector Departments.
 - Simplification of procedures, laws and rules
 - Monitoring & Evaluation of projects and provision of services
 - Procurement and distribution of supplies under vertical programmes
 - Conducting surveys and studies relating to socio-economic development status
 - Inter-Tehsil disparities and the reasons thereof
- Data should be categorized into Development and non-Development data. There should be information and data on ADP schemes implementation as well as implementation of special projects. PC-IV, which is mandatory to be submitted upon project completion, is rarely compiled and its absence impacts negatively on effective evaluation while also leaves a vacuum in the data collection and compilation efforts. As for non-Development data, there should be precise input on vital statistics like population covered with clean drinking water, problem in running the schemes etc. Not limiting the data compilation effort to this, it is proposed that special attention needs to be given to data collection and maintenance and operation of WS&S schemes and the

corresponding budgetary allocations for this. Data about missing facilities, collected from the Tehsils should be completed.

- Indicate the strengths and weaknesses of fiduciary arrangements like procurement, financial management systems. These should be analyzed and documented in the Department.
- Summarize key issues along with root causes which should be addressed while preparing the strategic plans.

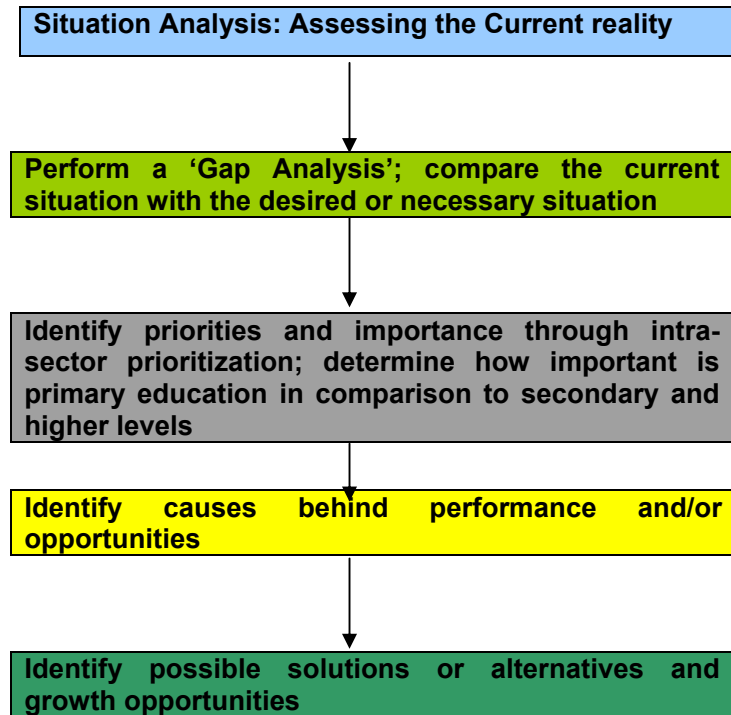
5.7 - Information Sources

The Situation Analysis for the WS&S Sector can be carried out using the following policy documents and data sources:

- Punjab Economic Report
- Vision 2020
- Medium Term Budgetary Framework, Punjab.
- Poverty Reduction Strategy Paper, Federal and Punjab
- Medium Term Development Frame Work for 2005-10
- Millennium Development Goals, Targets and Objectives.
- PESRP vision requirements.
- Education Management Information System Reports.
- Multiple Indicator Cluster Survey Report.
- Population Census Report 1998.
- Development Statistics for the Punjab
- PIHS 2001-02.

6 - Sector Assessment and Needs Assessment

It is a diagnosis of the problems, weaknesses and requirements. It includes identification of constraints and untapped opportunities in a sector. If Situation Analysis is done properly, Sector and Needs Assessment becomes a simple and streamlined exercise. At times, techniques like SWOT Analysis are employed for Sector Assessment. The PLD should train its personnel in such developmental techniques that make planning a methodical exercise. There are five steps to conducting Sector or Needs Assessment. They are shown in the flow chart below:



Sector Assessment also entails Financial Resource Assessment, which is made convenient by the MTBF. Every sector has to work within the indicative ceilings of the PG. This leads to setting of realistic objectives and targets.

6.1 Objectives and Targets for Next Five Years

The objectives and targets given in the documents described at the beginning can be used as guidelines for setting objectives and targets of the WS&S sector. The MTFD objectives relating to WS&S sector are shown below as an example:

- Population coverage with water supply in 2010 would increase to 75 % (urban 90% and rural 65 %) as compared to 65 % (urban 80 % an rural 55%) in 2005.

- Population coverage with sanitation in 2010 would be 45 % (urban 65% and rural 35%) as compared to 35 % (urban 55 % and rural 25 %) in 2005 .
- Solid waste management would be improved by involving community and the LG.

The principles mentioned below can also provide help in setting the objectives/targets for the next five years:

- These should be consistent with the vision statement, and compatible with the other sectors/sub sectors.
- These should have **SMART** features i.e. simple, measurable, attainable, realistic and time bound.
- These should be acceptable to the community /users.
- These should be quantifiable and specific to the target groups and location .
- Year wise physical targets of the sector should be developed after setting the plan objectives. The targets should reflect subsectoral and rural urban breakup, targets for women and the poor etc.
- Objectives and targets setting should be done through participatory and consultative mechanism by involving LGs, civil society members, NGOs, women associations, and private sector.

7. Action Plans and the Implementation of the Strategic Plan

Action Plan is a detailed description of the strategies used to implement an objective. Action Plans break strategies into manageable parts for coordinated implementation of goals and objectives. Task specification includes staff assignments, material resource allocations, and schedules for completion. Action Plans specify detailed cost and expenditure information and are often referred to as “operational plans” or “implementation plans”.

The Action Plan is implemented through its two components; the Institutional Action Plan and the Financial Plan. It is important to differentiate the two components but at the same time to develop linkages between the two. They should complement each other and facilitate the implementation of the product i.e. the Strategic Plan. Implementation includes service delivery, which has been discussed in sufficient detail elsewhere in the document.

8. Indicators for Monitoring & Evaluation of WS&S Sector Plans and Service Delivery Efficiency

Social sector departments lack robust systems to monitor the performance and efficiency of their services. As a result, there are no comparable statistics over time and this fact hampers development and incorporation of viable and valid indicators. This has serious implications for effective monitoring of the service delivery efforts. Without a carefully designed M&E system being place, taking timely corrective action becomes a difficult and cumbersome task.

9. M& E Framework

Monitoring & Evaluation helps in taking corrective action and allows for readjusting strategies in addition to providing useful feedback for the future. M&E is critical to the success of the Strategic Planning paradigm. It is actually the last step in the Strategic Planning process. Whereas, the regular planning process ended at the implementation stage, the Strategic Plan's logical conclusion arrives at the M&E stage. M&E in the Strategic Planning paradigm is based on the premise that there is always the need to allow for change and revision as the process of implementing as a plan unfolds.

10 - Strategies & Strategic Plan

The strategies need to be based on equity, easy access and sustainability for achieving the targets. The Medium Term Development Framework (2005-10) has indicated a set of

Strategies (Annex-VI), which can be adopted for the WS&S sector. This should however be done through a participatory and consultative mechanism by involving district governments, NGOs, private sector, women associations, and other stakeholders. The Strategic Plan should be a compact document, easily accessible to political policy-makers and implementing agencies. It should have sophisticated and contemporaneous analysis and consist of the following:

Strategies are methods to achieve goals and objectives. Formulated from vision and mission a strategy is the means for transforming inputs into outputs and ultimately outcomes with the best use of resources. A strategy reflects budgetary and other resources.

10.1. Service Delivery

- Schemes of WS & S completed but not working should be operationalised by involving the communities and by removing deficiencies etc.
- Water supply and sanitation schemes in the rural area should be undertaken after involving the community. Before starting the scheme the following steps must be undertaken:
 - ✓ Proper topographical survey of the area to be covered under the scheme should be carried out which should include source of water, number of beneficiaries, alternatives for distribution system etc.
 - ✓ Proper planning and designing of the scheme is carried out which should also cover the needs of the people, number of house connections and stand posts alongwith their location on a map
 - ✓ Detailed drawings should be prepared and provided to the local engineer and the contractor who has to implement the scheme
 - ✓ Key points for improving the design of urban water supply systems should include analysis of water supply system indicating what improvements are needed and where they are needed, hydraulic design of sewerage and drainage schemes with clear indication of sewer invert and man-holes cover levels, development of appropriate standards and design details and possibility of using polyethylene and other similar material for water distribution and pipes and fittings
 - ✓ Formation of management committees of the CBOs should be undertaken before conceiving the project. The Committee should create awareness among the people and to involve itself in the planning, designing, execution, operation and maintenance of the scheme. This Committee should remain active for all times and should work for increasing the house connections and betterment of the system
 - ✓ In order to improve the financial and operational management aspects, it is necessary that water production should be related with water consumption, detailed records of the WS system should be developed, billing system should be based on reliable data and a record of the complaints and responses to them be maintained.
- All the TMAs should have a proper planning and designing section for carrying out the initial work relating to WS&S schemes. This section should also have a proper survey unit for location of WS&S schemes.

No schemes should be undertaken without consulting and involving the users.

- The LG Contract Rules need to be rationalized. These Rules give disproportionate powers to Nazims at the expense of both engineers and contractors. In this connection, tender documents should be translated into Urdu and provision of detailed drawings should be made part of the contract. Also important is the need that the contract implementation procedure should include basic equipment, resources and guidance to the contractor.
- The powers of granting Technical Sanction to the WS&S schemes should be rationalized. At present the power of the TO incharge of granting Technical Sanction is Rs. 5.00 million. In order to avoid going to the higher offices, sometimes efforts are made to bifurcate the schemes so that they do not exceed his powers of sanction. This practice should be avoided.
- Provision should be made for promoting the use of sanitary latrines and for this education /communication and training should be provided through NGOs.
- In order to meet future challenges, an assessment should be made about the required organizational set up and indicate deficiencies.
- For targeting the poor, WS&S facilities should be provided in remote and less developed areas, poor localities, *katchi abadis*, urban slums on priority basis. As most of the people in these localities would not be able to get house connections, stand posts for water supply should be provided at convenient places.
- PHED should continue to execute schemes of Tameer-e-Punjab Programme and those assisted by the foreign donors.
- PHED should also continue to extend technical assistance to TMAs. An assessment of facilities needed for this purpose should be made well in time.
- Collection of data about missing facilities in the Tehsils should be completed and sufficient funds should be allocated for completion of missing facilities by the end of 2005-06.
- Intra-sector prioritization should be done systematically and in accordance with the requirements ascertained through a bottom-up process. Stakeholder Consultation is of paramount importance and the PG should facilitate the LGs in doing this part meaningfully. Service delivery system, therefore, has to be based on a bottom-up

and demand-driven approach since the LGs (now the service providing agencies) cannot be expected to get their civic act together without the will and initiative of the people.

Improving service delivery is a continuous process and needs tremendous commitment. A successful service delivery model has the following attributes:

- i) It has the qualities of equity, affordability, access and efficiency**
- ii) The quality and the reach of services are based on predictable and adequate resource flows**
- iii) Credibility of policy**
- iv) A high degree of comprehension and commitment of the officials to the programmes and projects that they are asked to implement**
- v) Greater credibility of policy directives from higher levels of government because such policies are consistent with Tehsil priorities**
- vi) Planning processes are participatory and inclusive**
- vii) Staff is not subjected to micro-management or political interference**
- viii) High quality of civil service**
- ix) Observance of civil service rules so as to ensure that staff discipline is a key driver of performance in service delivery**
- x) Input restraints that limit opportunities for corruption**
- xi) Flexibility about the means of delivering services, subject to enforcement of minimum standards, to ensure efficient service delivery.**

10.2 - Human Resource Management

- Develop a strategy to meet staff development needs in a phased manner. Vacant posts at all levels be filled following the codal procedure on priority basis. The recruitment should be on contractual basis, facility specific and should contribute to the goal of Gender Mainstreaming. Special attention needs to be given to the training of the staff. Qualification standard needs to be raised and induction of qualified persons should be a matter of priority. Recruitment at crucial levels should be done through the Public Service Commission and human resource deficiencies should be specifically targeted. Own-pay-scale arrangements should be discouraged.

- Assess the total staff requirements of various categories for achieving the plan targets and for providing an efficient service delivery. Deduct the existing availability and provide for the additional staff needs.
- Additional pre service and in-service training centers should be set up for training of all categories of technical manpower needed for construction and operation of water supply and sanitation schemes.
- The skill development programme of TMA engineers should include the following aspects:
 - ❖ Knowledge about basic steps needed to develop a scheme i.e. topographical survey, soil analysis, water sources, attitude of the people including the demand and level of poverty;
 - ❖ Detailed planning and designing including preparation of detailed maps, execution and operation and maintenance of WS&S schemes;
 - ❖ Techniques of project formulation, cost-benefit analysis, financial and operation management, monitoring and supervision techniques of WS&S schemes; and
 - ❖ The training should also include procedures relating to award of contract and procurement materials.
- Develop policy measures to give incentives to the poor and women e.g. employment to females, exemption to widows and poor women to pay the user charges, setting up of women water user committees and to set up stand posts for water supply at convenient places.
- Monetary and career incentives should be given to personnel opting to work in rural and remote areas.
- Improve management capacity of managers working at the TMA level. Prepare a training plan for imparting training to the management staff. The training should include Public Administration, Modern Management and a modicum of Engineering Economics and Planning. The TMO and other TMA officers should have a fairly good understanding of techniques like project formulation, project cycle management, Cost Benefit Analysis and Cost Effectiveness Analysis.
- Rationalization of staff exercise should be undertaken carefully and methodologically. It should not be done too frequently either.

10.3 - Public - Private Partnership

- Public –Private sector partnership should be encouraged to provide WS &S infrastructure wherever possible by involving community.
- CBOs have played an important role in setting up and operation of WS&S schemes. The members of CBOs management committee should be given proper training before starting the scheme so that the committee provides effective assistance to the department. A mechanism should be developed to expand their role by giving incentives and some powers to collect water charges etc.
- Some WS&S schemes have been completed by the Punjab Rural Support Programme in the Barani area and the sweet water zone area. Indicate operational status of these schemes and water charges recovered.
- Measures should be taken to increase the role of government for encouraging the NGOs, CBOs and private sector through provision of finance/cheap credit, facilitation/removal of unnecessary procedures for registration, regulation and quality control in service delivery.
- Solid waste management and garbage collection should be carried out by involving the community. Measures should also be taken to treat the solid waste management for economic uses like manure etc.

10.4 - Other Important Factors

- Initiate a BCC by involving the community and media, so that awareness about WS&S is created among the community in the operation and maintenance of WS&S schemes. The BCC should also include cleanliness and hygiene education regular flow of information, speeches through media (TV and Radio), print materials including newspapers, leaflets, posters, advertisement, attractive logos for dissemination of information about services provided to the people etc.
- Cost recovery mechanism should be developed to improve sustainability of O & M cost. Installation of water meters should be encouraged in urban areas. Additional staff for this purpose would be recruited and trained after carrying out proper cost benefit analysis.
- Conduct a third party evaluation of WS&S facilities handed over to the PRSP
- Develop a monitoring mechanism including supervision, by involving LGs' Monitoring Committees, hold review meetings, and develop

methods of tracking slow moving activities, checking quality and enhancing efficiency in service delivery. Finalize the indicators (by breaking them into indicators for sub-sectors) to watch the progress and identify viable means of monitoring.

- Set service standards for delivery of different services, and review the performance on periodical basis.
 - Set technical standards, disseminate widely and monitor their implementation
 - Finalize indicators to watch the progress and identify viable means of verification.
 - Strengthen research and surveillance support system. Find out areas / aspects needing research and prepare a research programme which can be considered by a committee set up for this purpose. Some foreign agencies can also help in this regard.
 - Analyze the assumptions and risks involved
 - Describe constraints which come in the way of achieving the targets especially relating to resources, manpower, technological, social, religious , implementation, capability etc.
 - Carry out managerial and functional restructuring of the sector keeping in view new roles under the PLGO 2001.
-
- A system should be evolved to regulate the private sector with a view to maintaining a reasonable level of service standard, and elimination of exploitation in the collection of water user charges and poor service delivery etc. The PHED may select a group of experts to carry out a study about the regulatory measures to be taken as very little work has so far been done. The study should examine whether these measures be directional in nature and through incentives or through legal measures and inspections. The study should also examine procedural matters, existing deficiencies and measures to be taken.
 - Strengthen back-up logistic systems, including procurement, storage and distribution of materials and other supplies etc. This should be supported by an efficient monitoring and vigilance system at the DG level to bring in the essential element of transparency.
 - There should be reduction in unnecessary business costs to encourage private investment
 - There should be carefully conceived strategies to check wasteful expenditures during implementation

- Projects and Programmes included in the ADP must meet certain minimum investment criteria i.e. an adequate social/economic rate of return, however roughly it is calculated.

11 - Costing of Strategic plan and its phasing over five years

- Develop unit cost for various interventions using unit costs given in the past PC1s, local purchases made by the department, budget estimate for 2005-06 and other appropriate sources.
- Develop cost estimates for various strategies on basis of unit costs.
- Consult the MTBF to assess what resources are available in next few years and make a projection for next five years.

The following steps are involved in preparing the MTBF:

- 1) Estimate the resource envelope. Revenue estimates can be derived from five year forecasts of economic performance and development assistance flows.*
- 2) Set medium term sectoral resource limits. The resources available for reallocation (to meet aggregate constraints and changed priorities) will be influenced by existing commitments, such as counterpart financing of aid, debt service obligations, intergovernmental transfers and pensions. Wherever possible, these should be attributed to their sector before limits are settled. Indicative sectoral spending limits are then set based on government priorities, existing programmes and preliminary discussions with sector departments. These indicative limits should be finalized well before the termination of the fiscal year.*
- 3) Medium-term strategic plans are prepared by the line departments that set out key objectives, together with their associated outcomes, outputs and expenditure forecasts, within the limits agreed on by the Cabinet. These plans should consider costs of both on-going and new programmes/projects. Ideally, spending should be categorized into salary and non-salary (operations and maintenance) components. The sector plans are then reviewed and revised limits are sent to the Finance Department onward to the Cabinet.*

4) *Annual budget (based on the MTBF format) is then prepared by the line departments and submitted for aggregation to the Finance Department.*

- Look at the gaps that exist between the cost estimates for five years as part of the strategic framework exercise and the budgetary projections made. In case the initial demand made under the strategic framework is more than the projected resources available, drop some of the low priority interventions and ultimately match with the resource envelope likely to be available.
- Ensure that all pipeline donor funds are accounted for.
- Take in to account the throw forward (both capital and recurrent) of ongoing development projects. Examine if there are low priority ongoing schemes which can be eliminated. A large throw forward can limit the entertainment of new schemes.
- Consult NGOs and private sector to account for their ongoing investment as current budgets and future investment as new development.

12 - Managerial and Functional Restructuring

The social services have been expanding since 1980s with introduction of new services and technologies without corresponding modifications in the functional arrangements and management styles. The introduction of LG system in 2001 has brought a sea change in the management and delivery of social services. The roles and responsibilities at Provincial and LG levels have undergone massive changes, but the management arrangements for the social sector services remained unaltered. Some of the examples of functions that have been transferred to the LGs include: planning of social services in consultation with local stakeholders, full responsibility for procurement of goods and services, financial management of resources made available through Account IV, institutionalizing local accountability mechanisms, expansion of services to reach the poor and disadvantaged with participation of communities and private sector, implementing various regulatory mechanisms to improve quality of services etc. Similarly the roles of the PG have also changed from being implementers to providing policy guidelines and technical assistance to the LGs, setting standards and

regulatory mechanisms, monitoring and evaluation and provision of tertiary services. The PHED may consider the guidelines given in the following paragraphs while completing the said exercise.

In order to create enabling environment for the LGs, it is essential to undertake managerial and functional restructuring both within the LGs and the PG systems. The exercise would require further work at least in the following areas:

- **Segregating the roles and responsibilities of the LGs and the PG in WS&S sector under the PLGO 2001.** This would imply clearly delineating and spelling out roles of the PG and the TMAs with respect to posting and transfers and regarding decisions about development. Appropriate institutional linkages will still have to be developed between the two tiers of Government. Coupled with this, it should be ensured that policy transmittal by the PG to the TMAs is clear and in precise terms. Capacity for TMA planning is limited to preparation of annual budgets, which is treated as a mundane and run-off-the mill exercise. The three-year rolling plans should be based on Tehsil specific data to be acquired from the MICS and the Development Statistics and should adapt provincial sector plans to existing local needs and constraints. They should provide an elaborate blueprint for effective implementation of education services and functional support systems in the Tehsil. This would be in consonance with evidence-based planning, something that lends greater credibility to the Strategic Planning paradigm.
- **Reviewing the existing functional and managerial structures at the Provincial and LG levels and their capacities.** Shortcomings will also be identified. For instance, contract-based system of recruitment needs to be reviewed as the contract pay package has become outdated. In order to deal with the issues of vacancy position and to minimize staff absenteeism, recruitment may be accomplished through the Public Service Commission. There should also be performance-based incentives and a reward system for engineering staff.
Options to improving the functional and management structures with the objective of enhancing the efficiency, effectiveness and quality of

social services with as less changes as desirable in the current systems need to be explored.

- **Rationalizing the management structures where controls are shifted from inputs to outputs and there is focus on results rather than procedures.** Performance-based management systems and mechanisms should gradually be put in place. This should be complemented by a serious rationalizing exercise, whereby redundant offices should be identified and closed. PHED should start this exercise from within and take initial actions in the Department. The PHED role may be strengthened through assigning the roles of technical supervision of Tehsil WS&S service delivery system, coordination and quality control. At the same time, provincial role may be geared toward policy making and planning.

Core competencies in general management, human resource management, planning, budgeting and accounting, monitoring and evaluation as well as social mobilization need to be enhanced considerably at the TMA level. The PHED needs to work purposefully on this as training and support is earnestly required to strengthen these rather fledgling structures.

The restructuring should also take in to account the options like how existing systems could be reinforced with provision of necessary skill development in order to invigorate social sector institutions. This would require:-

- i) investment in developing human capital towards effective policy formulation, policy analysis, planning including strategic and annual operational plans, examination system, staff training, fiduciary area, management, implementation, and monitoring and evaluation;
- ii) reward system for good performers;
- iii) establishing work improvement teams as a means of enhancing the quality of services; and

- iv) means of enhancing accountability measures, such as introducing performance-based annual planning, Citizens' Charters and Public Reporting in a very comprehensive and consistent manner.

This means giving more "choice" and "voice" to service users and thereby promoting efficiency in public service delivery system. Every selected option would then need to be backed by a robust monitoring system.

The restructuring exercise would identify a unit within each social sector Department which could:

- articulate its mission on the basis of national policy and provincial strategic framework
- integrate organizational, personnel and financial audits.
- monitor performance of social services and render periodic reports to the executive, the legislature and the public

The functional and managerial restructuring options will be developed with an open mind keeping in view as to what may work and what may not, and be guided by the needs of the given situation. While restructuring may not be a panacea for the problems of the social sectors in the Punjab province, a careful and selective adaptation of some options to selected social sector situations should prove beneficial.

12.1 - Partnership with NGOs, CBOs and the private sector.

The involvement of the private sector and civil society organizations in public sector management is now recognized worldwide. The restructuring initiative should look for opportunities to improve relationships with these organizations, and use them as partners in development rather than adversaries. It may be desirable to promote dialogue with CBOs and NGOs to reduce mutual suspicions and enhance partnership in social services delivery. To this effect, mechanisms for regular consultation and participation in policy formulation and decision-making should be explored. The partnerships with the private sector should also search for means of enhancing the transfer of competitive skills from the private sector to the public sector. As an example, delivery of services can be contracted to the private sector using

arrangements like: (i) contracting-in of management services from the private sector; and (ii) contracting-out services to the private sector, using performance based contracts.

13- ACTION PLANS for implementing the Strategic Plan

The Strategic Plan is implemented by putting into action two Action Plans i.e. the Institutional Action Plan and the Financial Plan.

The **Institutional Plan** spells out how the PLD, with the resources at its disposal, will implement its strategies (given in detail above). This would, essentially, entail developing skills of existing staff, hiring new staff with the necessary skills and experience and looking for these skills and experience outside the PLD (outsourcing) e.g. in consultants or NGOs. It should also give guidelines about issues of governance; in particular about transparency and checking corrupt practices and rent seeking. Employing information technology to decrease discretion, engaging NGOs and communities to monitor projects and plans, eliminating sources of pilferage are appropriate prescriptions for the WS&S sector. In addition to these, strategies that enhance the feedback mechanisms between users, civil society organizations, development agencies may be one of the workable strategies for reducing corruption and rent-seeking. It is imperative that the procedures and work processes are transparent and not prone to mis-use or abuse.

The **Financial Action Plan** is a strategy for regular budgeting and allocation of resources so that the development strategies are achieved within a given budget and time frame. This, of course, would be in line with the MTBF. Here, the utility of Situation Analysis would become obvious; if done well, the Situation Analysis feeds well and appropriately into the Action Plan and its two components. Managerial and Functional Restructuring is also closely linked with the Situation Analysis and gains substantially from it. The Financial Action Plan of the PG, in the MTBF mode, would facilitate the TMAs subsequently in their effort to formulate three year rolling plans in the MTBF mode.

14- Development of indicators for measuring and monitoring social sector service efficiency

We have already highlighted the fact that Social sector departments do not have robust systems to monitor the performance and efficiency of their services. As a result, there are no comparable statistics over time and this fact hampers development and incorporation of viable and valid indicators.

The MTBF document has defined the types of Indicators quite appropriately and they need to be incorporated in the M&E framework to be designed for the Strategic Plans. Three types of performance indicators that may be used are:

- a) **Input Indicators** measure the degree to which services are being provided at the lowest possible cost. These indicators will be expressed in cost per unit of output; such as per capita expenditure on water supply and per capita cost of sanitation.
- b) **Output Indicators** will represent outputs of the intervention such as the number of users served, the increase in the number of households with sanitation facilities, etc.
- c) **Outcome Indicators** will measure the results, outcomes, impact or quality of services the intervention provides to its customers. Outcome measure will be stated as, for instance, increase in population coverage, decrease in water borne diseases, etc.

15- M&E Framework

As stated earlier, Monitoring & Evaluation helps in taking corrective action and allows for readjusting strategies in addition to providing useful feedback for the future. M&E is critical to the success of the Strategic Planning paradigm. While the PG needs to conduct M&E with respect to the Outcome Indicators (attainment of MDGs, P-PRSP goals, and generally in the broader framework), the LGs need to develop a M&E framework for evaluating the Input and Output and efficiency indicators. This would mean more detailed M&E at the LG level, for which the PG needs to plan in advance.

It is important to emphasize that the PG should not get involved in the Output and Input-based M&E (post-devolution) as such a practice would be counter-productive for the decentralized dispensation and impede the capacity building of the LGs. What is more significant is to put a mechanism in place whereby the TMAs have to send in quarterly reports for utilization of development funds. The PLD should, subsequently, ask for specific reasons for under-utilization (if any) of the funds. In addition to this, the TMAs should be made to adhere to the Budget Calendar as well as the Planning Calendar. The Conditional Grants mechanism, under the Provincial Finance Commission award, will also offer a very important strategy for the M&E regarding the allocation and the subsequent utilization of finances to the TMAs. The PHED should start building its capacity internally so that understanding of the Conditional Grants mechanism is sufficient and precise as in the medium-term it would become the cornerstone of financial system.

Furthermore, the Monitoring Committees of the Local Councils (established under Section 138 of the PLGO, 2001) have substantial potential and it needs to be harnessed. Capacity building of the Monitoring Committees should, therefore, be a matter of priority for the PLDs as well. The TMO should be required to send reports to the PHED about accomplishment of development goals and service delivery outcomes in the Tehsil. The M&E Framework document produced by the PDSSP should be utilized to make the M&E procedures more effective and result-oriented.

The M&E is the last stage in the Strategic Planning process. It provides critical inputs to the feedback system and needs careful compilation. M&E reports should be widely shared and disseminated within the PLDs, especially where cross-cutting issues and objectives are numerous. For example, the social sectors have many cross-cutting issues and M&E reports pertaining to these sectors should be shared between them. This will augur well for giving the Strategic Planning a clear direction and purpose.

16- Conclusion

The Strategic Planning gives a model of integrated planning. As a process, its components are closely inter-linked and need to follow each other in an order. It needs to be done purposefully and over a period of time so that the precepts it brings in are imbibed by the planners and done iteratively over time and refined in the process. The five-year plans, hence, formulated would have a strategic design and be replicated as three year rolling plans for the LGs. The most significant strength of Strategic Planning lies in the fact that it is an action and result-oriented process and precisely for this reason the PG should employ it as a strategy over the medium-term.

DEFICIENCIES IN THE FIVE YEAR DEVELOPMENT PLANS

1. Deficiencies in the plans: they tend to be over-ambitious; to be based upon inappropriately specified macro models; to be insufficiently specific about policies and projects; to overlook important non-economic consideration; to fail to incorporate adequate administrative provision for their own implementation.
2. Inadequate resources: incomplete and unreliable data; too few economists and other trained planning personnel.
3. Unanticipated dislocations to domestic economic activity: adverse movements in the terms of trade; irregular flows of development aid; unplanned and haphazard changes in the private sector.
4. Institutional weakness: failures of communication between planners, administrators and their political masters; the fact that a lot of institutional arrangements unsuitable to local circumstance's and requirements are imported.
5. Failure on the part of the administrative civil service: cumbersome bureaucratic procedures; excessive caution and resistance to innovations and new ideas, personal and departmental rivalries; lack of concern with economic considerations (Finance Ministries are particularly a frequent target, often said to undermine the planning agency by resisting the coordination of plans and budgets).
6. Programs included in these plans were largely directed at achieving the relevant targets and went through only a cursory economic appraisal.

**MAIN CAUSES OF POVERTY INDICATED
IN P-POVERTY REDUCTION STRATEGY PAPER**

Poverty in the Punjab is more than the other provinces. Urban poverty in Punjab is 26% against the country's figure of 22% while rural poverty in the Punjab of 36% is higher than Sindh of 35% and Baluchistan 23%. Main causes of poverty in the Punjab are shown as under:-

- a) Reliance on traditional agriculture resulting in low productivity and decreased income level
- b) Fragmented land holdings and absence of opportunities for off farm income alongwith low level of education and training.
- c) Poor socio-economic indicators and high gender disparity especially in the rural area.
- d) Inadequate institutional arrangements for addressing the problem of disadvantaged groups including women, girls and children.
- e) Large proportion of unpaid family helpers in agriculture sector leading to higher gender disparities in rural areas.
- f) Large gap in availability of safe drinking water and sanitation facilities in rural and urban areas.
- g) Lack of financial discipline and physical provisions resulting in sub optimal and wasteful expenditure in public sector.
- h) Inadequate support to small and medium scale industry in the province.
- i) Imbalance in the educated and trained manpower vis-à-vis job opportunities / requirements in the province.

Participatory Poverty Assessment came out with a list of common factors that defined the poorest localities and the people living in them which is shown as under:-

- Lack of access to main roads – seen as a major feature of a poor village together with the distance to the nearest town.
- Salinity and waterlogging – seen as an indicator of the poverty of an area and a cause of the impoverishment of local inhabitants.
- Desert or drought affected areas – six of the poorest PPA sites in Punjab are in these areas. Drought is seen as bringing misery to poor people by depriving them of water for both agriculture and domestic uses.
- Poor flood and rainwater drainage – seen as a feature of poor localities and leading to poor sanitation.
- Lack of facilities and basic services – the lack of access to schools, health centres, electricity, adequate food and clothing seen as indicators of the poverty of people.

**CROSS CUTTING THEMES INDICATED
IN P-POVERTY REDUCTION STRATEGY PAPER**

The objectives and targets for the Punjab relate to governance reforms, qualitative and quantitative improvements in services delivery, improved fiscal and financial management, promotion of private sector and sectoral programs for poverty. P-PRSP is based on the following cross cutting themes:-

- a) Improved efficiency through governance reforms – respect for the rule of law, reestablishment of the state institution's integrity , effective mechanism of accountability to public at all levels.
- b) Strengthening of planning capability at all levels.
- c) Improvement of service delivery in the key sectors of health and education.
- d) Fiscal and financial management reforms within MTDF with the objective of enhancing effectiveness and accountability of expenditure and improving resource mobilization for making additional resources available to poverty related sectors.
- e) Integration of gender concerns in all sectors.
- f) Focus on income and employment generation activities.
- g) Streamlining environmental issues through out the province.
- h) Creation of investment friendly environment to promote private sector.

Sectoral development programme were implemented in the past which aimed at poverty reduction but these did not aim specifically at the poor as a target group. PRSP is the first document which aims at addressing the poor. The study has used minimum income of Rs.750 per capita per month and consumption of 2300 calories per person per day as the definition of poverty.

Salient Feature of the Situation, Issues and

Strategies Paper – Water Supply and Sanitation Sector

By PMU P&D Department Government of the Punjab

The greater part of the Punjab has been blessed with an underground water table of sweet water recharged through irrigation network. In the sweet water zones, access to water in the rural area is through hand pumps and in the urban areas it is through a piped water supply system attached to tube-wells installed and operated by the PHED and TMAs. In rural areas people are not much interested in house connections and as such not willing to pay for water charges. Access to potable water in the rural area is 77.7 percent and in the urban area it is 38.1 percent. In the barani area, existence of potable water aquifers is not common, where it does exist, it is available at a depth of 100 meters or more.

Non potable water is the cause of a number of diseases particularly for children and infants as it is the principle source of diarrhea. This disease alone accounts for about 25 percent of deaths of children. According to housing census of 1998, 94.2 percent of households had inside the house water supply system, of which 54.8 percent had municipal tap water supply and 39.4 percent had hand pumps and wells. The remaining 5.8 percent of the urban households had outside the house drinking water supply arrangements. In the rural area about 11 percent had inside the house tap water supply and 72.4 percent households had inside the house water supply from hand pumps/wells. The remaining 16.4 percent households in the rural area had outside the household water supply.

Access to sanitation at the household level is measured through the availability and type of toilet facilities preferably inside the house. In the urban area of the Punjab 91 percent of the households have installed a flush latrine. In the rural area about 31 percent of the households has this facility and about 68% of the households has not toilet facility. Underground/covered drainage system is available to 45 percent of the households in urban areas and 2 percent of the households in the rural area. About 42% percent of households had open drains and about 56% had no system .

A number of development schemes have been started to provide water and sanitation facilities to the people. Some schemes have been assisted by ADB, World Bank, UNICEF and CIDA. Lessons learnt from these schemes are shown as under:

- Sustainability depends on CBO capacity and willingness, effective community involvement throughout the project cycle and community ownership expressed through cost sharing.
- Social mobilization should be community-wide and precede scheme planning.
- Design should be appropriate to needs both technical and community.
- Start up delays should be avoided through pre-project approvals, pre-qualification and adequate staff with skills to oversee and appraise consultant and contractor outputs.
- EAs must use all designed components of the MIS developed.

- Appraisal should be based on realities rather than standardized financial rules, particularly with respect to tariff setting.
- All activities should be preceded by workshops to train staff on funding agencies' requirements vis-à-vis required system, procedures, guidelines and reporting needs to help improve implementation.

The study has indicated certain problems, which are affecting the delivery of services of WS&S sector. These relate to devolution of functions, lack of coordination between the implementing agencies, poor community involvement, non availability of planning and design staff with the local governments/TMAs. Cost recovery problems, use of alternative technologies, non operation of completed schemes, water pollution from arising from factory waste, chemical fertilizers pesticides and water logging/salinity, monitoring and supervision problems, poor resource availability and precarious financial conditions of WASA.

Objectives proposed by the study are shown as under:

- To ensure long-term reliability of services through the provision of quality system.
- To maximize coverage of un-serviced communities through the efficient utilization of available resources.
- To ensure that all schemes are integrated intra-sectorally.
- To minimize public sector liability for operating and maintaining schemes in the long run.
- To improve the sustainability of schemes by providing a level of service which is affordable by and acceptable to communities.
- To integrate communities in the full project cycle from initiation to subsequent operations and maintenance.
- To provide services to only those communities that are prepared to accept full responsibility for schemes and have been effectively integrated into the process.
- To maximize the benefits from schemes through the use of affordable and appropriate technology which has been accepted by communities through a wide participatory mechanism of approval and.
- To ensure the maximum participation of women in the decision making process.

Resources available for WS&S schemes excluding WASAs for the next three years are shown as under:-

(Rs. Million)

	Current Budget	Development Budget	Total
2004-05	5890.70	5588.35	11479.65
2005-06	6538.68	6706.02	13244.70
2006-07	7257.93	7309.57	14567.50
2007-08	8056.30	8771.48	16827.78

The current budget would increase to Rs.8056.3 million in 2007-08 from Rs.5890.70 million in 2004-05 an increase of 36.8 percent, whereas development budget would increase by 57.00 percent.

Salient Features of Medium Term Budgetary Framework
By Finance Department Government of the Punjab

This document has shown vision of the Punjab government as “the intelligence path to development” for which four key missions have been indicated as (i) Modernization and development, (ii) innovation and creativity, (iii) confidence and achievement, and (iv) tolerance and moderation. Long term objectives to be achieved by 2020 have been shown as under:-

- Full employment.
- Full literacy.
- Highly educated, highly skilled and talented workforce.
- Tolerant and culturally sophisticated society.
- Full integration with world economy.
- Affluence and health populace.

The above broad objectives are to be achieved in the Punjab by the year 2020 by creating:-

- An excellent education system
- Thriving and competitive market
- Internally competitive strong companies.
- World class infrastructure and modern urban centers.
- Modern highly value adding agriculture sector
- Smart and efficient government.

The Government of Punjab would adopt a comprehensive development framework encompassing long term strategies for a comprehensive urban and rural development, an integrated physical infrastructure, a cluster development, and a comprehensive development financing. These strategies are aimed at pursuing an annual growth target of 8 percent and per capita income of US\$ 1000 by 2012 and US\$ 2000 by 2020. The Government of Punjab has set up the goal of directly attacking poverty and improving the lives of the people by improving the incomes of the people and improving the delivery of public services. Income of the people will be driven by the creation of one million new jobs every year mostly in the private sector.

The province of Punjab has been under funded for development and for provision of public services for a long time, with the result that its key indicators like number of schools, enrolments, hospital beds, infant mortality rates and poverty reduction etc are less than the other provinces of Pakistan. For the Punjab the total budgeted expenditure on per capita basis was Rs2171. Against this budgeted expenditure on per capita basis was Rs.4869 in case of Baluchistan, Rs.3559 in case of Sindh and Rs.3028 in case of N.W.F.P. The Punjab needs to accelerate public spending for state services and physical infrastructure to bridge the historic gaps created by the past deficiency of resources. This would require that in the medium term, the government of Punjab fully exploit all viable sources of funding.

In order to reduce poverty the government of Punjab is committed to enhance pro poor spending in the future with particular focus on the social sectors, for which the provincial government has formulated a Medium Term Budgetary

Framework (MTBF). It is intended to reform the public financial management system by (i) adopting and disseminating output based performance budgeting, (ii) developing the provincial departments and distinct governments into competent financial management organization (iii) creating an enabling environments for service delivery and (iv) strengthening accountability through effective financial reporting and monitoring.

An estimate of resource availability has been made upto 2007-8, against which projections of expenditure have been made which are shown as under:-

(Rs. Million)

	Current expenditure	Development expenditure	Total	Share of current expenditure
2004-05	139772.265	64593.936	204366.201	68.4%
2005-06	154570.049	81938.432	236508.482	65.4%
2006-07	168334.250	100836.594	269170.844	62.5%
2007-08	184194.984	126872.559	311067.543	59.2%
Growth rate(%)	9.64	25.23	15.03	

Overall expenditure in the province would grow at 15.03 percent per year and that of development expenditure the growth is projected at 25.23 percent. Share of development expenditure would also increase from 31.6 percent in 2004-05 to 40.8 percent in 2007-08.

Resource position in the province is likely to improve due to increase in federal transfers resulting from finalization of 6th NFC award, increase in the provincial tax and non tax receipts net capital account receipts and foreign development assistance. The resource availability would increase from RS.185324 million in 2004-05 to Rs.311068 million in 2007-08 giving a growth rate of 15 percent. Major portion of the additional resources is likely to be diverted to social sectors.

The MTBF has proposed enhanced coverage of WS&S services to population, higher allocations through WASAs/TMAs (impact of buoyancy in GST and resource transfers in lieu of octroi and GET, UIP tax as a straight transfer, restructuring of local government system to enable TMAs and UAS to benefit from management capacity available with district governments.

A large majority of our rural population does not have access to potable water and to sanitation facilities. Since the subject of water supply and sanitation stands transferred to the Tehsil Municipal Administration (TMAs) the MTBF has proposed to support TMAs by allocating over Rs.8 billion in the next three years, in addition to their own resources thereby increasing access to potable water and sanitation.

The MTBs has proposed the following allocations for water supply and sanitation sector:-

	(Rs. million)
2004-05	11479.053
2005-06	13244.701
2006-07	14567.497
2007-08	16827.783

The expenditure for the WS&S sector MTBF would grow at 13.6 percent, against the overall growth rate of 15.3 percent.

GUIDELINES FOR FORMULATION OF ANNUAL DEVELOPMENT PROGRAMME 2005-2006 ISSUED BY THE PLANNING AND DEVELOPMENT DEPARTMENT GOVERNMENT OF THE PUNJAB

The ADP will be formulated within the provincial, economic and social development policy focused on “Build Punjab as enlightened, healthy, progressive and technology driven society with growing economy – where poverty, regional, economic and social disparities are eliminated”. While formulating the ADP for 2005-06 the following guidelines need to be followed:

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GUIDELINES

- a. The Annual Development Programme would be formulated within the mode of MTBF three years development programme for 2005-06, 2006-07 and 2007-08.
- b. Each sector should have a short mission statement clearly indicating as to what has been envisaged to achieve during the next three years with an emphasis on target and achievement during 2005-06 with special linkages with the millennium development goals.
- c. The ratio of allocation between ongoing and new programme should be 60:40 in the next year ADP.
- d. Ongoing projects at fairly advanced stage of completion (where 70% of project cost has been incurred) may be fully funded for completion during 2005-06.
- e. Donor funded projects should be allocated funds according to their contractual commitment and agreed phasing with clear indication of foreign aid in rupee terms.
- f. Special attention should be given to social sector new initiatives/programmes of the government within the framework of Vision 2020 leading towards poverty reduction/alleviation
- g. Allocation for the less developed region should have linkage with their population with 10% weightage. North-south balance in allocation of funds may be taken care of appropriately.
- h. The schemes proposed for inclusion in ADP should be arranged in order of priority within each sector/sub-sector so that if resources fall short of requirements low priority schemes can either be dropped or allocation adjusted accordingly.
- i. Only approved projects should form part of ADP. However new schemes/programmes may be included in exceptional cases.
- j. The projects of provincial importance may be identified for federal financing. All codal formalities may be completed and have close liaison with the federal government – P&D Division, ministries and corporations to have share from federal PSDP.
- k. The CMs accelerated programmes for social and infrastructural development will be continued to bridge the gaps of district governments and TMAs. Adequate funding should be provided to complete the ongoing programmes.
- l. Programme should be forwarded to P&D after full in house deliberations.

- m. The development policy and strategies for 2005-06 in various sectors by and large will remain the same as of 2004-05. The salient features of policy objectives are given as follows.:-

Objectives of ADP 2005-06

1. Accelerating the economic growth
2. Reduction in poverty
3. Balanced regional, gender and minority development
4. Consolidation of existing physical and social infrastructure
5. Public service delivery in education, health and water supply and sanitation sector alongwith enhanced coverages.
6. New infrastructural development through public – private partnership.

Strategies of ADP 2005-06

- a. Higher across the board allocation for all sectors with an emphasis on the pro-poor sector.
- b. Maximum allocation to ongoing schemes to avoid deferring benefits.
- c. Required counterpart funding for foreign aided projects.
- d. Allocation for regional development projects
- e. Containment of throw forward
- f. Adequate new programmes to increase coverages.

Policy initiatives for Social sectors

Education

- a. Providing missing facilities in primary and elementary schools.
- b. Provision of free text books to primary school students.
- c. Stipends to girl students.
- d. Reduced drop out rate
- e. Promotion of girls education
- f. Encouraging students through merit scholarships.
- g. Increasing literacy rate.
- h. Improving quality of education through teachers training and introduction of new syllabus
- i. Provision of computer education at secondary level.
- j. Assistance to local government in development of educational facilities through accelerated programmes.

Health

- a. Reducing annual population growth rate
- b. Increasing population welfare programme coverage.
- c. Reducing maternal mortality rate. (MMR)
- d. Reducing infant mortality rater (IMR)
- e. Strengthening of primary health care with emphasis on rural areas and urban slums.
- f. Strengthening of secondary and tertiary health care facilities for adequate referral backup.
- g. Encouraging public private –partnership in health through NGOs, Local Bodies and private sector.

Water Supply and Sanitation

- a. Improved water supply and sanitation facilities in rural area through community participation.
- b. Rehabilitation of existing water supply schemes.
- c. Provision of drinking water and sewerage / drainage facilities in Southern Punjab.
- d. Improved water supply and sanitation services in urban centers.
- e. Capacity building of TMAs and provision of technical support services.

Projection of Allocation

- a. The allocation in social sectors would be so increased that in the final year. The allocation reached as follows:-

(Rs. Million)

S. No.	Sector	ADP Allocation 2004-05 (Rs. million)	%age Allocation 2004-05	%age Allocation 2005-06	%age Allocation 2006-07	%age Allocation 2007-08
1	Education	8230.00	16.50	18.00	20.00	23.00
2	Health	2000.00	5.00	5.50	5.75	6.00
3	WS&S	2500.00	7.00	7.00	7.00	7.00
4	TEVTA	213.38	0.43	0.50	0.90	1.00
5	Environments	163.35	0.33	0.55	0.75	1.00
6	Social Welfare	100.00	0.20	0.40	0.50	0.50

The P&D Department has issued a schedule of preparation of ADP for 2005-06 starting from 20.12.04 to 31.05.05 which indicated that first draft of ADP should be sent by 15.01.2005 and the final ADP by 31.05.2005. The P& D department has also proposed allocations under medium term budgetary frame work for different sectors. The allocation for social sectors is given as under:-

MTBF Framework for the Punjab

(Rs. Million)

Sr. No.	Sector	Revised Allocation 2004-05	Proposed Allocation 2005-06	Proposed Allocation 2006-07	Proposed Allocation 2007-08
	Overall ADP	50000	64000	84000	110000
1.	TEVTA	213	280	364	470
2.	WS&S	3500	4550	6000	7800
3.	Environmental planning	163	320	630	1070
4.	Education & Training	8230	12500	17380	23600
5.	Health	2000	3000	4200	6500
6.	Social Welfare	100	300	630	1075
7.	Block Allocations	494	900	1220	1450
8.	District programmes	9000	11000	15000	20000
9.	Tameer-e-Punjab programme	1855	2800	2800	3710

**DEVELOPMENT STRATEGIES SUGGESTED
FOR THE WATER SUPPLY AND SANITATION SECTOR IN THE
MEDIUM TERM DEVELOPMENT FRAMEWORK 2005-10**

In order to implement the planned programs the MTDf has suggested the following strategies for the WS&S Sector.

1. Development plans for WS&S will be prepared to optimize the use of water sources within the frame work of growth of urban and rural areas and available municipal financing in relation to other infrastructure programs / projects.
2. Overall water supply coverage will be increased from 65% population in 2005 to 75% in 2010.
3. The current sanitation and sewerage facilities at around 35% population coverage will be extended to reach 45% along with the development of waste water treatment unit, recycling provisions and conservation measures in urban centers upto district level.
4. It is envisaged to halve by 2015 the proportion of population without sustainable access to safe drinking water and to achieve a significant improvement in access to sanitation.
5. The target of regularization of 75% of kachi abadis with adequate access to water supply and sanitation will be fully met.
6. Rural water supply and sanitation program for the next five years will ensure that all villages having population of 100 households and above are served with drinking water supply and sanitation /drainage schemes on sustainable basis.
7. Installation of water meters will be encouraged in urban areas. Institutional capacity of WS&S departments/agencies would be upgraded by recruitment of adequate staff and their training in planning and project implementation.
8. Specific measures will be under taken by local government to optimize the available water and to conserve water resources.
9. In order to establish city and local government on a self-sustaining basis a long term and structured funding program targeting the municipality will be established.
10. Consideration will be given to vesting the major cities with the legal powers to borrow funds from the banks or the capital market to augment the financial capacity.
11. Private sector will be involved to provide urban WS&S infrastructure at reasonable price and quality. The provincial government would provide regulatory and control measures.

12. Use of sanitary latrines will be promoted in the rural area as a part of an over all sanitation awareness program.
13. Policies to transfer operational responsibility for rural water supply scheme to the community will continue.
14. Additional training centers will be set up for providing training to all categories of WS&S technicians and construction workforce.
15. Engineering services and construction technology will be upgraded to improve productivity and quality as also to ensure the timely completion of WS&S projects.

LIST OF PERSONS WITH WHOM CONSULTATIONS WERE HELD

HUD AND PHED Department

Mr. Akhlaq Ahmad Tarar	Secretary HUD & PHED
Mr. Mazhar Ali Khan	Special Secretary PHED
Mr. Safdar Ali Cheema	Director PHED
Mr. Zahid Hussain	PD Punjab Community Water Supply and Sanitation Project
Rai Niamat Ali	Consultant Southern Punjab Basic Services Project

Planning & Development Department

Dr. Shaheen Khan	Chief Economist, P&D Department
Sh. Abdul Ghafoor	JCE, P&D Department
Ch. Mukhtar Ahmad	Senior Chief, District Programme
Ch. Habib ur Rehman	Senior Chief, Drought Emergency Relief Assistance Programme
Miss Bushra Yasmeen	Assistant Chief District Programme
Malik Muzammal Hussain	Assistant Chief WS&S
Mr. Asad Ullah Khan Sumbal	Punjab Resource Management Programme

PDSSP

Mr. Hassan Nasir Jamy	Programme Director
Mr. Abdullah Khan Sumbal	Deputy Programme Director
Mr. Qurban Ali Shah	Assistant Programme Director

Finance Department

Mr. Muhammad Arshad	Deputy Secretary
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LG&RD

Mr. Javed Latif	Additional Secretary
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C&W Department

Mr. Ali Raza Bhutta	Additional Secretary
Mr. Khalid Mahmood	Chief Engineer Buildings

Others

Dr. Nasir Javed	Decentralisation Support Programme
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