

## GOVERNMENT ORDER ON ASSET MANAGEMENT AND SERVICE DELIVERY FRAMEWORK

Government of West Bengal  
Department of Panchayats & Rural Development  
Joint Administrative Building (6<sup>th</sup> to 10<sup>th</sup> Floors) HC-07, Sector III  
Bidhannagar, Kolkata – 700 106

No. 2643/PN/O/I/4P- 03 /2017

Dated: 09/11/2017

### ORDER

**Whereas**, the Public Health Engineering Department (PHED), Government of West Bengal is committed for providing good quality drinking water supply infrastructures and services to the rural population in the State in accordance with its Vision Plan 2020;

**Whereas**, the PHED with funding support from the Asian Development Bank (ADB) is executing the West Bengal Drinking Water Sector Improvement Project (hereinafter called 'the Project') in three districts namely North 24-Parhanas, Purba Medinipur and Bankura in the beginning, wherein surface and sub-surface water from rivers will be drawn, treated and distributed to selected Gram Panchayats (GPs) and their habitations:

**Whereas**, the PHED will operate and maintain the bulk water supply system from the river to the overhead service reservoirs (ORs) of the GPs and the internal water distribution system within the GPs will have to be operated and maintained by the respective GPs using their own resources, the GPs concerned being part of this Project to receive water supply at the designed norms on completion of the Project;

**Whereas**, based on the current Government policies and powers conferred to the GPs through the West Bengal Panchayat Act, 1973 for managing water supply services, the water distribution systems within the respective jurisdictions of the selected GPs will be handed over to the GPs on completion of the projects for operation and maintenance management;

**And Whereas** it is considered necessary to clearly the roles and responsibilities of the PHED (the bulk water supplier), the GPs (the drinking water supply service providers) and all other offices and / or institutions concerned, in order to ensure provision of safe and sustainable water supply delivery to the households connected to the distribution systems in the concerned GPs;

**Therefore**, the Governor is pleased to order that the process of implementation of the West Bengal Drinking Water Sector Improvement Project shall commence in the jurisdiction of the selected GPs in the three districts (a district-wise list being enclosed as *Annexure- A*) with immediate effect following the directives contained in this order as stated hereinafter:

- 1) The selected GPs in the three districts shall discharge their responsibilities in connection with this Project through the Village and Water Sanitation Committees (VWSC) constituted / to be constituted in each GP in terms of the Order No.490/PN/O/I/4A-01 dated 10.6.2016 of the Panchayats & Rural Development Department (P&RDD), Government of West Bengal. Each VWSC will adopt a resolution to the effect that it agrees to discharge the responsibilities and abide by the terms and conditions laid down in this Order under overall guidance, support and control of the Gram Panchayat concerned for this purpose and it will be the responsibility of the GPs to accept the resolution in order to be eligible for being a part of this Project.

- 2) The financial and performance obligations, particularly the technical services and financial management aspects, shall be reviewed by the Executive Officers of the Zilla Parishads concerned on a half-yearly basis, along with representatives of the P&RDD and the P&RDD shall direct the GPs in writing to address any issues and concerns relating to fulfil their obligations as required. Such directive shall be binding on the GPs and they shall act appropriately to address those instantaneously. These reviews will be conducted based on quarterly and semi-annual compliance report produced by PHED to the reviewers.
- 3) The PHED shall design and construct the water treatment plant, transmission mains, rising mains, overhead service reservoirs, pipelines, appurtenances, distribution networks, house connections and install bulk and household meters as approved under the Project. The PHED will own all assets related to bulk water supply including overhead service reservoirs. These assets would be collectively known as "assets of PHED".
- 4) The PHED will connect the households and other consumers, present at the time of execution of the distribution system and registered within the jurisdiction of the GPs, through individual house/ service connections with the active participation of the GPs. Any additional house/service connections after the handover of the distribution system shall be provided by the GPs at their will and cost and in conformity with the standard connection design prescribed by the PHED.
- 5) The PHED by virtue of this order would transfer the use and ownership of all the assets of the PHED beyond the bulk meter at the overhead service reservoir(s) covering pipelines, appurtenances, house connections, bulk and household meters (herein after called the "Transferred Assets") to the GPs on completion and commissioning for further operation and maintenance (hereinafter called the "O&M). All other "assets of PHED" up to the point of bulk meter would remain with the PHED. The representatives of both the PHED and the GPs shall sign handover agreement at the time of handover of the Transferred Assets. The PHED shall provide full technical details and preventive and emergency maintenance manuals of the Transferred Assets to the GP. PHED will provide potable water to the GP on daily basis at the OSRs (s) for the GP. It is the responsibility of the GP to provide water from the OSR (s) to the households of the GP.
- 6) The bulk water supply system is designed to provide 24 hours of water at the overhead service reservoir(s) for the GPs and such supply shall be sufficient to keep the distribution system charged and deliver water supply to household as and when required on opening of their taps, for 24 hours in a day. The GPs shall ensure that all house connections connected to the distribution system have the taps at all times and remain closed during non-requirement of water to avoid unwarranted consumption by households and wastage of water. The GPs shall thus be responsible for conducting all water conservation awareness and implement actions to ensure conservation to remain within the limit of water consumption designed by PHED as described below.
  - a) The total supply will be made available up to 70 litres per capita per day (lpcd). The PHED will supply bulk water based on the usage of GP and ensure availability of adequate supply at the overhead service to meet designed daily demand of the GPs. The quantity will be enhanced proportionately, based on the ensure supply of 70 lpcd at the household level in an equitable and inclusive manner throughout the design life

of the assists. The GPs may raise issues of population growth and additional demand, if any, in the annual compliance report to the PHED.

- b) While the PHED shall be responsible for monitoring water quality of the bulk water supply system, and ensuring that it meets the standards set by the PHED, the GPs shall monitor water quality in the distribution system at household level following the procedures and format provided by PHED immediately in case of any water quality parameter exceeds the standards.
  - c) The PHED shall inform the GPs about any planned shutdown at least 7 days before and in case of emergency shutdown within 2 hours of the incident. The GPs shall have to plan mitigation measures such as buffer storage or shortened supplies etc. to overcome water shortage caused by shutdowns. Similarly, the GPs shall inform the concerned household on anticipated supply interruption in the distribution systems due to any repairs planned by the GP or due to interruption of bulk water supply. Interruptions in supply in the bulk water supply system and in the distribution system shall be restored by the PHED within 12 hours and 8 hours of the supply interruptions respectively except in circumstances of force majeure.
- 7) The PHED shall provide all the concerned GPs, the following as minimum operational tools;
- a) Tool Kits for valve operations and repairs of pipe/house connections leaks;
  - b) Handheld device for meter reading and billing; and
  - c) Billing, collection, and water Accounting Software and Regular Data entry requirement and protocol.

The GPs shall remain responsible for O&M of the Transferred Assets as per the standards prescribed by the PHED with requisite trained manpower, tools and equipment and other resources.

- 8) The GPs will supply water, based on the usage (up to 70 lpcd) to all households, barring the system shutdown period, in accordance with O&M procedures as specified above and carry out regular repairs of distribution network (leak detection and repairs, replacement, repair related to house connections, etc.) within a day from their reporting and shall submit monthly report with all repair details to the PHED for updating the information in dynamic asset register database. The GPs shall maintain minimum inventory of standard materials required at all times to avoid delays in repairs.
- 9) The GPs will engage all personnel/vendors/contractors/local organisations as appropriate and following Government norms and procedures as applicable, for all O&M tasks and through formal written agreements. The GPs will prioritise engagement of local men and women from registered local poorer and marginalised Self Help Groups (preferably registered under 'Anandadhara'- the National Rural Livelihoods Mission for West Bengal) for O&M tasks at the GP level and shall ensure that at least 33% of them are women.
- 10) The GPs shall ensure that the personnel engaged are adequately trained/certified. The PHED will facilitate training of these personnel offered under the Project, and through other means. The GPs will ensure that they are paid in compliance with the requirements of Indian and State of West Bengal's Labour Laws and Regulations (including not

employing or using children as labour) and shall not differentiate wages to male and female workers for the work of equal value.

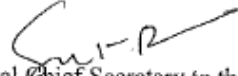
- 11) The GPs shall manage the computer-based household service connection (HSC) registers and ensure its regular updating.
- 12) The GPs will arrange meeting and Gram Sabha as and when required to expedite decisions on issues related to the operation of water supply in a sustainable manner. The GPs will act and take decisions as appropriate and in accordance with the guideline issued by the Government of West Bengal, with respect to matters related to service levels, new house connections & disconnections, measures to meet O&M costs including sharing of part of bulk water supply cost of PHED, measures to control illegal connections-water thefts-misuse of water-defaulters-vandalism water conservation practices, use of state funds/grants.
- 13) The GPs shall abide by the agreed smart water management practices as outlined below to achieve water use efficiency. The PHED will be responsible for SMART Water Management of bulk water supply system and the GPS will be responsible for management of the water distributions system. The GPs will monitor supply received from the PHED and consumptions at household level, based on water meter readings, on a regular basis and provide the data in the water supply system MIS maintained by the PHED the GPs will undertake measures to enhance water use efficiency at household level.
- 14) As the PHED will be incurring expenses using its own resources to operate and maintain the bulk water supply system, the PHED will recover 30% of bulk water supply cost of bulk water supply cost from the GPs based on water consumption of the GPs (recorded and verified by bulk water meter installed downstream of the overhead service reservoirs) to meet part of the operating cost of the bulk water system. The bulk water will be charged at the rate Rs. 2 per 1000 litres for the initial two years after which the bulk water rate will be reviewed by the P&RDD in consultation with the PHED.
- 15) The GPs shall prepare an annual budget for O&M of all the Transferred Assets with support from PHED, taking into account expenses, bulk water supply cost to be paid to PHED, revenue collections, grants available from the Government of West Bengal etc., in accordance with Chapter-XII-Preparation of Budget by the gram Panchayat under the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007. The GP shall share the annual O&M budget of drinking water supply at the beginning of the financial year and utilisation details of previous year to the PHED in the month of April every year.
- 16) The GPs would decide and levy appropriate user charges to cover operating costs of the Transferred Assets and part of the bulk water supply cost of the PHED by enacting appropriate bye-laws under Section 223 of the West Bengal Panchayats Act, 1973. The GPs would collect revenue after appropriate consumer meter reading in accordance with CHAPTER-III- Procedure for Collection of Revenues under the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007. Billing and collection of revenue would strictly follow the adopted bye-laws. The GPS will raise bills on quarterly basis for O&M charges for water consumption by registered users, based on water meter reading and collect revenue of timely funding of all expenditures incurred by the GPs through the VWSC. The GPs would register the woman head of the household (with the

exception of all-male households) as the registered user and raise water bill in her name. The GPs will undertake all measures that are necessary to abate revenue mobilisation at GP level to meet this cost.

- 17) Each GP would ring-fence one VWSC account and credit in this ring-fenced VWSC account all receipt or collection of revenue from registered users by sale of water, and any other receipt in the nature of fees & deposits, grants, contributions, and aid concerning the VWSC. Each GP shall use the funds the debit for all expenditure approved (by the budget) for O&M of all Transferred Assets. The GPs shall ensure that the ring-fenced VWSC account is used only for collections for the purpose of O&M of all Transferred Assets within the jurisdiction of the GP and shall be for no other purpose.
- 18) The GPs would maintain through the VWSCs appropriate accounts (receipts and payments account) for the collections and expenditure for the water supplied under the Project in accordance with Chapter-I-Procedure for Maintenance of Accounts under the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007. The GPs would use the existing computerized accounting system (Gram Panchayat Management System of GPMS) that it follows to consider the accounting of water revenue and expenditure out of the same. The P&RDD would allow the GPs to create the appropriate account heads required for the purpose. The PHED would provide Billing and Water Accounting software and computer system to the GPs for accounting of consumption, billing, and collection of revenues.
- 19) The GPs shall monitor expenses and carry out revenue collection to ensure minimum financial deficit in the Water Supply Account. They will also be committed to undertaking measures to (a) optimise O&M costs, (b) improve revenue collections, (c) meet O&M expenses including bulk water supply cost to be provided to the PHED, and (d) maintain appropriate reserves/surplus funds/savings to fund unforeseen repairs/extensions/expansion of the Transferred Assets.
- 20) The GPs would ensure audit of the VWSC accounts in accordance with the Chapter-X-Audit under the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007. For any other matters concerning financial management of the VWSC accounts, the GPs would adhere to all provisions of the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007. The GPs shall present the accounts in Gram Sabha meetings annually and act transparently by disclosing accounts and audited reports.
- 21) The PHED shall transfer resources (Grants from Government of West Bengal) to the GPs for O&M as available and guided by government policies or will do the book adjustment against GP's share for bulk water supply operating cost.
- 22) The PHED will provide periodic training to its personnel/vendors/contractors/local organisations engaged by the GPs for O&M until the first two years of Asset transfer. The PHED will also provide policy guidelines from time to time to the GPs on issues related to Water Quality Monitoring, O&M, staffing, training, O&M Charges, accounting etc.
- 23) The PHED will respond to bulk water supply related concerns of the GPs and undertake appropriate remedial measures for service improvements within 24 hours. Each GP shall open a consumer grievance cell and redress water service related complaints within 24 hours.

- 24) The PHED shall be responsible for monitoring services of bulk water supply system and GPs shall monitor services within the GPs and to the P&RDD as required. As part of monitoring, the GPs shall conduct meetings with the VWSC, stakeholders involved in the O&M management, and consumers on regular basis to review water supply services. The GPs will participate in meetings related to water supply and co-ordinate with the PHED/Contractors/ZP/Panchayat Samiti/VWSC/VHSNC, SHGs, SHG Federations/Other GPs as and when required. The GPs will also co-ordinate with Junior Engineers (Rural Water Supply) at the Block level as and when needed for any technical support and advice. The PHED and the GPs will participate in review meeting organised at Zilla Parishad as and when necessary to share concerns and exchange support and to review semi-annual reporting of performance and audited account and third party technical audit, if necessary.
- 25) All concerned functionaries associated with the Project will take care of gender, equity and social inclusion in the management of water supply services. The GPs will ensure access and opportunities for all, irrespective of age, gender, religion, caste and economic condition, in decision-making processes at the GP level for managing the water supply services.
- 26) The GPs shall indemnify and hold harmless the PHED and its directors, officers, employees and agents from any claims, liabilities, damages, debts, judgments, settlements, costs and attorneys' fees of any type whatsoever for or arising out of any injury, including death, to any person, or damage to or loss of any property arising during the implementation of the order.
- 27) Except in the case of unforeseen and uncontrollable circumstances viz. calamities, floods, cyclones, earthquakes, or strikes, bundhs, hartals, rasta-rokos, curfews, accidents, etc., the obligations mentioned above will be strictly adhere to by all concerned. In case of any unforeseen contingencies or accidents as stated above, every effort will be made by all concerned to restore normalcy in water supply services as quickly as possible.
- 28) The Zilla Parishads and the Panchayat Samitis concerned shall be responsible for providing necessary support to the GPs in implementing the activities as mentioned above, to monitor the progress of work and to intervene appropriately in resolving issues that may emerge from time to time in the way of effective implementation of the Project.
- 29) The performance of the GPs will be taken into account as an essential condition at the time of annual performance assessment for the purpose of assessing eligibility of the GPs to get Performance Based Grants to be provided to the GPs under the Institutional Strengthening of Gram Panchayats (ISGP) Programme run by the P&RD Department.
- 30) In order to ensure drinking water supply services to be provided under the above – mentioned project and to ensure the quality of the water to be supplied, the P&RDD shall provide necessary support, guidance and directives to the GPs and shall also take necessary action to the effect that in case any GP fails, for any reason, to meet the financial and performance obligations arising out of the Project, the P&RDD shall repay the bulk water supply cost to the PHED, either through deduction of the Grant eligible for the GP at source or by direct recovery from the GP or by any other appropriate measures that may be deemed fit in consultation with the PHED.

31) The P&RDD and the PHED will resolve issues of failure of obligations on the part of any agency or functionary or resolve disputes arising out of this Project amicably through review process stated above through the discussions and following the appropriate Government procedures.

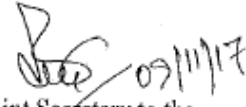
  
Additional Chief Secretary to the  
Government of West Bengal  
Panchayats & Rural Development Department &  
Public Health Engineering Department

No. 2643/1(13)/PN/O/I/4P- 03 /2017

Dated: 09/11/2017

Copy forwarded for information & necessary action to:

1. The Sabhadhipati, North 24 Parganas Zilla Parishad
2. The Sabhadhipati, Purba Medinipur Zilla Parishad
3. The Sabhadhipati, Bankura Zilla Parishad
4. The OSD & Engineer-in -Chief, PHED, Government of West Bengal
5. The District Magistrate, North 24 Parganas
6. The District Magistrate, Purba Medinipur
7. The District Magistrate, Bankura
- ✓ 8. The Project Director, PMU, WBDWSIP & Director, WSSO, PHED, Government of West Bengal
9. The Additional Executive Officer, North 24 Parganas Zilla Parishad
10. The Additional Executive Officer, Purba Medinipur Zilla Parishad
11. The Additional Executive Officer, Bankura Zilla Parishad
12. The Policy Cell of this Department
13. The P.S. to Hon'ble MIC, Panchayats & Rural Development Department and PHED, Government of West Bengal

  
Joint Secretary to the  
Government of West Bengal