

# Report Card: Social Security Schemes (Madhya Pradesh)

## Overview

Social security aspects are not new in India. Since independence, provisions of relief have been central concern in many public works programmes. However, prior to 1990, *social protection* policies and programmes had limited outreach, were often designed for instant social security and were social welfare interventions, mainly in organised sector. But post-1990, social security expanded in concept as well as in outreach. Social security emerged in the form of social insurance, micro-credit schemes and national programmes on maternity, old-age and health security. Nonetheless, coverage under social security was 5 to 6% of the workers in country. In a way, country has performed poorly in providing social security protection to its people with *very high vulnerability* to poverty.

NREGA has ensured social security of all rural households by providing guarantee of 100 days employment per annum. Similarly, in urban social security programmes, the pension schemes have wider coverage of vulnerable. There are issues related to social security benefits in slums and it is found that eligible vulnerable are still out of the reach of social security programmes. The purpose of this study is to encourage governance mechanism and improve the benefits realization in the state of Madhya Pradesh.

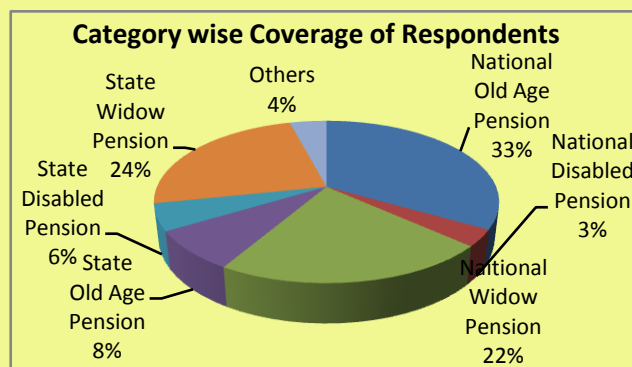
## Methodology

The key objectives of this report card study is to (i) identify the procedural and process related hurdles in providing social security by urban local bodies; and (ii) suggest area of concern and possible actions in the perceptive of relief to poorest of the poor.

This study was conducted in 8 urban localities in *Panna, Satna, Gwalior, Datia, Badwani, Dhar, Jabalpur and Seoni* districts of Madhya Pradesh. The data was generated on access, availability and quality of social security services. In all, 3502 interviews were conducted in 3 categories of respondents:

- (i) who had applied for social security benefit but could not received it (conducted 526 interviews),
- (ii) who had applied and received the benefit, and
- (iii) have eligibility of entitled but did not apply conducted 528 interviews.

This study covers all the social security schemes of sponsored by state and central government in the urban area. Out of total respondents, National Old-age Pension Scheme has highest coverage of respondents, followed by State Widow Pensions and National Widow Pension scheme. The schemes wise coverage of sample respondents are as follows:



The performance of services of social security schemes, as depicted in the analysis, is indicated in yellow, green and red, as follows:

Good Average Poor

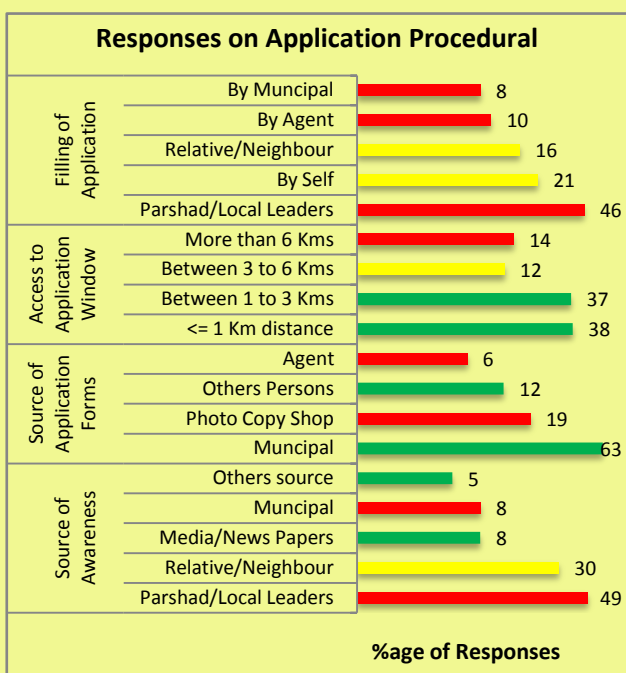
## 1. Performance on Application Procedural

Most important step to get social security schemes benefit is filling application to the concern urban local bodies. The success of it is depends on efforts of ULBs on following three key components: (i) awareness to the applicants on application procedural, (ii) access to application forms and window, and (iii) hand holding support in the preparation of supporting documents and also in submission of application.

The bindings reveal that access to application forms and window is not an issue for applicants. Almost 75 percent respondents have access to windows within 3 kms of radius and about 60 percent applicants received application forms on free of cost. At the same time, the efforts of ULBs on awareness generation and handholding supports were not satisfactory. Only 8 percent applicants received supports of municipal officials in filling of application, which is alarming by low. Similarly, applicants also ascertain that getting information through municipal channel is comparatively difficult than relatives or neighbour or councillor or local leaders or

agents. Applicants perceived that municipal officials do not have sufficient knowledge on statutory guidelines and orders issued by the government. They do not provide simple information, like supporting documents required along with application. Some of the hurdles faced by the applicants are as under:

- Difficulties in the preparation of supporting documents like age proof, death and disability certificates etc.
- Municipal official do not guide properly on supporting documents and every time identify new mistakes in the documents,
- Frequent visits of office and counsellor needed to complete the application formalities.
- Misbehaviour of municipal official while submitting and checking application document.



From the above chart it is evident that hardly few applicants have taken help of municipal officials. It clearly indicates that mediators are highly affianced in application procedurs. It is perceived that they were also involved in manipulative and corrupt practices in connivance with the administrative staff.

The analysis revealed that providing receipt of application to the applicant is not an attitude of municipal officials – almost 70 percent applicants do not received their receipt, which is ethical and legal right of citizen. In the absence of proper receipts, applicants are bound to take help of agent or some local leaders. Moreover, among the applicants, agent creates an atmosphere that without their help social security benefits are impossible. As a result, both the factors,

applicants are unable to get success by self efforts (21%). The dependency on agents and others can be reduced through effective engagement with eligible citizens.

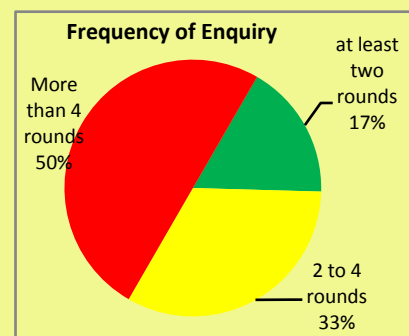
## 2. Sanctioning & Disbursement Process

The performance in sanction and disbursement depends on the efficiency of the municipal officials. The process includes scrutiny and examination of applications, facilitating meeting of concern authorities for sanctioning and formal communication to the applicants and banks on sanction and rejection.

It is observed that the examination process of applications varies from ULBs to ULBs. In Jabalpur it is done at the monthly meetings of Zonal office, while in Panna it is done by municipal council, whereas in Datia it is done in meetings of Education, Women and Child Welfare Committee. It is observed that meetings were not held on stipulated time by concern authority and applications get piled for long durations. At some ULBs, the meeting to finally sanction the application is held only once in a year. The diverse processes indicate complexity in the interpretation of govt orders. Besides, there is lack of transparency in the entire process right from the receipt of application to its approval and final disbursement. If the process is common across ULBs, there is scope of proper implementation and monitoring. Even some online filling and tracking system can be introduced for effective service delivery.

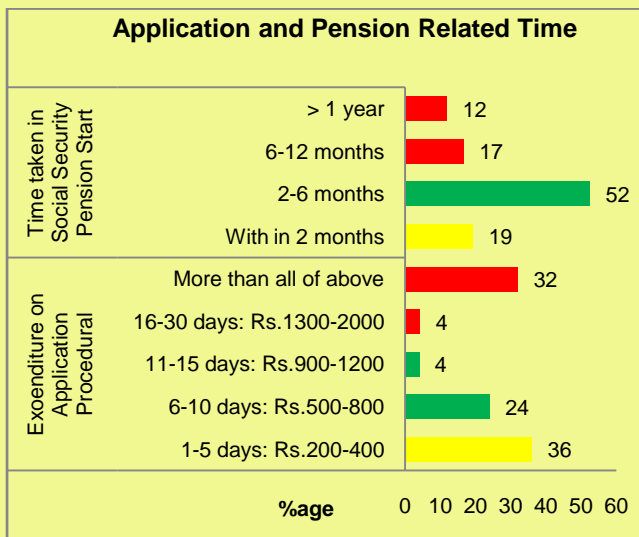
Findings also reveal that there is no communication mechanism and often officials were lagging behind to formal communicating the applicants on the status of application. Only 37%

applicants were formally informed. Thus, every second applicant has visited at least four times to enquire from officials. Often enquiry causes monitory losses, which they perceive extremely crucial for their survival.



At the same time, the applicants who were informed formally on rejection, found satisfied with reason of rejection. Analysis revealed that reasons of rejection are not valid. Only 25% applications were rejected on the ground of eligibility criteria, rests were rejected due to

incomplete documents or incorrect age proof. On the other hand, there are many disparities in different govt document of proof, like the age on voter identity card and ration card is always not matching. In fact, slum dwellers have only these documents as proof and rejection of application on such mismatch is serious issue in the perspective of pro-poor. However, there is a provision to certifying the age from doctors but it has been revealed that none of the applicant has approach doctors, nor official facilitated applicants for it.



In the perspective of applicants, application process and disbursement of first pension amount required unusually long delay. The reason could be incompetency of officials in service delivery within stipulated time limit. The above chart shows that only one-third of the applicants were able to complete these processes within time limit. While rests two third spent long time and more money. It is discouraging that every third applicants has to spend more than 30 days and Rs.1300 to 2000 for getting social security benefit.

Similarly, after sanctioning of application disbursement of first pension amount acquire average 2 to 6 month's time. Lack of timely communication is the contributing factor in it. If not communicated timely, the process of opening bank account is delayed, which causes delayed in pension. In a technology driven world it is easy to design automatic response mechanism, it only required willness of decision makers.

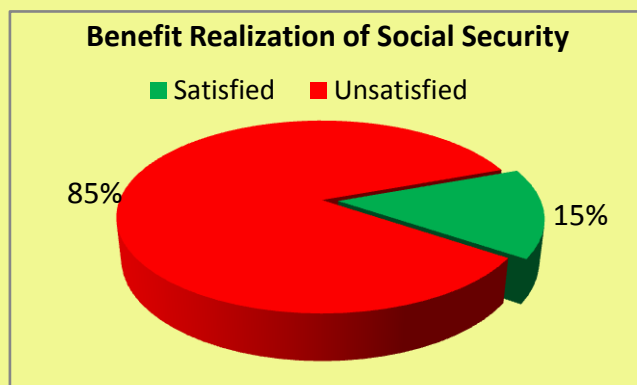
### 3. Benefit Realization and Impact

The satisfaction realised by beneficiaries has a positive and direct relationship with timely and regular payment as well as with facilities received during withdrawal process. Often distances of Banks or Post office are not so far,

but due to lack of transportation beneficiaries may to walk up to that point. Pensioners perceived that the process of withdrawal is not easy for them. Moreover, withdrawal process takes at least 2 to 4 hours. In Badwani district all pensioners' accounts were operated from post office only, which causes high dissatisfactions among the beneficiaries.

It is heartening that miss-behaviour and less payment of pension is not a significant problem for pensioners. But the discouraging factors are lack of separate queue and waiting time.

Only 15 percent pensioners are satisfied with social security benefits. The issue of irregular

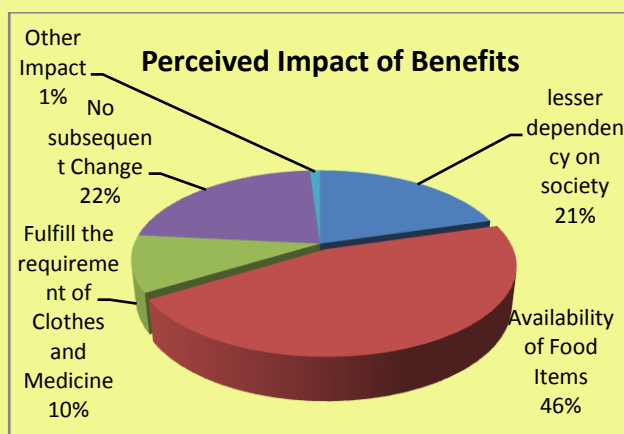


and delayed transfer of pension amount is the contributing factor in it.

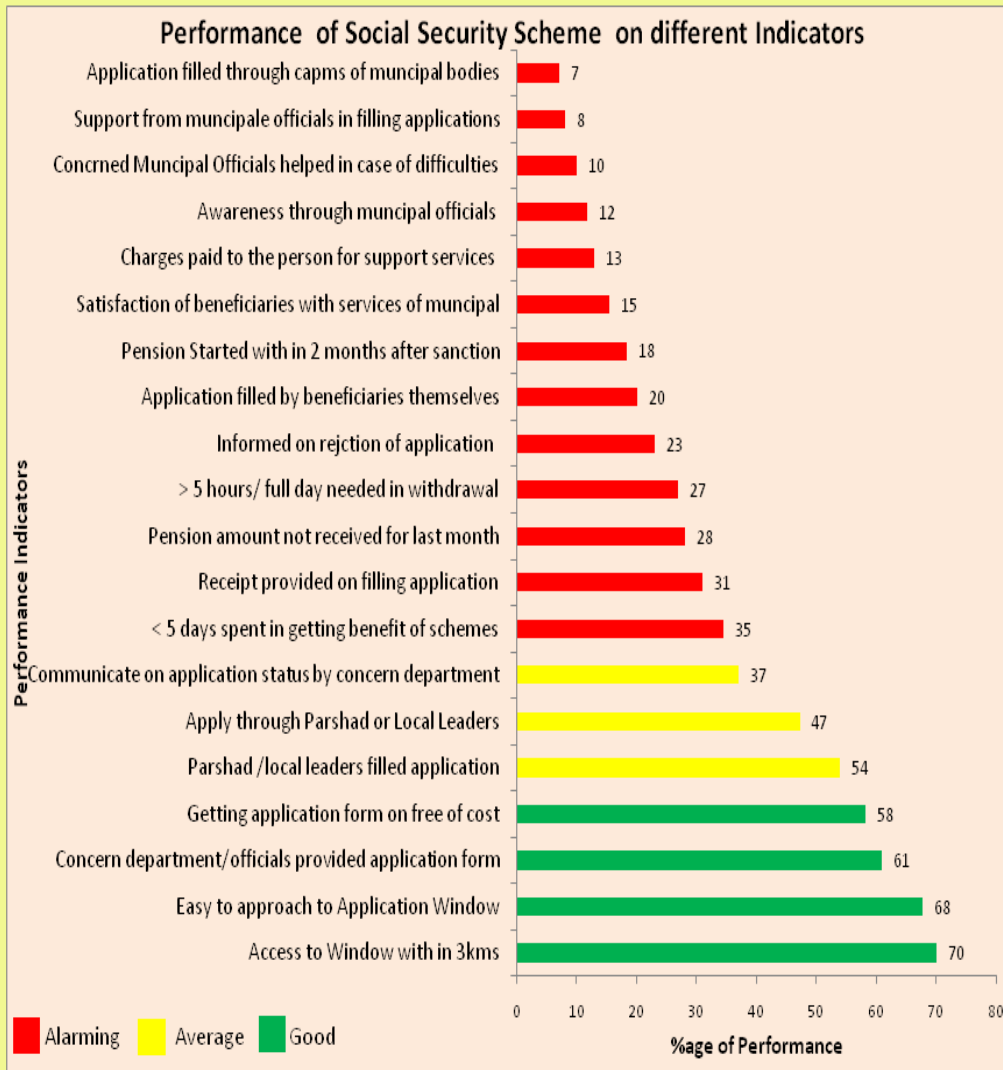
### Perceived Impact of Benefits

Majority of amount of social security benefits is spent on food, followed by purchase of medicines or for treatment purpose. Rarely pension amount used in purchasing clothes and other necessary requirements.

It is reassuring that perceived impact of social security pension is on food security. Secondly, most of the pensioners feel lesser dependency on society for their survival. It indicates that effective implementation of scheme has benefited to vulnerable sections of the society.



## Score Card of Social Security Scheme



The score card on key indicators on performance of social security scheme revealed that access to windows is easy but without helps of agents and local leaders, filling application is not an easy task. The satisfaction level is also very low from the schemes. The score card shows that out of 20 performance indicators, 13 lie on alarming low situation, while performance of four indicators is found satisfactory. In urban areas social security scheme is the only option for vulnerable groups to manage their social risk. It can be agreed that there are numbers of examples of best practices in other states, which need to be considered for strengthening the process. It is recommended to reviewing the different processes and procedural adopted by the different

ULBs in implementation. The government should design some common strategy for all the ULBs, so that some centralized tracking and monitoring system can be introduce for effective implementation. At the district level following could be the joint action point as fallow up.

### Joint Plan of Action for Fallow Up

Issues	Programmes/ Departments	Action required by Municipal Bodies	Community Response
Lack of awareness on procedural and process	Ward Office/ Zonal Office/ DUDA/MIC	<ul style="list-style-type: none"> <li>Develop effective IEC material</li> <li>Youth mobilization to mass awareness generation</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening of Mohalla Samitties</li> </ul>
Poor handholding support mechanism for filling application and status check	Parshad/Ward Office/DUDA/MIC/ NIC	<ul style="list-style-type: none"> <li>Regular camps with proper handholding support</li> <li>Introduce e-governance system and linked with MP Online facilities</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of quality of camps</li> <li>Support identification of eligible</li> </ul>
Procedural bottlenecks in banking process during withdrawal	Bank / Municipal Officials	<ul style="list-style-type: none"> <li>Separate window or queue for pensioners while withdrawal of pension</li> </ul>	<ul style="list-style-type: none"> <li>Support the pensioner in enquiring of status</li> </ul>
Lack of effective complaint and redressal mechanism	District Collector/ MIC/NIC	<ul style="list-style-type: none"> <li>Develop effective tracking system to monitor the performance of services to applicants and pensioners</li> </ul>	<ul style="list-style-type: none"> <li>Conduct community monitoring and Social audits</li> </ul>
Lack of proper knowledge on latest provisions and directives among staffs	Social Welfare Department /Municipal Office	<ul style="list-style-type: none"> <li>Periodical orientation of staff and start rewarding mechanism to motivate officials</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>