



## ***MLA Local Area Development Scheme***

### **At a Glance**

#### **Functions**

This scheme enables each MLA to undertake small developmental works in his/her constituency through the allocated funds of Rs 2 crore per year.

#### **Findings**

- Widespread occurrence of 'storming,' i.e expenditure spree in the final years of the five-year plan period.
- The percentage of expenditure to allocated funds was 3.6% during 1999-2000 which rose to 52.2% in 2002-03.
- In the year 2002-03, the Municipal Corporation of Delhi (MCD) failed to spend even 50% of the funds at its disposal from the MLA Local Area Development Scheme.

#### **Reforms**

- The requirement that all works under this scheme can be done only through government agencies should be removed.
- Government agencies can compete along with private parties in an open competitive bid.
- MLAs should be authorised to invite tenders, contract for the work, and oversee completion of the work. All the details of the contract and payments along with monthly progress reports should be made available on the website of the MLA.
- The Urban Development Department (UDD) should assist in the process by putting up all tender notices, submitted bids, and the selected bid on its website. The selected bid will specify the nature of the work, time schedule, and payment details. The UDD should update the progress report on the work as and when one-fifth of the total payment is made.