



GOVERNMENT OF THE PUNJAB  
P&D BOARD



Sr. No.50351

## SUMMARY FOR THE CHIEF MINISTER

**SUBJECT: REVISION OF PUNJAB DELEGATION OF FINANCIAL POWERS RULES, 2016**

Planning and Development Board is mandated for the preparation, implementation and monitoring of development portfolio of the province. Besides, formulation of policy for the approval of development schemes is assigned to the P&D Board under the Punjab Government Rules of Business, 2011.

2. In order to implement the development portfolio in a smooth and expeditious manner, the powers for approval of development schemes have been delegated at departmental, divisional and district levels under the Punjab Delegation of Financial Powers Rules 2016. Over a period of time, the administrative departments have been well equipped with necessary human resources to perform this function. Special planning units / planning cells have been established, besides, representatives from Finance Department and P&D Board assist the administrative departments in the departmental development sub-committees to approve development schemes. Similarly, technical cadre professionals have also been posted at the divisions and districts to assist Divisional Commissioners and Deputy Commissioners in the approval process of development schemes.

3. The size of development portfolio has increased from PKR 400 billion in 2015-16 to PKR 842 billion in 2024-25. Similarly, volume of new schemes in ADP is also increasing on yearly basis. In addition, inflation during the recent past has increased the cost of materials which has led to increase in total cost of projects and frequent revisions subsequently.

4. The aforementioned scenario requires a proportionate increase in the delegated powers, both for the territorial and functional jurisdictions of the approving bodies. Enhancing the powers of these approving fora shall accelerate the implementation pace of the development portfolio. Proposed enhancement in delegated financial powers is as follows:

PKR in Million

Forum	Existing Powers	Proposed

Administrative Department in Departmental Development Sub Committee <b>(DDSC)</b>	Upto 400	Upto 800
Divisional Commissioner in Divisional Development Working Party <b>(DDWP)</b>	Upto 200	Upto 400
District Development Committee <b>(DDC)</b>	Upto 50	Upto 100

5. Foregoing in view, Chief Minister may kindly allow to place the matter before the Standing Committee of the Cabinet on Finance and Development (SCCFD) for consideration.

6. Proposal at para-5/ante is submitted for orders by the Chief Minister.

-- SD --

**(DR. ASIF TUFAIL)**  
**SECRETARY**  
**P&D BOARD**  
**05/07/2024**

7.

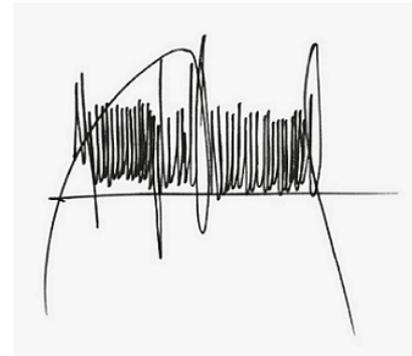
**(BARRISTER NABEEL A. AWAN)**  
**CHAIRMAN**  
**P&D BOARD**  
**05/07/2024**

8. Endorsed.



**(MS. MARIAM AURANG ZEEB)**  
**SENIOR MINISTER**  
**SM**  
**10/07/2024**

9. The Summary has been examined. Over the recent past Finance Department has been proposing increasing the delegated powers of DDSC and DDWP while also proposing that the approving authority of PDWP may be enhanced from Rs. 10.000 billion to Rs. 15.000 billion in consultation with the Federal Planning Commission. Increased inflation and price of materials over the last five years also justify that the delegated powers be reconsidered. However, it is also observed that the level of scrutiny and due diligence required at the levels of DDSC, DDWP, and DDC in examining and approving PC-1s is not up to the mark. The Divisional and District tiers also do not have requisite number and quality of staff required to thoroughly examine PC-1s formulated by line departments. The Divisional Commissioners mostly rely on one Director Development while the Deputy Commissioners rely on one Deputy Director Development for scrutiny & evaluation of PC-1s. Due to over-commitment of other official work, at the DDSC level P&D Board and Finance Department usually depute Assistant Chiefs and Section Officers as representatives. Therefore, the level of scrutiny expected at the DDSC level also leaves much to be desired. Furthermore, experience has shown that at the district level, DDC and line departments are more prone to extraneous influences in formulation and approval of schemes, thus compromising thorough need assessment of schemes and scrutiny. At the District level there is a tendency to unnecessarily increase scope and cost of schemes but because of the limitation of Rs. 50 million, these schemes are kept below this amount. In case DDC's delegated power is enhanced to Rs. 100 million, the scope and cost of these same schemes would be unjustifiably enhanced and brought close to the Rs. 100 million mark. In view of the above, proposal at para-4/ante seems too liberal. Finance Department proposes that delegated powers of the DDSC and DDWP may be enhanced by 1.5 times to 'up to Rs. 600 million' and 'up to Rs. 300 million' respectively, while considering the shortcoming at the DDC level highlighted above, the delegated power of DDC may be retained at 'up to Rs. 50 million'.



**(MUJAHID SHERDIL)**  
**FINANCE SECRETARY**  
**FINANCE DEPARTMENT**  
**10/07/2024**

10. DDSC and DDWP may be enhanced by 1.5 times to 'up to Rs. 600 million' and 'up to Rs. 300 million', the delegated power of DDC may also be enhanced 'up to Rs. 75 million'.



**(ZAHID AKHTAR ZAMAN)  
CHIEF SECRETARY PUNJAB  
CHIEF SECRETARY OFFICE  
13/07/2024**

11. Chief Minister has seen and is pleased to desire that the instant matter may be placed before the Standing Committee of the Cabinet on Finance & Development for its consideration.

12. Further necessary action may be taken accordingly.



**(SAJID ZAFAR DALL)  
PRINCIPAL SECRETARY TO CHIEF  
MINISTER PUNJAB  
CHIEF MINISTER'S OFFICE PUNJAB  
15/07/2024**

13. ***Chief Secretary Punjab (Acting Charge) (Chief Secretary Office)***