

**Government of Uttarakhand, Finance Department**  
Uttarakhand Public Financial Management Strengthening Project  
**Center for Training and Research in Financial Administration, (CTRFA)**  
**UTTARAKHAND, INDIA**  
**REQUEST FOR EXPRESSIONS OF INTEREST**  
**(CONSULTING SERVICES – FIRMS SELECTION)**

**India**

*Uttarakhand Public Financial Management Strengthening Project*  
Loan No.: IBRD 8928

**Assignment Title: Terms of Reference (TOR): Rationalization and Prioritization of Schemes of the State Government of Uttarakhand (GoUK)**

**Reference No.** IN-CTRFA- 239391 -CS-QCBS

**Request for Expression of Interest for Terms of Reference (TOR): Rationalization and Prioritization of Schemes of the State Government of Uttarakhand (GoUK)**

**(CONSULTING SERVICES – FIRM SELECTION)**

<b>Application Deadline:</b>	1 <sup>st</sup> July 2021
<b>Type of Contract:</b>	Consulting Service-Firm Selection
<b>Method of Procurement:</b>	<b>Quality Cost Based Selection (QCBS)</b>

**Reference No.** IN-CTRFA- 239391 -CS-QCBS

**Date:** 16<sup>th</sup> June 2021

The GoUK has received a loan from IBRD for the Uttarakhand Public Financial Management Strengthening Project (UkPFMS) and intends to apply a part of the loan proceeds for this assignment toward the **Terms of Reference (TOR): Rationalization and Prioritization of Schemes of the State Government of Uttarakhand (GoUK)**

The objective of the assignment is to carry out exercise of prioritization and rationalization of all schemes and budget heads for all departments of GoUK.

The scope of the project broadly involves the following but not limited to:

1. Identify the goal and objectives of line departments of GoUK and map schemes to these objectives.
2. Devise a methodology for rationalization and prioritization of schemes specific to GoUK, in consultation with the government after considering good practices.
3. Document these in Draft Guidelines with specified parameters on criteria such as redundancy, overlaps, duplication, synergy etc.
4. Conduct a detailed analysis of all schemes across 3 pilots
5. Submit reports on the Pilots and update Draft Guidelines.

6. Conduct orientation sessions for all departments to facilitate the detailed exercise in the next stage.
7. Conduct scheme rationalization and prioritization for all departments of GoUK in collaboration with the departments.
8. Undertake at least two one-day workshops
9. Draft GO for institutionalizing the framework; draft communication in the annual budget circular; and suggestions on adoption of ICT and broad contours for application of this exercise

The Finance Department through the Center for Training and Research in Financial Administration (CTRFA) now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. The minimum required qualifications/criteria are available in Annexure 1 and terms of reference of the assignment can be accessed on the website <http://www.uttarakhandaudit.uk.gov.in> or can be obtained from CTRFA.

The attention of interested Consultants is drawn to paragraph 3.14 and 3.17 of the World Bank Procurement Regulations, July 2016 revised in November 2017 and August 2018 (“Procurement Regulations”), setting forth the World Bank’s policy on conflict of interest.

Consultant may associate with other firms to enhance their qualifications, but should indicate clearly whether association in the form of Joint Venture and/or sub-consultancy. In case of a Joint Venture, all the partners in a joint venture shall be jointly and severally liable for the entire contract, if selected

A Consultant will be selected in accordance with the **Quality Cost Based Selection (QCBS)** method set out in the Procurement Regulations.

Further information can be obtained at the address below during office hours *1000 to 1700 hours IST*.

Expression of Interest in the prescribed format along with relevant annexures must be delivered in a document form (hard copy or electronic pdf) at the address or mail id given below (in person, by post or by email) latest by 1<sup>st</sup> July 2021 **by 17:00 Hrs IST**

**Project Director**  
**Uttarakhand Public Financial Management Strengthening Project**

91, Race Course,

Near Police Line,

Dehradun, 248001

Uttarakhand, India,

Mob: +91-9358119541,

E-mail: [ukpfmswb@gmail.com](mailto:ukpfmswb@gmail.com)

**Annexure 1: Minimum Required Qualifications Criteria**

<b>S. No.</b>	<b>Basic Requirement</b>	<b>Specific Requirements</b>	<b>Supporting Documents Required</b>
1)	Entity	Must be a legally constituted entity	Copy of the Certificate of Incorporation and constitutional documents
2)	Turnover	Should have an Average Annual Turnover of at least Rs. One Crores during the last three financial years (, 2017-18, 2018-19 and 2019-20).	Certified copy of the audited financial statements OR certificate from the statutory auditor.
3)	Overall experience	Should have at least 10 years' experience in Public Financial Management in Government particularly and specifically in Budgetary mechanism and rationalization of scheme	Self-certification of details of the experience
4)	Technical Capability	Should have proven track record of having successfully carried out at least one similar assignment for rationalization of scheme for the Central Government or State Governments	Copy of work orders for ongoing assignments (In case of ongoing consultancy, the completion should be substantial (at least 75% of the technical deliverables has been submitted).  (OR) Copy of work orders for completed assignments  (OR) Work completion certificates from client.
5)	Staff	Should have at least 10 staff\consultants with relevant qualifications and at least 5 years' experience in any of the above areas.	Self-certification of list of such staff with qualification and experience as per format provided.

# EOI FORMAT

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## Instructions

1. Please provide the details as required in the format. Non-completion of the format may lead to rejection during evaluation.
2. The consultant can add other materials about the Organization and other relevant details as annexure.
3. Please provide all documents requested as annexure.

Name of the Consultant	
Registered Address	
Phone No:	
Email id:	
Name of the Contact Person for this EoI	
Phone no. of the Contact Person for this EoI	
Email id of the Contact person for this EoI	
Do you have a HO in the State	Yes/No. If yes, please provide the address
Do you have a branch office in the State	Yes/No. If yes, please provide the address
Date of establishment	
Registration number if any with ROC, registrar of societies etc	
Number of full-time qualified staff	
PAN	
GST	

# Financial Particulars of the Consultant

Financial year	Turnover	Net worth
2019-20		
2018-19		
2017-18		

# Key Staff Brief Profile \*\*\*

Name of Staff	Age	Years of experience	Qualification	Number of years associated with the Consultant	Name of clients handled with nature of work done

\*\*\* Please provide detail CVs separately as per format given below

# Relevant assignments – Last Five years\*\*\*

Project Name	Funding agency Name	Client Name	Nature of work	Year of Work	Status (Completed/Ongoing)	Key reference person in client organization with designation and email id
	Central/State/Multilateral/Bilateral funding agency					

\*\*\* Please provide detail citation of work separately in the format given below. Relevant assignments regarding rationalization of schemes of Central or State Government



# Detailed Format for Citations

Assignment name:	Approx. value of the contract (in INR crores):
Country: Location within country:	Duration of assignment (months):
Name of Client:	Total N <sup>o</sup> of staff-months of the assignment:
Address:	Approx. value of the services provided by your Consultant under the contract (in current US\$ or Euro):
Start date (month/year): Completion date (month/year):	N <sup>o</sup> of professional staff-months provided by associated Consultants:
Name of associated Consultants, if any:	Name of senior professional staff of your Consultant involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):
Narrative description of Project:	
Description of actual services provided by your staff within the assignment:	



## UKPFMS

### **Terms of Reference (TOR): Rationalization and Prioritization of Schemes of the State Government of Uttarakhand (GoUK)**

#### **Background**

1. The government realizes its goal of public welfare by spending its resources on various schemes. As the agenda of the government evolves over time, so do these schemes. The government communicates these developments to citizens via announcement of new schemes in its annual budget. Since the government has limited resources, prioritization of expenditures becomes a necessity. Usually, this prioritization can be understood by examining budgetary allocations made to schemes during a year/over many years. As a practice, the government does not immediately discontinue those schemes which are not its immediate priority. While this practice is useful both to the government (saves time) and citizens (enables analysis), carrying old and irrelevant schemes in the budget for a long time creates blockage of budget, disturbs the envisaged outcome and creates bottlenecks in achieving the current priorities. Proliferation of schemes without rationalization leads to token allocations across many schemes, and allocation even to non-priority schemes.
2. The Government of Uttarakhand (GoUK) has 31 departments. In 2019-20, Uttarakhand's budget size was INR 48,663 crores distributed across 2,248 schemes in 105 HODs. The General Budget focusses on expenditure. It is prepared by respective Line departments using a bottom up approach and compiled and consolidated by the Finance Department.

For over nearly two decades no specific exercise was carried out for rationalization of schemes. While, line departments review schemes every year at the time of budget preparation, the primary focus is on securing more funds for spending rather than whether the spending is helping in achieving desired outcomes. Proliferation of schemes with miniscule budget or those that do not fit into the government's priorities should be periodically analyzed for their continuity and hence a need for rationalization (discontinuation, merger etc.) and possible prioritization. Schemes need to be evaluated from the point of view of budget utilization, backing of law, duration of implementation, socio-economic impact etc. Sunset schemes need to be phased out. Schemes need to be reviewed for performance and efficiency. Moreover, scarce public resources thinly spread across several schemes end up with inadequate outcomes. It is pertinent to note that in the budget, schemes are coded at different levels which makes analysis and comparison difficult. Recently the concept of global heads for expenditures were introduced in the budget for salaries and select object heads. Increased resources are expected to be available to state governments

based on the recommendations of the 14<sup>th</sup> Finance Commissions impact and this calls for a strengthened management of allocations by every spending department. Altogether, this presents a strong case for developing the analytical capacities of staff.

4. A broad set of factors has been developed by the Niti Aayog under its Note on Rationalization of Schemes (2019) and these are: (a) merge schemes with similar objectives; (b) merger/convergence of schemes contributing to the same development goals or Sustainable Development Goals; (c) discontinue schemes that have fulfilled or lost their relevance; (d) close down schemes with minimal impact; (e) merge schemes that require fungibility of funds i. e. single head funding; schemes having same implementation capacities; (f) restructure schemes based on value-chain analysis; (g) rationalize schemes overlapping with centrally sponsored schemes; and (h) potential merger of schemes that have forward and/or backward linkages.
5. The GoUK is desirous of instituting a strong framework backed by a data-driven exercise for carrying out the periodic rationalization and prioritization of schemes. Such an exercise is a precursor to upstream reforms in public financial management, including Program Budgeting which focuses on objectives / results rather than mere economic classification; Public Investment Management for achieving economic development goals of the state and Medium-term Expenditure Framework which is expected to improve “budget marksmanship” and ultimately lead to better fiscal management. GoUK is open to the idea of ‘Umbrella Schemes’ as is followed at the Central level. In keeping with the above, the Government of Uttarakhand (GoUK) intends hire a consultant to carry out a scheme rationalization and prioritization exercise for the entire government which could be used as an input to the preparation of the budget for FY 2022-23.
6. GoUK has availed of an IBRD loan to fund the Uttarakhand Public Financial Management Strengthening Project (UkPFMS) and intends to apply a part of the loan proceeds to this exercise.

### **Objective of the Assignment**

7. The objective of the assignment is to carry out exercise of prioritization and rationalization of all schemes and budget heads for all departments of GoUK.
8. Under this assignment the consultant is to undertake the exercise of prioritization and rationalization of all schemes and budget heads for all departments of GoUK. The analysis will be based on audited expenditure for FY 2019-20, audited/unaudited actual expenditure for FY 2020-21 and budget allocation for FY 2021-22. The assignment shall include the development of guidelines for scheme rationalization and prioritization and improve the capacity of state officials to enable them to undertake such exercises

independently in the future. The assignment will also suggest appropriate budget structure (coding) for the scheme classification.

- a. *Note: This assignment is not an academic exercise. It is a hands-on project where the consultant is expected to work with, and as far as possible, handhold departments throughout the process. Further, the consultant is expected to transfer the knowledge gained during this exercise to state officials via workshops, explaining his approach, results, learnings and recommendations. The outputs of this exercise must be presented in a way which is easy to understand, imbibe and implement by state officials.*

### **Scope of Work**

9. The assignment will involve the following key tasks: -
- (i) Identify the goal and objectives of line departments of GoUK and map schemes to these objectives.
  - (ii) Devise a methodology for rationalization and prioritization of schemes specific to GoUK, in consultation with the government after considering good practices.
  - (iii) Document these in Draft Guidelines with specified parameters on criteria such as redundancy, overlaps, duplication, synergy etc. considering attributes of relevance, effectiveness, efficiency, sustainability, impact and equity and in relation to similar Centrally Sponsored/Central Sector Schemes.
  - (iv) Conduct a detailed analysis of all schemes across 3 pilots (selected departments with large number of schemes including one works department, one service department, and any other department) in consultation with GoUK on pilot basis based on the Draft Guidelines;
  - (v) Submit reports on the Pilots and update Draft Guidelines.
  - (vi) Conduct orientation sessions for all departments to facilitate the detailed exercise in the next stage.
  - (vii) Conduct scheme rationalization and prioritization for all departments of GoUK in collaboration with the departments. Based on the analysis, prepare department-wise report on the results from the exercise including schemes to be continued, merged, and

dropped etc. and prioritization of the schemes to be carried forward with clear reasoning along with linkage to the objective of the department.

- (viii) Undertake at least two one-day workshops to share the approach, process, issues, learnings and recommendations that come out of the scheme rationalization and prioritization exercise; GoUK will nominate 2-3 officials related to Planning and Finance from each department for these workshops.
- (ix) Finalize the guidelines based on the above exercise and feedback which should include suggested scheme architecture for budgeting; draft GO for institutionalizing the framework; draft communication in the annual budget circular; and suggestions on adoption of ICT and broad contours for application of this exercise.

**Indicative Deliverables, Timelines, and Payment Terms**

10. The time-input is estimated for key experts at 32 man-months and for support staff is expected to be around 36-man months. The indicative deliverables, timelines and payments terms, are as follows -

<b>Indicative Deliverables, Timelines, and Payment Terms</b>			
<b>Deliverables</b>		<b>Timeline (from commencement)</b>	<b>Payment (%age of contract value)</b>
1	Inception Report with understanding of the objectives of the assignment, proposed activities and work plan, datasets required from GoUK	2 Weeks	10%
2	(a) Report on identification and mapping of schemes and objectives for the pilots. (b) Draft guidelines for scheme rationalization and prioritization	10 Weeks	15%
3	(a) Report based on pilot for 3 selected line departments containing Department – wise scheme-wise analysis based on application of draft guidelines and detailed Outcome of the exercise and recommendations;	For (a) and (b) 14 Weeks 16 Weeks	20%

	(b) Updated Draft Guidelines based on the pilots (c) Pilot dissemination Workshop		
4	Orientation Session/s (Capacity Building Workshop) for officials of all state departments	18 Weeks	10%
5	(a) Department wise Report for all departments containing Department – wise, scheme-wise, analysis based on application of the updated draft guidelines along with detailed Outcomes of the exercise and recommendations; (b) Overall recommendations to GoUK with clear analysis of the benefits from the exercise and how these could be used in budgeting for FY2022-23.	30 Weeks	35%
6	(a) Final Workshop for Capacity building of GoUK staff (b) Final Guidelines for rationalization and prioritization of schemes (c) Final Report on Rationalization of Schemes including the aspects provided in Scope of Work	36 Weeks	10%

**List of Key Experts (whose CV and experience would be evaluated)**

11. The Consulting firm should demonstrate that they have successfully carried out similar work at the national/sub-national level in India and have sufficient qualified key-experts as well as non-key-experts (support staff) to undertake the proposed assignment. The consultant will include detailed curriculum-vitae (CV) in its proposal for key experts. In case of support staff, the consulting firm will make their own assessment of the requirements and their CVs will be provided with educational qualifications and professional experience in brief. However, only the CVs of the Key-experts would be evaluated.
12. The list of key-experts along with qualifications and experience required for the assignment is as under

S. No.	Key Experts		Qualifications/Experience
1	Public Sector Specialist [Team Leader] for 8 months	01	<ul style="list-style-type: none"> <li>• Post-Graduate (or equivalent) in Finance/ Accounts/ Economics/ Public Administration/ Public Policy/ Planning/ Public Finance;</li> <li>• Overall work experience of 15 years;</li> <li>• At least 10 years of work experience in the government sector particularly in the field of Public Financial Management (PFM) systems, processes and reforms in India;</li> <li>• Must demonstrate experience of carrying out similar assignments in formulation/ implementation/ monitoring/ evaluation of government schemes/sectors OR extensive work in budgeting either at state or central level</li> <li>• Additional relevant qualification(s)/ experience/ assignments would be of advantage and would be given added weightage.</li> </ul>
2	Economist for 8 months	01	<ul style="list-style-type: none"> <li>• Post Graduate degree in Economics;</li> <li>• Overall work experience of 10 years;</li> <li>• At least 5 years of work experience in the government sector</li> <li>• Must demonstrate experience of carrying out similar assignments in formulation/ monitoring/ evaluation of government schemes/sectors OR extensive work in budgeting</li> <li>• Additional relevant qualification(s)/ experience/ assignments would be of advantage and would be given added weightage.</li> </ul>
3	Finance Specialist for 8 months	01	<ul style="list-style-type: none"> <li>• MBA(Finance)\CA\CWA</li> <li>• Overall work experience of 10 years;</li> <li>• At least 5 years of work experience in the government sector</li> <li>• Must have worked in the area of Public Financial Management (PFM), understand government budgeting;</li> <li>• Additional relevant qualification(s)/ experience/ assignments would be of advantage and would be given added weightage.</li> </ul>
4	Domain Expert for 8 months	01	<ul style="list-style-type: none"> <li>• Graduate in any discipline</li> <li>• Overall work experience of 10 years</li> <li>• Has worked in the Finance and Planning Department of state or central governments at a senior level</li> <li>• Has worked on preparing general budget for state or central governments</li> </ul>
<b>Support staff: CV will not be evaluated</b>			

S. No.	Key Experts		Qualifications/Experience
4	Research Analysts [Support Staff] – Minimum 4 persons each for nine months	As required	<ul style="list-style-type: none"> <li>• CA/MBA/ Post Graduate in Economics/Statistics/Mathematics/Commerce/Management/Public Policy</li> <li>• Must have an overall work experience of two years, preferably in the government sector;</li> <li>• Must have worked in the area of Public Financial Management (PFM), understand government budgeting;</li> <li>• Must be skilled in MS Office suite.</li> </ul>

### **Technical Review Committee**

13. The assignment will be administratively coordinated by Project Director UKPFMS. A 'Working Group' with participation from Planning, Finance, and Budget will be constituted for this purpose.
14. A Technical review committee headed by the Additional Secretary Planning and comprising of representatives from CPPGG, Finance, Budget and State Planning Commission will carry out the review of all the reports and Manuals and provide comments which will be shared with the consultant for incorporation in the final manuals appropriately, along with any comments/suggestions from the World Bank. The Task Team will endeavor to review and provide the comments at the earliest, but not later than 3 weeks of submission of the reports and will inform the consultant in case of any delays.

### **Support to be provided by GoUK**

15. The CPPGG will coordinate with departments for the workshops/training and designate staff for training and facilitate meetings/ interviews with the stakeholders. For training, GoUK will provide the venue and cost of trainee travel including TA/DA, but all other requirements will be arranged by the Consultant.
16. The Budget Cell and Planning Department of GoUK will facilitate in provision of data required for the assignment and help the consultants to liaise with the Line Departments.

### **Duration of Assignment**

17. The duration of the assignment shall be 9 months. The consulting staff is expected to be on-field at least 75% of the time allocated.