



Provincial Finance Commission Award, 2018-19

**FINANCE DEPARTMENT
GOVERNMENT OF KHYBER PAKHTUNKHWA**

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INTRODUCTION

The federating units/territories of Pakistan are not equal in level of economic and social development(s). The fundamental objective(s) of government functionaries at Federal, Provincial and Local level is to provide basic amenities to the people at their doorsteps as far as possible in keeping with the spirit of the mandate of people & law.

2. The fiscal decentralization to the local bodies at the Provincial level of Khyber Pakhtunkhwa is channelized through Provincial Finance Commission (PFC) – a statutory body established under Section 52 of the Khyber Pakhtunkhwa Local Government Act, 2013. This institution visualizes its budgetary policies & priorities through its financial Award containing recommendations as to a self-contained fiscal transfer system extending over the whole Province. The main objective of this Award is to offer a formula-based inter-governmental revenue-sharing system featuring transparency, equitability and predictability; so that local governments may find themselves inclined towards bringing about improvement(s) in their performance, service delivery and promotion of general welfare of the people.

3. The big chunk of revenues of the Provincial Government of Khyber Pakhtunkhwa (90% or more) arises out of the Federal Transfers comprising: Federal tax assignment, straight transfers on account of Oil and Gas Royalty, Excise duty/Development Surcharge on Gas and Net Hydel profit etc.

4. Through its financial Award, the Commission makes vertical & horizontal allocations of resources viz., (a) between the Province & Local governments and (b) the local governments inter se. In this regard first a **Provincial Pool** is determined based on the proceeds of Provincial Consolidated Fund. The **Obligatory expenditure** characterizing universality in its nature is therefore, deducted from the Provincial Pool and a **Divisible Pool** is thus determined. The net proceeds forming part of the Divisible Pool are further divided into **Provincial Allocable Resources** and **Provincial Retained Resources**. The Provincial Allocable resources are earmarked for the local governments whereas; the Provincial Retained resources are maintained by the Provincial Govt.

PROFILE OF PFC AWARDS

So far Seven (07) PFC Awards have been announced. Five thereof (i.e. the 1st, 2nd, 3rd, 6th & 7th one) were of interim nature while the 4th & 5th awards were for a period of 3 year (i.e. 2005/06 – 2007/08 and 2008/09 – 2010/11). Through these Awards Local Governments have been receiving their due share(s) from the net Divisible Pool. The inter-se distribution of Provincial Allocable Amount (**developmental one**) under the said **interim Awards** was made on the basis of following formula:-

1.	<i>Population</i>	50%
2.	<i>Backwardness (Based on MICS)</i>	25%
3.	<i>Lag in Infrastructure</i>	25%

2. For the 4th (3-year Award), the parameters were however, revised in terms of percentage as under:-

1.	<i>Population</i>	60%
2.	<i>Backwardness (Based on MICS)</i>	20%
3.	<i>Lag in Infrastructure</i>	20%

3. In the 5th, 6th & 7th Awards (i.e 2008/09 - 2010/11, 2016 -17 & 2017-18) the Commission allowed allocation/distribution of funds on basis of the formula mentioned hereinbefore.

4. A brief summary of these Awards indicates that the Provincial Allocable Amount has kept on increasing ever since the introduction of the local government system in 2002 as under:-

Rs. in billion

i)	<i>1st PFC Award 2002</i>	15.162
ii)	<i>2nd PFC Award 2003</i>	16.098
iii)	<i>3rd PFC Award 2004</i>	18.773
iv)	<i>4th PFC Award 2005-2008</i>	29.412
iv)	<i>5th PFC Award 2008-2011</i>	32.248
vi)	<i>6th PFC Award 2016-2017</i>	168.640
vii)	<i>7th PFC Award 2017-2018</i>	175.586

COMPOSITION

The composition of PFC as per section 52 of the Khyber Pakhtunkhwa Local Government Act, 2013 (**Annexure-I**), read with **Section 3** of the Khyber Pakhtunkhwa **Local Government (*4th Amendment*) Act, 2015** is as under:-

S#	Composition	Designation
1.	Minister for finance Department	Chairman
2.	Minister for Local Government, Elections and Rural Development Department	*Co-Chairman*
3.	Sami Ullah Alizai, MPA PK-65	Member
4.	Syed Muhammad Ali Shah, MPA PK-98	Member
5.	Secretary to Government, Finance Department	Member
6.	Secretary to Government, P&D Department	Member
7.	Secretary to Government, Local Government, Elections and Rural Development Department	Member
8.	Secretary to Government, Law, Parliamentary Affairs & Human Rights Department	Member
9.	Mr. Azizullah alizai, Nazim District Council, DI Khan.	Member
10.	Mr. Niaz Ahmad, Nazim District Council, Shangla.	Member
11.	Mr. Aslam Hayat Khan, Nazim Tehsil Council, Ghazi (Haripur)	Member
12.	Mr. Aizazullah, Nazim Tehsil Council, Serai Naurang (Lakki Marwat)	Member

FUNCTIONS OF THE COMMISSION

The **functions** of the Provincial Finance Commission as laid down in Section 53 of the Khyber Pakhtunkhwa Local Government Act, 2013 ***readwith the proviso to clause(a) and; clause(b) of Section 2*** of the Khyber Pakhtunkhwa **Local Government (Amendment) Act, 2017** (Annexure-II) are as under:

- 1) The Finance Commission shall make recommendations to the Government on :
 - (a) the amount of grant for local governments out of the proceeds of Provincial Consolidated Fund in a financial year in addition to the grant in lieu of Octroi and Zilla Tax:

Provided that in addition to the establishment charges budgeted for the devolved functions and transfers in lieu of Octroi and Zilla Taxes, the development grant for local governments shall be so determined that it is not less than thirty percent of the total development budget of the province in the respective year;

***Provided further that Government may allocate certain amount from the thirty per cent (30%) grant to a public interest fund to be administered by Government and to be used by public functionaries for the development of local governments; and**

- (b) **formula for distribution of the grant, as Government may direct, among local governments in the Province;***

Provided that the development grant for village and neighbourhood councils shall be determined on the basis of population;

- (c) the amount of special grants for local governments with modalities and conditions to access the facility;
 - (d) grants in aid to local governments in need of assistance; and
 - (e) matters relating to local government finance.
- 2) While making recommendations, the Finance Commission shall take into account the principles of fiscal needs, fiscal capacity, fiscal efforts and fiscal performance of local governments.
- 3) The Finance Commission shall also take into consideration poverty, population, lag in infrastructure and revenue base of local governments as factors while formulating its recommendations.
- 4) The Finance Commission shall present to the Government annually a report on the analysis of fiscal transfers, the situation of own-source revenue in local governments and the reach and quality of their services and the Government shall cause the report to be laid before the Provincial Assembly.

**BASIC PRINCIPLES/METHODOLOGY GOVERNING
DISTRIBUTION OF RESOURCES**

A. PROVINCIAL POOL

The Provincial Pool consists of the following items of revenue:

- i) Revenue Assignment from Federal Divisible Pool
- ii) 1% of Divisible Pool for War on Terror.
- iii) Straight Transfers
- iv) Provincial Own Receipts (Tax & Non Tax)
- v) Net Profit from Hydel Power
- vi) Arrears of Net Hydel Profit

Details of Revenue Budget are exhibited at **Annexure-III**.

B. OBLIGATORY EXPENDITURE

Obligatory expenditure, being of common and vital national interest to both Provincial and Local Governments, is subtracted from the Provincial Pool with a view to determining the Divisible Pool. Currently, it comprises the following items:

- (i) Debt Servicing
- (ii) Pension
- (iii) Subsidy on Wheat
- (iv) Contribution to GP Funds and Pension Funds.
- (v) Hydel Development Fund
- (vi) Charged Expenditure (Governor's House/Secretariat, Provincial Assembly, High Courts and Ehtisab Commission)
- (vii) Law and Order (Home, Police & Civil Defence)

C. DIVISIBLE POOL

The Balance Amount accruing as a result of subtraction of obligatory expenditure from the Provincial Pool constitutes the Divisible Pool.

D. SHARING PROCEEDS

The Divisible Pool is shared/distributed between the Provincial and Local Governments as “**Provincial Retained Amount**” and “**Provincial Allocable Amount**” at the ratio of **40:60** respectively. The Provincial Allocable Amount is subjected to fiscal needs, fiscal capacity, fiscal efforts & fiscal performance.

E. DISTRIBUTION OF PROVINCIAL ALLOCABLE AMOUNT

The Provincial Allocable Amount is distributed to meet the following items of expenditure:-

- i) *Salary*
- ii) *Non-Salary*
- iii) *Development*
- i) *Grant to Local Councils*

F. FORMULA FOR INTER-SE DISTRIBUTION OF DISTRICT DEVELOPMENT FUNDS

Under Section 2 (b) of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2017 the Provincial Government is required to formally devise a formula in this regard. Until such time, the inter se distribution of District Development Share out of the Provincial Allocable Amount shall be made on basis of the following formula to cater for development needs of the local governments:

- | | | |
|------|------------------------------|------------|
| i) | <i>Population</i> | 60% |
| ii) | <i>Poverty</i> | 20% |
| iii) | <i>Lag in Infrastructure</i> | 20% |



CHAPTER- VI

PFC RECOMMENDATIONS

Having taken into consideration the principles/ methodology expressed in Section(s) 53(1)(a), (b) and (d), (2) and (3) of LGA, 2013 readwith Section 2 of the KP, LG(Amendment) Act,2017 and making due deliberations, the Provincial Finance Commission in its **10th meeting** held on **28-03-2018** made the following recommendations with regard to distribution of Provincial Allocable Amount (*Minutes at Annexure IV*):

1) Salary

The Commission recommended 5% annual incremental increase over the revised estimates 2017-18 with a block provision of Rs.12,973.233 million to allow for a fiscal space in the budget.

2) Non-Salary

In this regard the Commission proposed 10% increase over the current year's allocations (2017-18), with a block provision of Rs.16,328.800 million in respect of the following items:

(Rs. in million)		
S#	Detail	Amount
1.	Provision of grant on need basis.	4,000.000
2.	Provision of Conditional Grant (Education)	9,648.780
3.	Grant for Emergency Medicines in BHUs	500.000
4.	Grant for Electricity Charges on need basis	925.000
5.	Grant for Financial Assistance/ Shuhada Packages	350.000
6.	Grant for Advertisement Charges	20.000
7.	Grant for Autonomy to HSS(Edu Sector)	500.000
8.	Grant for Enrolment Campaign (E&SE)	14.000
9.	Incentives for best performing school teachers, headmasters & Principals.	110.000
10.	Provision of scholarship under Stoori da Pakhtunkhwa for top 20 position holders of Govt. High & Higher Secondary schools in all the 08 BISEs of KP	241.220
11.	Purchase of IT Equipment for SDEO's Office (E&SE-Costed Edu; Sector Program)	12.100
12.	Purchase of Furniture for newly created SDEO's Office (E&SE-Costed Edu; Sector Program)	7.700
Total:-		16,328.800

Grant To Local Councils

The Grant to Local Councils includes Grant to TMAs, Cantonment Boards and District Council/V.Cs & N.Cs.

i) **Grant to TMAs**

- a) **10% increase** over current year (2017-18) grant to TMAs.
- b) Block allocation/provision of **Rs.750 million** for financially weak/newly created TMAs on need basis. The release(s) to this effect shall however, be subject to the mechanism to be evolved by the Local Government Department.

ii) **Grant to Cantonment Boards**

- a) The **historic share**/collection of grant/share of Cantonment Boards (CBs) having share arrangements with adjacent TMAs shall **continue to be transferred as usual**.

iii) **Grant to District Councils/V.Cs & N.Cs**

- a) The Commission recommended **10% increase** over the **current year's** allocations (2017-18) under Grant to Local Councils.
- b) **District Government shall retain 20% share** of the Grant to meet salary/operational expenses of the staff of District Council Secretariat and charge(s) on account of honoraria, allowances and other perks and privileges of the elected official(s) of the District Council while the remaining **80% thereof shall be transferable to VCs/NCs** for meeting out their requirements on account of honoraria, allowances and perks & privileges of the elected officials as well as other operational expenses.

District Development Share

- i) *As per Section 53 of LGA, 2013 the Development Grant for Local Govt. shall not be less than 30% of the total development budget of the province in respective year.*
- ii) *Similarly, according to the proviso to Clause (a) of Section-2 of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2017 the*



Government may allocate certain amount from the thirty per cent (30%) grant to a **public interest fund** to be administered by Government and to be used by public functionaries for the development of local governments.

- iii) After considering the legal aspects of basing **demographic data regarding factors on the outcome of new Census 2017**, the Commission recommended to await the official notification in this regard till finalization/printing of budget documents by the end of April, 2018. In case no such notification is received by the stipulated time, the Commission recommended adopting the figures of Election Commission of Pakistan for the purpose of calculation. Accordingly, the Development Share of District Tier has been worked out on the basis of new formula devised by P&D Department in accordance with the new District-wise data regarding factors for determination of formula for distribution of Development Fund in light of Census 2017. However, since no such data/statistics in respect of **Tehsil/TMA** are available for the time being, the Commission therefore, recommended distribution of development share in respect of these quarters on the basis of their respective **population**.
- iv) The **total Provincial ADP is Rs. 108.900 billion**. Out of this **Rs. 5.000 billion** will be **loan**. It is worth clarifying that the provision of **Section 53 of LGA 2013**, is **not applicable** to **loan**. Similarly **Rs. 6.000 billion** of ADP will be **financed from the arrears of Net Hydel Profit (NHP)**, subject to its actual receipt from the Federal Government. The said **arrears also include District ADP Share of Rs. 1.000 billion**.
- v) The Provincial Government has allocated a sum of **Rs. 29.345 billion as District ADP**. Out of this, **3% share amounting to Rs. 880.350 million** will be allocated under the **Public Interest Fund**. The said Fund will however, be transferred according to the mechanism/formula devised and notified by the Local Government Department (**Annex-III**). **Remaining amount of Rs. 28,464.650 million** will nevertheless, be transferred to

local governments as **District Development Grant** to meet their developmental requirements in the next financial year 2018-19 in light of the following decision of the Ex-Chief Minister Khyber Pakhtunkhwa taken in the meeting held on 08-06-2015 :

“Minimum of Rs. 2.000 million shall be provided to each village and neighborhood Councils having a population of 2000 village Councils and neighborhood Councils having more than 2000 population shall be provided additional funds of Rs. 0.50 million for every 1000 population exceeding the minimum threshold.

Remaining balance funds for local governments (after meeting the village and neighborhood Council shares) shall be distributed between the District Government and TMAs with the ratio of 50:50 each.”

- vi) **The tier-wise breakup of District Development Fund is as under:-**

Rs. in Million

S.No	Particulars	Budget Estimates 2018-19	Transferable Share
1.	District	8,122.500	7,878.825
2.	Tehsil/TMAs	8,122.500	7,878.825
3.	VCs/NCs	13,100.000	12,707.000
Total=		29,345.000	28,464.650

- vii) Furthermore, the Commission has allowed continuation of the inter se distribution of District Development Funds on the basis of **existing mechanism/formula agreed upon in the PFC Award (2008-09 to 2010-11)** due to non-availability of necessary data as required under the desired formula to be directed by the government under the recent amendment referred to above. The inter se distribution of District Development Funds in accord with the parameters laid down in the aforesaid formula is reflected at **Annexure-VII.**
- viii) The Budget Summary and Budget Statement of resources viz., Salary, Non-Salary, Development and Grant to Local Councils intended to be transferred to Local Governments in the next financial year 2017-18 is displayed at **(Annexures-VIII, IX and X).**

5) **Provision for newly created District Kolai Palas Kohistan.**

- a) 5% increase over the revised size of Salary component.
- b) 10% increase over Non-Salary & Grant to Local Councils.

- c) *Additional allocation/provision of Rs. 40.000 million under Non-Salary component as per the practice in vogue:*

<i>(Rs. In Million)</i>					
<i>S.No.</i>	<i>Salary</i>	<i>Non-Salary</i>	<i>Grant to District Council</i>	<i>Development</i>	<i>Total</i>
<i>1.</i>	<i>426.939</i>	<i>6.640</i>	<i>10.387</i>	<i>327.024</i>	<i>770.990</i>

6) **Term of the Award**

For want of the required Formula under the provisions of the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2017 and collection of data necessitated thereby, the Commission has recommended the present PFC Award on the basis of previous formula (2008-09 to 2010-11) for a term of one year viz., 2018-19.

7) **Other Recommendations**

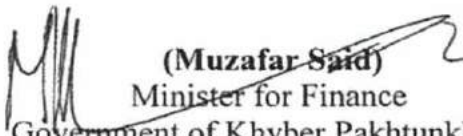
In case of at-source deduction/adjustment from the revenue assignment of the Province by the Federal Government/ PESCO on account of outstanding electricity charges against a District Government or Tehsil/Town Administration, proportionate at-source deductions will be made from the share(s) of the respective District/Tehsil/Town Council. Further, in case any District Govt./Tehsil or Town Administration fails to ensure timely payment of monthly electricity dues to PESCO, Finance Department shall make such payment direct to PESCO and adjust the spent amount against the concerned District Government's Accounts. Likewise, such adjustments shall also be made against the Accounts of Tehsil/ Town Administration as the case may be.

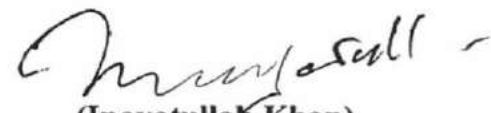



CHAPTER- VII


ACKNOWLEDGEMENT


The appreciation of PFC apart, the members of the Commission, officers and officials of the Finance Department need due vote of thanks in completion of this Award.


(Muzafar Said)
Minister for Finance
Government of Khyber Pakhtunkhwa,
Chairman, Provincial Finance
Commission

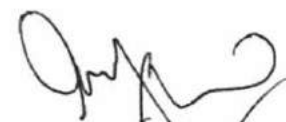

(Inayatullah Khan)
Minister for LGE&RD Dept
Government of Khyber Pakhtunkhwa
Member PFC



Secretary to Govt of
Khyber Pakhtunkhwa
LGE&RD Department
Member PFC



Secretary to Govt. of
Khyber Pakhtunkhwa
P&D Department
Member PFC

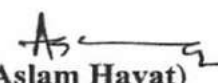

Secretary to Govt. of
Khyber Pakhtunkhwa,
Law Department
Member PFC


(Sami Ullah Alizai)
MPA PK-65
Member PFC

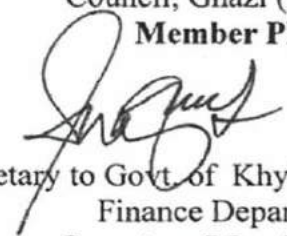

(Syed Muhammad Ali Shah)
MPA PK-98
Member PFC


(Azizullah Alizai)
Nazim District Council
D.I.Khan
Member PFC


(Niaz Ahmad)
Nazim District Council
Shangla
Member PFC


(Aslam Hayat)
Nazim Nazim Tehsil
Council, Ghazi (Haripur)
Member PFC


(Aizazullah)
Nazim Tehsil Council, Serai
Naurang (Lakki Marwat)
Member PFC


Secretary to Govt. of Khyber Pakhtunkhwa,
Finance Department
Secretary/Member PFC



GOVERNMENT OF KHYBER PAKHTUNKHWA
LOCAL GOVERNMENT, ELECTION & RURAL
DEVELOPMENT DEPARTMENT

Dated Peshawar, the 15th of October, 2015

No. SO(LG-I)LGC/4-116/2015: In pursuance to the provisions contained in Section 51 of the Khyber Pakhtunkhwa Local Government Act, 2013, the competent authority has been pleased to constitute the following Provincial Finance Commission with immediate effect to carry out its mandated functions and responsibilities provided in Chapter XI (Section 52 and 53) of the Khyber Pakhtunkhwa Local Government Act, 2013:

S #	Composition	Designation	Name of Member
1.	Minister for finance Department	Chairman	Mr. Muzafar Said, Ex-Officio
2.	Minister for Local Government, Elections and Rural Development Department	Member	Mr. Inayat Ullah Khan, Ex-Officio
3.	MPA nominated by the Chief Minister	Member	Sami Ullah Alizai, MPA PK-65
4.	MPA nominated by the Leader of Opposition in the Provincial Assembly	Member	Syed Muhammad Ali Shah, MPA PK-98
5.	Secretary to Government, Finance Department	Member	Mr. Ahmad Hanif Orakzai, Ex-Officio
6.	Secretary to Government, P&D Department	Member	Syed Zafar Ali Shah, Ex-Officio
7.	Secretary to Government, Local Government, Elections and Rural Development Department	Member	Syed Jamal ud Din Shah, Ex-Officio
8.	Secretary to Government, Law, Parliamentary Affairs & Human Rights Department	Member	Mr. Muhammad Arifeen, Ex-Officio
9.	Elected Nazim District Council	Member	Mr. Azizullah Alizai, Nazim District Council, DI Khan.
10.	Elected Nazim District Council	Member	Mr. Niaz Ahmad, Nazim District Council, Shangla.
11.	Elected Nazim Tehsil Council	Member	Mr. Aslam Hayat Khan, Nazim Tehsil Council, Ghazi (Haripur)
12.	Elected Nazim Tehsil Council	Member	Mr. Aizazullah, Nazim Tehsil Council, Serai Naurang (Lakki Marwat)

Note: Finance Department shall provide secretariat support and render assistance to the Provincial Finance Commission.

-sd-

Secretary, LGE&RDD

Copy endorsed with even No. and date:

- 1) Accountant, Khyber Pakhtunkhwa.
- 2) Principal Secretary to the chief Minister, Khyber Pakhtunkhwa.
- 3) Principal Secretary to the Governor, Khyber Pakhtunkhwa.
- 4) All Administrative Secretaries in Khyber Pakhtunkhwa.
- 5) PA to Secretary Provincial Assembly, Khyber Pakhtunkhwa.
- 6) All Members of Provincial Finance Commission, Khyber Pakhtunkhwa.
- 7) Director Information, Government of Khyber Pakhtunkhwa.
- 8) All commissioners in Khyber Pakhtunkhwa.
- 9) All Heads of the Attached Departments in Khyber Pakhtunkhwa.
- 10) All Nazimeen, District Governments in Khyber Pakhtunkhwa.
- 11) All Deputy Commissioners in Khyber Pakhtunkhwa.
- 12) PSO to Chief Secretary, Khyber Pakhtunkhwa.
- 13) All Nazimeen, Tehsil Councils in Khyber Pakhtunkhwa.
- 14) PS to Additional Chief Secretary, P&D Dept, Khyber Pakhtunkhwa.
- 15) PS to Senior Minister, LGE&RDD, Khyber Pakhtunkhwa.
- 16) PS to Special Secretary, LGE&RDD, Khyber Pakhtunkhwa.
- 17) PA to Director General, LG&RDD, Khyber Pakhtunkhwa.
- 18) PA to Secretary, Local Council Board, Khyber Pakhtunkhwa.
- 19) All Assistant Directors, LG&RDD in Khyber Pakhtunkhwa.
- 20) All Tehsil Municipal Officers, Khyber Pakhtunkhwa.
- 21) Manager Government Printing Press, Peshawar for publication in official Gazette
- 22) Office Record.

(Signature)
Section Officer (Establishment)
LGE&RDD



Annexure-II

**FOR THE EXTRAORDINARY GAZETTE ISSUE OF
THE KHYBER PAKHTUNKHWA**

**PROVINCIAL ASSEMBLY SECRETARIAT
KHYBER PAKHTUNKHWA**

NOTIFICATION

Dated Peshawar, the 14/04/2017.

No.PA/Khyber Pakhtunkhwa/Bills/2017/ 13286 The Khyber Pakhtunkhwa Local Government (Amendment) Bill, 2017 having been passed by the Provincial Assembly of Khyber Pakhtunkhwa on 11th April, 2017 and assented to by the Governor of the Khyber Pakhtunkhwa on 13th April, 2017 is hereby published as an Act of the Provincial Legislature of the Khyber Pakhtunkhwa.

**THE KHYBER PAKHTUNKHWA LOCAL GOVERNMENT (AMENDMENT) ACT, 2017
(KHYBER PAKHTUNKHWA ACT NO. IX OF 2017)**

(First published after having received the assent of the Governor of the
Khyber Pakhtunkhwa in the Gazette of the Khyber Pakhtunkhwa,
(Extraordinary), dated the 14/04/2017).

(Here print as in the accompaniment).

N. M. S.

SECRETARY,

Provincial Assembly of Khyber Pakhtunkhwa.

No. and date (as per notification above).

A copy of the above notification with the accompaniment is forwarded to the Manager, Government Stationery and Printing Department, Peshawar, with the request to publish the same in the extraordinary issue of the Khyber Pakhtunkhwa Government Gazette of today's date and distribute copies thereof immediately in accordance with the list given overleaf.

Proof should be sent to this Secretariat before publication.

N. M. S.

SECRETARY,

Provincial Assembly of Khyber Pakhtunkhwa

E.No. PA/Khyber Pakhtunkhwa/Bills/2017/ 13282-51 Dated 14/04/2017

A copy of the above is forwarded to:-

1. The Principal Secretary to Governor, Khyber Pakhtunkhwa.
2. The Secretary to Government of Khyber Pakhtunkhwa, Local Government, Election & Rural Development Department.
3. The Secretary to Government of Khyber Pakhtunkhwa, Law Department.
4. The Director Information, Khyber Pakhtunkhwa.
5. The Director I.T./ Special Secretary Provincial Assembly of Khyber Pakhtunkhwa.

N. M. S.

SECRETARY,

Provincial Assembly of Khyber Pakhtunkhwa



AN
ACT

*further to amend the Khyber Pakhtunkhwa
Local Government Act, 2013.*

WHEREAS it is expedient further to amend the Khyber Pakhtunkhwa Local Government Act, 2013 (Khyber Pakhtunkhwa Act No. XXVIII of 2013), for the purposes hereinafter appearing;

It is hereby enacted as follow:

1. Short title and commencement,---(1) This Act may be called the Khyber Pakhtunkhwa Local Government (Amendment) Act, 2017.

(2) It shall come into force at once.

2. Amendment of section 53 of the Khyber Pakhtunkhwa Act No. XXVIII of 2013,---In the Khyber Pakhtunkhwa Local Government Act, 2013 (Khyber Pakhtunkhwa Act No. XXVIII of 2013), in section 53,--

(a) in clause (a), the semi-colon, appearing at the end shall be replaced by a colon and thereafter the following new proviso shall be added, namely:

"Provided further that Government may allocate certain amount from the thirty per cent (30%) grant to a public interest fund to be administered by Government and to be used by public functionaries for the development of local governments; and

(b) for clause (b), the following shall be substituted, namely:

"(b) formula for distribution of the grant, as Government may direct, among local governments in the Province;"

BY ORDER OF MR. SPEAKER
PROVINCIAL ASSEMBLY OF KHYBER
PAKHTUNKHWA

(AMANULLAH)
Secretary

Provincial Assembly of Khyber Pakhtunkhwa

**STATEMENT SHOWING PROVINCIAL CONSOLIDATED FUND & ITS
DISTRIBUTION FOR THE YEAR 2018-19**

(REVENUE DETAILS)

(Rs. in million)


S.No	Component	B.E.2017-18	R.E..2017-18	B.E. 2018-19
(A)	Provincial Pool			
1	Revenue Assignment from Federal Divisible Pool	326,000.854	319,861.663	360,459.360
2	1% of Divisible Pool for War on Terror	39,171.330	38,433.662	43,311.767
3	Straight Transfers	24,682.290	22,736.530	22,324.336
4	Provincial Own Receipts (Tax & Non-Tax)	45,215.000	34,039.000	41,262.000
5	Net Profits from Hydel Power (Uncapping of NHP)	20,785.000	21,235.775	28,780.868
6	Arrears of Net Hydel Profit	15,000.000	15,000.000	15,000.000
	Total (A)	470,854.474	451,306.630	511,138.331
B)	Obligatory Expenditure			
1	Debt Servicing Mark-up			
	(i) Mark-up (interest)	8,000.000	8,000.000	9,000.000
	(ii) Principal Amount	6,410.000	6,810.000	7,790.000
	Total=	14,410.000	14,810.000	16,790.000
2	Pension	53,000.000	54,671.126	60,000.000
3	Subsidy on Wheat	2,900.000	2,900.000	2,900.000
4	Contribution to G.P.I. Funds	4,000.000	1,000.000	3,000.000
5	Pension Funds	4,000.000	1,000.000	3,000.000
6	Hydel Development Fund	15,000.000	15,000.000	-
7	Home, Police	41,469.059	42,078.522	49,181.000
8	Civil Defence	107.341	11,641.276	122.223
9	Provincial Assembly, Governor House/Secretariat and Ihtisab Commission	3,027.072	1,564.920	1,887.828
10	High Courts	1,458.237	1,704.830	1,795.996
	Total(B)	139,371.709	146,370.674	138,677.047
C)	Divisible Pool			
1	Provincial Pool	470,854.474	451,567.855	511,138.331
2	Provincial obligatory Expdr:	138,396.131	152,370.674	138,677.047
3	Net Divisible Pool (A-B)	332,458.343	299,197.181	372,461.284
4	(i) Provincial Allocable Amount (60% of net Divs.Pool)	199,475.006	179,518.309	223,476.770
5	(II) Provincial retained Amount (40% of net Divs.Pool)	132,983.337	119,678.872	148,984.514
D)	Amount Allocated to Distt			
	(i) Salary	121,377.873	121,377.873	140,000.000
	(ii) Non-Salary	21,020.804	21,020.804	23,143.726
	(iii) Development	28,000.000	10,944.342	29,345.000
	(iv) Grant to Local Councils	5,187.439	5,187.439	6,706.183
	Total (D)	175,586.116	158,530.458	199,194.909

**MINUTES OF THE 10TH MEETING OF PROVINCIAL FINANCE
COMMISSION (PFC).**

10th meeting of Provincial Finance Commission was held on **28th March, 2018** at **10:30 AM** under the chairmanship of Minister for Finance, Khyber Pakhtunkhwa. List of the participants is exhibited at **Annex-I**.

2. The meeting started with the recitation from the Holy Quran followed by the welcome address of the Chairman of the commission. The Secretary Finance gave a detailed presentation on the Agenda/Working Paper of the meeting with regard to Resource-Allocation to Local Governments (Budget Estimates-2018-19).

3. Agenda of the meeting comprised the following items:

- 
- i. Confirmation of minutes of the 9th PFC meeting held on 29-11-2017.
 - ii. Determination of allocable share of resources (salary, non-salary, grant to local councils & development) to be transferred to local governments (devolved departments) for the next financial year 2018-19.
 - iii. Provision for newly created District **Kolai Palas Kohistan**.
 - iv. Any other item/issue with the approval of the Chairman.

4. After thorough discussion/deliberation, the Commission agreed to take the following decision(s):

ITEM NO.1: Confirmation of minutes of the 9th PFC meeting held on 29-11-2017.

In absence of objection(s) from any quarter, the Commission was pleased to extend its approval to the Minutes of 9th PFC meeting.

ITEM NO.2: Determination of allocable share of resources (salary, non-salary, grant to local councils & development) to be transferred to local governments (devolved departments) for the next financial year 2018-19.

The Commission approved the following increase in respect of Salary, Non-Salary, and Grant to Local Councils with certain percentage(s)/yardsticks etc as under:

(A) Salary:

- (i) 5% annual incremental increase over revised estimates 2017-18.
- (ii) Block allocation/provision of Rs. 12,973.233 Million.

(B) Non-Salary:

- (i) 10% increase over the current year's (2017-18) allocations.
- (ii) Block allocation/provision of Rs.16, 328.800 million.
- (iii) The participants expressed satisfaction over the said increase as it was found considerably high viz-a-viz the current inflation of the country.

(C) Grant to Local Councils

1) Grant to TMAs/Towns

- (i) 10% increase over current year (2017-18) grant to TMAs.



- (ii) Block allocation/provision of Rs.750 million for financially weak/newly created TMAs on need basis. The release(s) to this effect shall however, be subject to the mechanism to be evolved by the Local Government Department.
- (iii) The historic share/collection of grant to those Cantonment Boards (CBs) having share arrangement with adjacent TMAs shall continue to be transferred directly as usual.

2) Grant to District Councils/VCs & NCs

- (i) 10% increase over the current year's allocations.
- (ii) District Government shall retain 20% share of the Grant to meet salary/operational expenses of the staff of District Council Secretariat and charges on account of honoraria, allowances and other perks and privileges of the elected official(s) of the District Council while the remaining 80% thereof shall be transferred to VCs/NCs for meeting out requirements on account of honoraria, allowances and perks & privileges of their elected officials as well as other operational expenses.

(D) District Development Share:

- (i) As per Section 53 of LGA, 2013 the Development Grant for Local Govt. shall not be less than 30% of the total development budget of the province in respective year.

- (ii) Similarly, according to the proviso to Clause (a) of Section-2 of Khyber Pakhtunkhwa Local Government (Amendment) Act, 2017 the Government may allocate certain amount from the thirty per cent (30%) grant to a public interest fund to be administered by Government and to be used by public functionaries for the development of local governments.
- (iii) Determination of District Development Budget by the Government is nevertheless, subject to finalization/announcement of Federal Budget and communication of its receivable estimated resources to the Provincial Government.
- (iv) After considering the legal aspects of basing demographic data as to factors on the results of new Census 2017, the Commission recommended to await the official notification in this regard till finalization/printing of budget documents by the end of April, 2018. In case no such notification is received by the stipulated time, the Commission recommended adopting the figures of Election Commission of Pakistan for the purpose of calculation. However, since no such data/statistics in respect of Tehsil/TMA are available for the time being, the distribution of development share of these quarters may



therefore, be based on their respective population.

ITEM NO.3: Provision for newly created District Kolai Palas Kohistan.

- (i) 5% increase over the revised size of Salary component.
- (ii) 10% increase over Non-Salary & Grant to Local Councils.
- (iii) Additional allocation/provision of Rs. 40.000 million under Non-Salary component as per the practice in vogue.

ITEM NO.4: Any other Item with permission of the Chair.

With permission of the Chair, Local Govt. Department while arguing in support of an incentive package for VCs/NCs on account of sanitation work requested for formation of a formal grant in this regard. The Commission after thorough deliberation agreed to the said proposal and recommended an allocation of Rs. 100.00 million for this purpose under the title "**Sanitation-Incentive Grant for VCs/NCs**"

5. The meeting ended with a vote of thanks from and to the chair.



**GOVERNMENT OF KHYBER PAKHTUNKHWA
LOCAL GOVT. ELECTIONS & RURAL
DEVELOPMENT DEPARTMENT**

Annexure- V

Dated the Peshawar; 8th June, 2017

NOTIFICATION

No. PO(LG)2-45/District ADP/2016-17: The Government of Khyber Pakhtunkhwa is pleased to devise the following guidelines under Section 53 of Khyber Pakhtunkhwa Local Government Act 2013 (Amended Act 2017) for implementation of developmental schemes under certain share of 30% grant allocated to public interest fund to be administered by Government used by public functionaries for the development of Local Government:-

- i. The Finance Department will retain certain amount (2% for Chief Minister and 1% for Senior Minister, Finance Department Khyber Pakhtunkhwa respectively) out of 30% developmental budget to be used by the public functionaries for the development of Local Governments;
 - ii. The Chief Minister and Senior Minister, Finance Department will issue directive for the developmental schemes in respect of these funds;
 - iii. The PC-I of said directive will be prepared by the concerned executing agency and will be discussed/ approved in DDC of concerned district;
 - iv. Administrative Approval will be issued accordingly;
 - v. On the basis of approved scheme the Finance Department will release funds directly to the Account-IV of concerned district;
 - vi. Deputy Commissioner will be the Principal Accounting Officer of the said funds and submit progress report to Local Government Department accordingly.
2. The Guidelines may be followed in letter and spirit.

Sd/-

SECRETARY LG

Endst: of Even No. & Date.

Copy forwarded to:-

1. The Secretary Finance Department, Government of Khyber Pakhtunkhwa.
2. The Secretary P&D Department, Government of Khyber Pakhtunkhwa.
3. PSO to Chief Minister, Khyber Pakhtunkhwa.
4. PSO to Chief Secretary, Khyber Pakhtunkhwa.
5. The Director General, LG&RD Department, Khyber Pakhtunkhwa.
6. The Secretary Local Council Board, Peshawar.
7. All Deputy Commissioners, Khyber Pakhtunkhwa.
8. PS to Senior Minister Finance Department, Khyber Pakhtunkhwa.
9. PS to Senior Minister LG&RD Department, Khyber Pakhtunkhwa.
10. PS to Additional Chief Secretary, Khyber Pakhtunkhwa.
11. PS to Secretary LG&RDD, Khyber Pakhtunkhwa.
12. Master File.

[Signature]
CHIEF PLANNING OFFICER



Annexure-VI

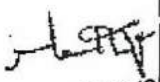


**GOVERNMENT OF KHYBER PAKHTUNKHWA
LOCAL GOVERNMENT, ELECTIONS AND RURAL
DEVELOPMENT DEPARTMENT**

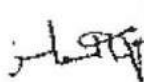
IMPLEMENTATION STATUS ON DECISIONS OF CM MEETING OF JUNE 8-9, 2015

S.No.	Decisions	Action by	Status/ Remarks
1	This should be made categorically clear in the District Rules of Business that the executive authority of the district government shall lie with the Nazim, District Council strictly in accordance with the spirit of the Khyber Pakhtunkhwa Local Government Act.	Secretary Establishment, LG&RDD, Law	Relates to District ROBs and has been incorporated in Rule No 6.
2	Amendment may be made in the LGA 2013 to the effect that nomenclature/designation of Nazim District Council is changed from Nazim District Council to that of Nazim District Government.	Secretary LG&RDD, Law	Amendments in the Act are under process.
3	Chief Minister directed that District Nazim and Tehsil Nazim may be the approving authority for expenditure within their prescribed sphere of responsibilities however, they should not be the co-signatory of the cheques with the Drawing and Disbursing Officers at District and Tehsil level. However, Nazim Village and Neighbourhood councils would be given the co-signatory powers due to the fact that only one Secretary Village council is available at that tier. This should be incorporated in Budget & Accounts Rules.	Secretary Finance and LG&RDD, Law)	The requirements stand inc. the ac. Section Officer (C&D) Local Govt: Elections & RDD Khyber Pakhtunkhwa
4	The existing administrative authorities of devolved offices at district level regarding posting, transfer and appointment powers shall continue but subject to overall administrative control and approval of the Nazim, District Government. District Nazim shall have the power to override any posting and transfer proposal made by the Deputy Commissioner or District Officers if found in violation of rules/policies. Same principle shall also be adopted in TMA's and Village Councils.	Secretary Establishment, LG&RDD, Law	Rule 12 has been framed as per CM Directive which is as under:- <i>Grade-I to 16 by district Nazim</i> <i>Grade 17 & above in consultation with provincial government.</i> <i>As per table</i>
5	Chief Minister directed that the Deputy Commissioner shall be the Principal Accounting Officer of the district with an overall monitoring role and shall chair DAC meetings. Funds received to Account-IV shall be released lump sum on quarterly basis within three days to the respective sectoral heads of departments at district level and the district heads of the departments and Tehsil Municipal Officers and Village Councils would be fully empowered to	Secretary FD, LG&RDD, P&D, Law).	Finance Deptt: confirmed that the decision has been incorporated in various financial rules and procedures.



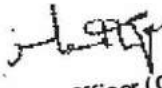
S.No.	Decisions	Action by	Status/ Remarks
	act as Drawing and Disbursing Officers, through delegation of financial powers. District Officers will not be required to seek funding of schemes on bill to bill or project to project basis.		
6	The Chief Minister made it clear that District Development Advisory Committee (DDAC) will remain intact even after implementation of LGA-2013. DDAC will approve Provincial ADP schemes falling within its ambit and will have no concern with ADP of District Government, TMA's and Village Councils. Likewise District Council, TMA's will have nothing to do with Provincial ADP schemes. However the District Nazim and Tehsil Nazim shall be included as co-opted but non-voting members in DDAC to remain informed of the development activities and also to ensure avoiding duplication and overlapping of development activities. Similarly, the MPA's will not have any say in the district council and TMA's budgets. Deputy Commissioner will ensure effective coordination between the working of DDAC and DDC meetings. Chief Minister endorsed the amendment made in the DDAC Act regarding oversight role of DDAC in the development schemes, being executed by the NGOs in the district for better accountability and transparency.	(Action by Secretary FD, LG&RDD, P&D, Law).	District Nazim and Tehsil Nazim have been made co-opted members in DDAC and this has been incorporated in the Rules of Business for District & Tehsil.  Section Officer (C&D) Local Govt: Elections & RDD Khyber Pakhtunkhwa
7	Districts shall be categorized into two categories for the purpose of posting of officers in BPS-19 and BPS-18 as Deputy Commissioner on the basis of size and population of the districts.	Secretary Establishment	Relates to Establishment Department and need not to be mentioned in the District Rules of Business
8	The Chief Minister desired to bring the district law & order subject and police within the purview of the District Governments. For the purpose, the Police Reforms Committee was constituted to work on viable legal framework in the light of LGA-2013 and Police Order 2002 with following ToRs:- i. To firm up proposals and recommendations in consultation with concerned stakeholders for devolving the administrative and financial powers of district police to the District Government to ensure effective coordination and oversight to improve performance of police. ii. To recommend a district oversight committee of 12 to 15 members comprising Chairman DDAC, Nazim District and Tehsil Councils, retired civil	Home & TAs Department	Work in progress.



S.No.	Decisions	Action by	Status/ Remarks
	<p>servants, ex-judges, ex-Army officers, public opinion leaders. This Committee shall be headed by a non-political figure and shall be housed in the District Council Secretariat and there shall be no honoraria or perks and privileges for the members of the committee.</p> <p>iii. The Committee will submit its report and recommendations to the Chief Minister KP within a period of 15 days.</p>		
9	<p>On the subject of development funds distribution amongst the three tiers of local governments, the Chief Minister directed the P&D and Finance Department to include the following directives in the relevant rules or Act;</p> <p>a. Minimum of Rs 2,000 Million shall be provided to each village and neighbourhood councils having a population of 2000. Village Council and neighbourhood councils having more than 2000 population shall be provided additional fund of Rs 0.50 Million for every 1000 population exceeding the minimum threshold. Rs. 0.5 Million fixed funds shall be provided to each of them as Annual establishment/recurring cost. LG&RDD will provide population data to the P&D and Finance to this effect;</p> <p>b. Remaining balance funds for local governments (after meeting the Village Council shares) shall be distributed between the District Government and TMA's with the ratio of 50:50 each;</p> <p>c. There should be clear demarcation of functions and development activities for each tier of the local governments i.e Village / Neighbourhood Council, TMA's and District Council, duly provided in their respective RoB;</p> <p>d. All new schemes must be completed within the same financial year and no multi-years projects having throw-forward financial liabilities should be allowed for approval, unless fully funded by the respective local governments.</p> <p>e. The local governments should be given role in providing missing facilities in education and health out of their allocated funds;</p> <p>f. Establishment of new schools and health facilities, having recurring financial liabilities or creation of posts, shall rest with the Provincial Government;</p>	FD and P&D	<p>The decisions stand incorporated in budget documents FY 2015-16.</p> <p style="text-align: right;">  Section Officer (C&D) Local Govt Elections & RDD Khyber Pakhtunkhwa </p>



S.No.	Decisions	Action by	Status/ Remarks
	g. Responsibilities and funds of on-going schemes under the Provincial ADP, falling within the mandate of the local governments can be transferred to them with the condition that they will be duty bound to complete the same as per specifications and approved scope of work;		
10	The Chief Minister approved the proposal of Chief Secretary for formulating distinct schedules depicting the bifurcated functions/ responsibilities for the three tiers of local governments so as to avoid ambiguity and duplication.	Secretary LG&RDD, P&D and Law	Implemented.
11	Provincial Government shall issue policy directives to all the Deputy Commissioners for ensuring the implementation of Provincial Government policies regarding encroachment, recruitments and posting and transfer etc	Secretary Establishment, LG&RDD, Law, P&D	Concerned departments will issue policy guidelines to local governments on need basis.


Section Officer (C&D)
Local Govt: Elections & RDD
Khyber Pakhtunkhwa

WEIGHTAGE/FORMULA FOR INTER-SE DISTRIBUTION OF DISTRICTS DEVELOPMENT FUNDS 2018-19 (CENSUS, 2017)**Amount to be Distributed (Rs. In Million) 7,878.825**

Districts	Share on the basis of Previous Data (1998)						Share on the Basis of New Data (2017)						%age Change
	Population (1998)	Population (60%)	Backwardness (20%)	Lag in Infrastructure (20%)	Total Weightage	Share (Rs. In million)	Population (2017)	Population (60%)	Poverty (20%)	Lag in Infrastructure (20%)	Total Weightage	Share (Rs. In million)	
Abbottabad	880,666.00	2.98	0.54	0.89	4.41	347.65	1,332,912.00	2.62	0.18	0.57	3.38	266.28	-23.40
Bannu	675,667.00	2.28	0.83	0.69	3.81	300.16	1,167,892.00	2.30	0.98	0.45	3.73	293.64	-2.17
Battagram	307,278.00	1.04	0.94	0.49	2.47	194.67	476,612.00	0.94	1.29	0.65	2.88	226.98	16.60
Buner	506,048.00	1.71	0.78	0.62	3.11	245.17	897,319.00	1.76	1.17	1.02	3.95	311.58	27.09
Charsadda	1,022,364.00	3.46	0.75	0.89	5.10	402.15	1,616,198.00	3.18	0.68	0.41	4.26	335.81	-16.50
Chitral	318,689.00	1.08	0.67	0.55	2.30	180.87	447,362.00	0.88	0.43	1.23	2.54	199.87	10.50
D.I.Khan	852,995.00	2.88	0.82	0.89	4.60	362.36	1,627,132.00	3.20	1.11	0.91	5.21	410.70	13.34
Dir Lower	717,649.00	2.43	0.76	0.67	3.86	303.77	1,435,917.00	2.82	0.49	0.70	4.02	316.59	4.22
Dir Upper	575,858.00	1.95	1.12	0.67	3.73	294.17	946,421.00	1.86	1.42	1.05	4.32	340.69	15.82
Hangu	314,529.00	1.06	0.70	0.54	2.30	181.30	518,798.00	1.02	0.86	0.64	2.52	198.51	9.49
Haripur	692,228.00	2.34	0.53	0.73	3.60	283.95	1,003,031.00	1.97	0.06	0.78	2.81	221.65	-21.94
Karak	430,796.00	1.46	0.75	0.60	2.81	221.34	706,299.00	1.39	0.80	1.37	3.55	280.09	26.54
Kohat	562,644.00	1.90	0.56	0.74	3.20	252.46	993,874.00	1.95	0.74	0.77	3.46	272.51	7.94
Kohistan	472,570.00	1.60	1.90	0.63	4.13	325.35	784,711.00	1.54	1.54	1.51	4.59	361.59	11.14
Lakki Marwat	490,025.00	1.66	0.91	0.65	3.21	253.05	876,182.00	1.72	1.05	0.96	3.73	293.63	16.04
Malakand	452,291.00	1.53	0.60	0.53	2.66	209.64	720,295.00	1.42	0.37	0.44	2.22	174.93	-16.56
Mansehra	978,157.00	3.31	0.68	1.01	4.99	393.26	1,556,460.00	3.06	0.55	0.83	4.44	350.08	-10.98
Mardan	1,460,100.00	4.94	0.65	1.17	6.75	532.11	2,373,061.00	4.66	0.25	0.23	5.14	405.04	-23.88
Nowshera	874,373.00	2.96	0.64	0.86	4.45	350.59	1,518,540.00	2.99	0.31	0.51	3.80	299.74	-14.50
Peshawar	2,026,851.00	6.85	0.66	2.00	9.51	748.99	4,269,079.00	8.39	0.12	0.37	8.88	700.01	-6.54
Shangla	434,563.00	1.47	1.22	0.60	3.29	258.90	757,810.00	1.49	1.35	1.34	4.19	329.74	27.36
Swabi	1,026,804.00	3.47	0.68	0.94	5.09	400.99	1,624,616.00	3.19	0.62	0.47	4.28	337.40	-15.86
Swat	1,257,602.00	4.25	0.72	1.17	6.14	483.49	2,309,570.00	4.54	0.92	0.74	6.20	488.86	1.11
Tank	238,216.00	0.81	0.92	0.48	2.20	173.25	391,885.00	0.77	1.23	1.23	3.23	254.31	46.79
Tor Ghar	174,682.00	0.59	0.68	1.01	2.27	179.20	171,395.00	0.34	1.48	0.83	2.65	208.60	16.40
Total	17,743,645.00	60.00	20.00	20.00	100.00	7,878.825	30,523,371.00	60.00	20.00	20.00	100.00	7,878.825	-

SUMMARY

Estimated Resources to be transferred to Local Governments for the financial year 2018-19

(Rs. in million)

S #	District	Salary	Non-Salary	Development	Grant to Local Councils	Total
1	2	3	4	5	6	7
1	Abbottabad	6,586.634	451.994	1,257.489	123.145	8,419.262
2	Bannu	5,405.253	330.898	1,055.945	137.367	6,929.463
3	Battagram	2,247.966	115.874	681.103	34.627	3,079.570
4	Buner	3,772.583	218.748	929.208	59.540	4,980.079
5	Charsadda	6,684.042	243.760	1,408.201	134.830	8,470.833
6	Chitral	3,833.071	166.365	657.175	93.032	4,749.643
7	DIKhan	7,112.431	410.439	1,396.255	164.789	9,083.914
8	Dir Lower	7,306.892	294.246	1,237.268	81.673	8,920.079
9	Dir upper	3,872.235	200.844	1,034.483	46.610	5,154.172
10	Hangu	1,555.304	120.822	607.757	95.969	2,379.852
11	Haripur	5,368.942	405.985	1,062.855	295.833	7,133.615
12	Karak	4,422.456	204.543	783.203	53.701	5,463.903
13	Kohat	4,116.143	258.423	891.139	180.449	5,446.154
14	Kohistan Upper	1,363.252	136.956	480.749	18.295	1,999.252
15	Kohistan Lower	458.761	29.150	278.573	11.835	778.319
16	Kolai Palas Kohistan	395.205	47.305	354.895	15.381	812.786
17	Lakki Marwat	4,486.062	328.462	901.710	65.088	5,781.322
18	Malakand	4,191.865	228.391	702.724	71.375	5,194.355
19	Mansehra	7,660.430	445.441	1,455.305	90.280	9,651.456
20	Mardan	9,668.388	372.163	1,926.024	267.144	12,233.719
21	Nowshera	6,004.532	296.574	1,236.181	343.216	7,880.503
22	Peshawar	9,893.667	484.556	2,806.935	919.365	14,104.523
23	Shangla	2,819.034	143.934	924.244	34.987	3,922.199
24	Swabi	6,829.245	275.914	1,427.063	174.436	8,706.658
25	Swat	8,660.258	367.809	1,821.065	210.221	11,059.353
26	Tank	1,757.469	179.123	626.893	70.979	2,634.464
27	Tor Ghar	554.647	56.207	520.207	21.696	1,152.757
		127,026.767	6,814.926	28,464.650	3,815.863	166,122.206
1	Provision of grant on need basis.	-	4,000.000	-	-	4,000.000
2	Provision of Conditional Grant (Education)	-	9,648.780	-	-	9,648.780
3	Grant for Emergency Medicines in BHUs	-	500.000	-	-	500.000
4	Grant for Electricity Charges on need basis	-	925.000	-	-	925.000
5	Grant for Financial Assistance/ Shuhada Packages	-	350.000	-	-	350.000
6	Grant for Advertising Charges	-	20.000	-	-	20.000
7	Grant for Autonomy to HSS(Edu Sector)	-	500.000	-	-	500.000
8	Grant for Enrolment Campaign (E&SE)	-	14.000	-	-	14.000
9	Incentives for best performing school teachers, headmasters & Principals.	-	110.000	-	-	110.000
10	Provision of scholarship under Stoori da pakhtunkhwa for top 20 position holders of Govt. High & Higher Scndry schls in all the 08 BISEs of KP	-	241.220	-	-	241.220
11	Grant for financially weak TMAs/ newly created TMAs	-	-	-	750.000	750.000
12	Remunerations of officials	-	-	-	157.500	157.500
13	Sanitation Incentive Grant for VCs/NCs	-	-	-	100.000	100.000
14	Purchase of IT Equipment for SDEO's Office (E&SE-Costed Edu; Sector Program)	-	12.100	-	-	12.100
15	Purchase of Furniture for newly created SDEO's Office (E&SE-Costed Edu; Sector Program)	-	7.700	-	-	7.700
16	PIF to be authorized by CM(2%)	-	-	586.900	-	586.900
17	PIF to be authorized by FM(1%)	-	-	293.450	-	293.450
18	L.S provision at the disposal of F.D.	12,973.233	-	-	1,882.820	14,856.053
	Total (b):	12,973.233	16,328.800	880.350	2,890.320	33,072.703
	Grand Total (a+b) =	140,000.000	23,143.726	29,345.000	6,706.183	199,194.909

ESTIMATED RESOURCES TO BE TRANSFERRED TO LOCAL GOVERNMENTS FOR THE FINANCIAL YEAR 2018-19 (BUDGET STATEMENT)

Annex-IX
(Rs. in million)

S#	Name of District	Salary	Non-Salary			Development				Grant to Local Councils						Grand Total (Col:3:6:11:16)
			other	Electricity	Total (col:4-5)	District	TMA's	Village Council	N/Council	Total Development (Col: 7-10)	Grant to TMA's/ Towns	C.Bs Share	Total Grant (Col:12-13)	Grant to District Councils VCs/NCs	Total Grant To Local Councils (Col:14-15)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	Abbottabad	6,586.634	431.559	20.435	451.994	266.279	347.821	588.780	54.808	1,257.489	61.017	18.715	79.732	43.413	123.145	8,419.262
2	Bannu	5,405.253	303.660	27.238	330.898	293.640	300.587	437.950	23.768	1,055.945	63.406	8.018	71.424	65.943	137.367	6,929.463
3	Battagram	2,247.966	112.015	3.859	115.874	226.980	194.656	228.430	31.038	681.103	7.911	-	7.911	26.716	34.627	3,079.570
4	Buner	3,772.583	197.107	21.641	218.748	311.580	245.158	372.470	-	929.208	11.809	-	11.809	47.731	59.540	4,980.079
5	Charsadda	6,684.042	210.874	32.886	243.760	335.810	402.125	569.870	100.396	1,408.201	59.832	-	59.832	74.998	134.830	8,470.833
6	Chitral	3,833.071	164.240	2.125	166.365	199.870	180.865	263.830	12.610	657.175	22.719	-	22.719	70.313	93.032	4,749.643
7	Dikhan	7,112.431	332.310	78.129	410.439	410.700	362.340	479.660	143.555	1,396.255	110.383	1.575	111.958	52.831	164.789	9,083.914
8	Dir Lower	7,306.892	246.706	47.540	294.246	316.590	303.750	566.000	50.928	1,237.268	21.727	-	21.727	59.946	81.673	8,920.079
9	Dir upper	3,872.235	195.338	5.506	200.844	340.690	294.154	375.870	23.769	1,034.483	14.618	-	14.618	31.992	46.610	5,154.172
10	Hangu	1,555.304	107.843	12.979	120.822	198.510	181.289	180.910	47.048	607.757	52.784	-	52.784	43.185	95.969	2,379.852
11	Haripur	5,368.942	381.189	24.796	405.985	221.650	283.939	478.210	79.057	1,062.855	83.177	-	83.177	212.656	295.833	7,133.615
12	Karak	4,422.456	173.439	31.104	204.543	280.090	221.325	262.870	18.919	783.203	18.565	-	18.565	35.136	53.701	5,463.903
13	Kohat	4,116.143	215.223	43.200	258.423	272.509	252.452	273.060	93.117	891.139	101.770	22.242	124.012	56.437	180.449	5,446.154
14	Kohistan Upper	1,363.252	135.575	1.381	136.956	165.491	148.898	162.480	3.880	480.749	5.109	-	5.109	13.186	18.295	1,999.252
15	Kohistan Lower	458.761	29.150	-	29.150	85.260	74.972	118.340	-	278.573	3.044	-	3.044	8.791	11.835	778.319
16	Kolai Palas Kohistan	395.205	47.305	-	47.305	110.839	101.466	142.590	-	354.895	3.955	-	3.955	11.426	15.381	812.786
17	Lakki Marwat	4,486.062	302.095	26.367	328.462	293.630	253.051	323.500	31.529	901.710	27.522	-	27.522	37.566	65.088	5,781.322
18	Malakand	4,191.865	201.333	27.058	228.391	174.930	209.626	261.420	56.748	702.724	16.981	-	16.981	54.394	71.375	5,194.355
19	Mansehra	7,660.430	417.587	27.854	445.441	350.080	393.239	629.050	82.937	1,455.305	52.312	-	52.312	37.968	90.280	9,651.456
20	Mardan	9,668.388	233.009	139.154	372.163	405.040	532.074	753.690	235.221	1,926.024	170.150	11.930	182.080	85.064	267.144	12,233.719
21	Nowshera	6,004.532	237.578	58.996	296.574	299.740	350.565	480.150	105.726	1,236.181	110.533	36.567	147.100	196.116	343.216	7,880.503
22	Peshawar	9,893.667	459.034	25.522	484.556	700.010	748.938	747.390	610.597	2,806.935	564.572	84.333	648.905	270.460	919.365	14,104.523
23	Shangla	2,819.034	134.831	9.103	143.934	329.740	258.885	335.620	-	924.244	7.912	-	7.912	27.075	34.987	3,922.199
24	Swabi	6,829.245	212.648	63.266	275.914	337.400	400.957	568.910	119.796	1,427.063	56.190	-	56.190	118.246	174.436	8,706.658
25	Swat	8,660.258	257.686	110.123	367.809	488.860	483.452	657.180	191.573	1,821.065	127.200	-	127.200	83.021	210.221	11,059.353
26	Tank	1,757.469	143.024	36.099	179.123	254.310	173.244	169.750	29.589	626.893	38.740	-	38.740	32.239	70.979	2,634.464
27	Tor Ghar	554.647	56.207	-	56.207	208.600	179.196	128.530	3.881	520.207	3.544	-	3.544	18.152	21.696	1,152.757
Total (a):		127,026.767	5,938.565	876.361	6,814.926	7,878.825	7,878.825	10,556.510	2,150.490	28,464.650	1,817.482	183.380	2,000.862	1,815.001	3,815.863	166,122.206
1	Provision of grant on need	-	4,000.000	-	4,000.000	-	-	-	-	-	-	-	-	-	-	4,000.000
2	Provision of Conditional Grant (Education)	-	9,648.780	-	9,648.780	-	-	-	-	-	-	-	-	-	-	9,648.780
3	Grant for Emergency	-	500.000	-	500.000	-	-	-	-	-	-	-	-	-	-	500.000
4	Grant for Electricity Charges on	-	925.000	-	925.000	-	-	-	-	-	-	-	-	-	-	925.000
5	Grant for Financial Assistance/	-	350.000	-	350.000	-	-	-	-	-	-	-	-	-	-	350.000
6	Grant for Advertising Charges	-	20.000	-	20.000	-	-	-	-	-	-	-	-	-	-	20.000
7	Grant for Autonomy to	-	500.000	-	500.000	-	-	-	-	-	-	-	-	-	-	500.000
8	Grant for Enrolment Campaign	-	14.000	-	14.000	-	-	-	-	-	-	-	-	-	-	14.000
9	Incentives for best performing	-	110.000	-	110.000	-	-	-	-	-	-	-	-	-	-	110.000
10	Provision of scholarship under	-	241.220	-	241.220	-	-	-	-	-	-	-	-	-	-	241.220
11	Grant for financially weak	-	-	-	-	-	-	-	-	-	750.000	-	750.000	-	750.000	750.000
12	Remunerations of officials	-	-	-	-	-	-	-	-	-	157.500	-	157.500	-	157.500	157.500
13	Sanitation Incentive Grant for	-	-	-	-	-	-	-	-	-	-	-	-	100.000	100.000	100.000
14	Purchase of IT Equipment for	-	12.100	-	12.100	-	-	-	-	-	-	-	-	-	-	12.100
15	Purchase of Furniture for newly	-	7.700	-	7.700	-	-	-	-	-	-	-	-	-	-	7.700
16	PIF to be authorized by CM(2%)	-	-	-	-	586.900	-	-	-	586.900	-	-	-	-	-	586.900
17	PIF to be authorized by FM(1%)	-	-	-	-	293.450	-	-	-	293.450	-	-	-	-	-	293.450
18	L.S provision at the disposal of	12,973.233	-	-	-	-	-	-	-	-	1,882.820	-	1,882.820	-	1,882.820	14,856.053
Total (b):		12,973.233	16,328.800	-	16,328.800	880.350	-	-	-	880.350	2,790.320	-	2,790.320	100.000	2,890.320	33,072.703
G.Total:(a+b):		140,000.000	22,267.365	876.361	23,143.726	8,759.175	7,878.825	10,556.510	2,150.490	29,345.000	4,607.802	183.380	4,791.182	1,915.001	6,706.183	199,194.909

GRANT TO LOCAL COUNCILS & DEVELOPMENT SHARE OF TMAs FOR THE FINANCIAL YEAR 2018-19

S#	District	Tehsil/Town	(Rs. in million)								
			Grants to TMAs/ Towns	DEVELOPMENT SHARE					No. of V.Cs	No. of N.Cs	Total N.Cs/V.Cs
				TMAs Share	V.Cs Share	N.Cs Share	Total N.Cs/V.Cs share	Grand Total Dev. (TMA+vc+NC)			
1	Abbottabad (04)		61.017	347.621	588.780	54.808	643.588	991.209	195	14	209
		Abbottabad	32.049	209.935	431.160	45.588	476.748	686.683	142	11	153
		Havillian	17.715	59.640	157.620	9.220	166.840	226.480	53	3	56
		Lower Tanawal	6.163	48.639			-	48.639			
		Lora	5.090	29.406			-	29.406			
2	Bannu (04)		63.406	300.587	437.950	23.768	461.718	762.305	105	5	110
		Bannu	39.874	173.121	369.570	23.768	393.338	566.459	90	5	95
		Domail	11.448	46.424	68.380	-	68.380	114.804	15	0	15
		Kakki	6.042	26.130			-	26.130			
		Baka khel	6.042	54.913			-	54.913			
3	Batagram (02)		7.911	194.656	228.430	31.038	259.468	454.124	79	11	90
		Alai	3.165	77.191	104.760	-	104.760	181.951	37	0	37
		Battagram	4.747	117.465	123.670	31.038	154.708	272.173	42	11	53
4	Buner (04)		11.809	245.158	372.470	-	372.470	617.628	105	0	105
		Daggar	4.074	95.747	145.985	-	145.985	241.732	40	0	40
		Gagra	3.665	73.922	112.035	-	112.035	185.957	32	0	32
		Khudukhail	2.035	33.987	53.830	-	53.830	87.817	16	0	16
		Totalai(Mandnr)	2.035	41.502	60.620	-	60.620	102.122	17	0	17
5	Charsadda (03)		59.832	402.125	569.870	100.396	670.266	1,072.391	126	20	146
		Charsadda	40.065	197.798	280.330	54.803	335.133	532.931	64	11	75
		Shabqadar	13.479	104.245	135.310	33.948	169.258	273.503	29	6	35
		Tangi	6.288	100.081	154.230	11.645	165.875	265.956	33	3	36
6	Chitral (04)		22.719	180.865	263.830	12.610	276.440	457.305	95	5	100
		Chitral	12.062	59.534	151.315	12.610	163.925	223.459	56	5	61
		Mastuj	1.583	32.516	112.515	-	112.515	145.031	39	0	39
		Darosh	6.700	45.410			-	45.410			
		Mulkhow	2.374	43.404			-	43.404			
7	D. I. Khan (05)		110.383	362.340	479.660	143.555	623.215	985.555	139	35	174
		D. I. Khan	78.388	152.943	159.560	95.056	254.616	407.559	43	22	65
		Daraban	2.475	31.427	48.015	9.700	57.715	89.142	16	2	18
		Kulachi	10.395	28.696	35.890	16.004	51.894	80.590	11	6	17
		Pharpur	14.704	90.468	138.710	18.429	157.139	247.607	41	4	45
		Paroa	4.421	58.807	97.485	4.366	101.851	160.658	28	1	29
8	Dir Lower (07)		21.727	303.750	566.000	50.928	616.928	920.678	182	16	198
		Adenazai	4.238	67.141	114.945	16.974	131.919	199.060	35	5	40
		Balambut	3.179	51.057	102.335	-	102.335	153.392	32	0	32
		Khall	2.650	23.970	53.835	-	53.835	77.805	20	0	20
		Lal Qilla	2.650	42.769	86.335	-	86.335	129.104	28	0	28
		Munda	2.650	25.919	54.320	-	54.320	80.239	18	0	18
		Summar Bagh	3.180	47.802	77.600	16.490	94.090	141.892	24	5	29
		Timargarah	3.180	45.091	76.630	17.464	94.094	139.185	25	6	31

S#	District	Tehsil/Town	(Rs. in million)								
			Grants to TMA's/ Towns	DEVELOPMENT SHARE					No. of V.Cs	No. of N.Cs	Total N.Cs/V.Cs
				TMA's Share	V.Cs Share	N.Cs Share	Total N.Cs/V.Cs share	Grand Total Dev. (TMA+vc+NC)			
9	Dir Upper	(06)	14.618	294.154	375.870	23.769	399.639	693.793	117	5	122
		Barawal	2.360	30.844	38.800	3.880	42.680	73.524	12	1	13
		Dir	2.678	41.553	170.230	14.549	184.779	226.332	53	3	56
		Kalkot	2.360	29.263	45.105	-	45.105	74.368	16	0	16
		Wari	4.244	98.255	121.735	5.340	127.075	225.330	36	1	37
		Shringle	1.488	42.021			-	42.021			
		Larjum	1.488	52.218			-	52.218			
10	Hangu	(02)	52.784	181.289	180.910	47.048	227.958	409.247	50	12	62
		Hangu	26.881	94.020	97.490	25.219	122.709	216.729	29	7	36
		Thall	25.903	87.270	83.420	21.829	105.249	192.519	21	5	26
11	Haripur	(03)	83.177	283.939	478.210	79.057	557.267	841.206	155	25	180
		Ghazi	3.957	46.195	74.690	15.519	90.209	136.404	24	5	29
		Haripur	59.950	186.112	403.520	63.538	467.058	653.170	131	20	151
		Khanpur	19.270	51.632			-	51.632			
12	Karak	(03)	18.565	221.325	262.870	18.919	281.789	503.114	57	4	61
		B.D.Shah	3.298	50.779	64.990	-	64.990	115.769	14	0	14
		Karak	10.649	89.310	96.515	18.919	115.434	204.744	22	4	26
		T.Nusrati	4.618	81.236	101.365	-	101.365	182.601	21	0	21
13	Kohat	(03)	101.770	252.452	273.060	93.117	366.177	618.629	71	20	91
		Kohat	74.164	166.922	223.585	75.657	299.242	466.164	57	16	73
		Lachi	9.065	43.802	49.475	17.460	66.935	110.737	14	4	18
		Gumbat	18.541	41.729			-	41.729			
14	Kohistan Upper	(02)	5.109	148.898	162.480	3.880	166.360	315.258	61	1	62
		Dassu	3.348	110.824	116.400	3.880	120.280	231.104	42	1	43
		Kandai	1.761	38.074	46.080	-	46.080	84.154	19	0	19
15	Kohistan Lower	(01)	3.044	74.972	118.340	-	118.340	193.312	48	-	48
		Pattan	3.044	74.972	118.340	-	118.340	193.312	48	0	48
16	Kolai Palas Kohistan	(01)	3.955	101.466	142.590	-	142.590	244.056	52	-	52
		Palas	3.955	101.466	142.590	-	142.590	244.056	52	0	52
17	Lakki Marwat	(02)	27.522	253.051	323.500	31.529	355.029	608.080	89	7	96
		Lakki Marwat	11.497	179.780	238.135	19.884	258.019	437.799	69	4	73
		Sarai Norung	16.025	73.271	85.365	11.645	97.010	170.281	20	3	23
18	Malakand	(03)	16.981	209.626	261.420	56.748	318.168	527.794	67	15	82
		Batkheila	8.427	71.966	157.145	30.554	187.699	259.665	42	9	51
		Dargai	3.957	89.647	104.275	26.194	130.469	220.116	25	6	31
		Thana Baizai	4.597	48.012			-	48.012			
19	Manshera	(05)	52.312	393.239	629.050	82.937	711.987	1,105.226	175	19	194
		Balakot	4.689	87.025	145.500	17.944	163.444	250.469	44	4	48
		Mansehra	25.907	135.504	363.755	52.378	416.133	551.637	97	14	111
		Oghi	2.342	62.027	119.795	12.615	132.410	194.437	33	2	35
		Baffa Pakhal	18.495	96.789			-	96.789			

S#	District	Tehsil/Town	(Rs. in million)								
			Grants to TMA's/Towns	DEVELOPMENT SHARE					No. of V.Cs	No. of N.Cs	Total N.Cs/V.Cs
				TMA's Share	V.Cs Share	N.Cs Share	Total N.Cs/V.Cs share	Grand Total Dev. (TMA+vc+NC)			
		Darband	0.879	11.893			-	11.893			
20	Mardan	(04)	170.150	532.074	753.690	235.221	988.911	1,520.985	178	53	231
		Katlang	16.200	81.094	110.095	37.829	147.924	229.018	26	8	34
		Mardan	111.594	266.645	424.860	166.348	591.208	857.853	103	39	142
		Takht Bhai	18.862	137.124	218.735	31.044	249.779	386.903	49	6	55
		Rustam	23.494	47.210			-	47.210			
21	Nowshera	(03)	110.533	350.565	480.150	105.726	585.876	936.441	129	24	153
		Jehangira	28.222	90.389	113.490	34.434	147.924	238.313	29	9	38
		Nowshera	47.036	148.992	195.455	51.408	246.863	395.855	51	11	62
		Pabbi	35.275	111.185	171.205	19.884	191.089	302.274	49	4	53
22	Peshawar	(04)	564.572	748.938	747.390	610.597	1,357.987	2,106.925	216	130	346
		Town I	336.050	197.120	-		-	197.120			0
		Town II	26.891	206.309	-		-	206.309			0
		Town III	174.741	177.828	-		-	177.828			0
		Town IV	26.890	167.682	-		-	167.682			0
23	Shangla	(04)	7.912	258.885	335.620	-	335.620	594.505	105	0	105
		Alpuri	2.824	105.770	233.285	-	233.285	339.055	73	0	73
		Puran	2.543	79.862	102.335	-	102.335	182.197	32	0	32
		Bisham	1.413	30.945			-	30.945			
		Chakaisar	1.132	42.308			-	42.308			
24	Swabi	(04)	56.190	400.957	568.910	119.796	688.706	1,089.663	133	27	160
		Lahor	11.036	73.190	107.185	18.430	125.615	198.805	25	4	29
		Razar	20.070	146.952	239.590	11.155	250.745	397.697	56	2	58
		Swabi	14.048	100.682	106.215	68.382	174.597	275.279	26	15	41
		Topi	11.036	80.133	115.920	21.829	137.749	217.882	26	6	32
25	Swat	(07)	127.200	483.452	657.180	191.573	848.753	1,332.205	170	44	214
		Babuzai	113.468	125.430	98.940	110.352	209.292	334.722	24	25	49
		Bahrain	1.957	49.367	73.235	12.736	85.971	135.338	19	3	22
		Barikot	1.957	34.676	62.080	7.599	69.679	104.355	15	2	17
		Charbagh	1.957	29.077	44.140	5.640	49.780	78.857	10	1	11
		Kabal	1.957	90.087	115.430	38.062	153.492	243.579	30	9	39
		Khwazakhel	1.957	55.596	98.940	6.049	104.989	160.585	28	2	30
		Matta	3.947	99.220	164.415	11.135	175.550	274.770	44	2	46
26	Tank	(01)	38.740	173.244	169.750	29.589	199.339	372.583	59	11	70
		Tank II	38.740	173.244	169.750	29.589	199.339	372.583	59	11	70
27	Tor Ghar	(02)	3.544	179.196	128.530	3.881	132.411	311.607	39	1	40
		Hassanzai	1.654	91.979	69.355	-	69.355	161.334	22	0	22
		Judbah	1.890	87.218	59.175	3.881	63.056	150.274	17	1	18
Grand Total: (93 TMAs)			1,817.482	7,878.825	10,556.510	2,150.490	12,707.000	20,585.825	2,997	504	3,501

➡ THE END ⬅

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