

Monitoring Report
Regarding Project “Development of Tolipir Hill Resort”

The Secretary P&DD vide No./SO/Admin/1103/2015 dated 25-11-2015 constituted a committee to explore the present status of progress on the project, identify the issues and fix the responsibilities of an unprecedented delay in timely completion of the project and cost/time overrun. The committee headed by the undersigned and membered by SDO Tourism Deptt., Research Officer P&DD (Tourism Section) and Assistant Director P&DD (PP&H Section) was designated to work under the following TORs:

1. Oversee present status of progress of each Resort to arrive at any appropriate conclusion with regard to revision of the scheme.
2. Sort out the issues related to diversion of funds costing Rs.8.86 million allocated from Tolipir Resort to Ghorimar Resort without approval of the competent authority.
3. Fix the responsibility for incurring unauthorized expenditure to the tune of Rs. 12.107 million against Ghorimar Resort over and above the approved cost of Rs. 8.925 million.
4. The committee Furnish its report within a month time positively.

The committee after conducting meetings with stakeholders, implementers and the department's staff, and site visits prepared a report for onward submission for kind perusal of the competent authority. The subject report contains a brief introduction of the project, progress made so far, issues responsible for prolonging delay and time / cost overrun.

The M&E tools deployed to identify the pitfalls and irregularities in implementing the project based on review of relevant record, site visits and examining PC-I, APO & M.Bs, etc. The main findings and recommendations are also part of the report in addition to the monitoring proforma and technical report.

Monitoring Report

Visit Date	26 th -27 th Nov. 2015
Report Submitted	

- 1). **Name of Project:** **Establishment of Tolipir Hill Resort**
- 2). **Sector:** Tourism
- 3). **Sub-Sector:** Tourism
- 4). **Unique Ref. No:** TOU-11
- 5). **Location:**

District	Tehsil	Constituency	Village/Town Committee
Poonch&Bagh	-	-	-

- 6). **Status:**

On-Going		Completed
Original ✓	Revised	No

- 7). **(a) Time Line:**

As per PC-I			Approved Duration of Project (Months)	As per Admin Approval	
	Date of Approval	Date of Completion	-	Start Date	Completion Date
Actual	01-03-.2005	01-03-2008	36 Month	04-01-2006	04-01-2009
Revised (last)	-	-	-	-	

(b) Time Over: Yes

8). Cost:

	Actual	1st Revised	2nd Revised	3rd Revised	4th Revised
Amount	Rs. 36.000 Million	-	-	-	-
Date	01-03-2005	-	-	-	-

9). (a) Project History:

Year	Phasing as per PC-I	Actual PSDP Provision/Releases	Utilization
2005-06	11.602	0.050	-
2006-07	9.793	2.000	0.875
2007-08	14.624	5.000	0.350
2008-09	-	10.000	4.800
2009-10	-	9.780	11.479
2010-11	-	13.980	7.220
2011-12	-	10.296	2.600
2012-13	-	3.000	1.025
2013-14	-	7.570	0.920
2014-15	-	6.650	6.650
Total	36.000	68.326	36.000

(b) Reasons if funds are not released: Not applicable

(10). Financial Progress:

S#	Activities as per PC-I	Approved Cost as per PC-I	Cumulative Exp. up to the last financial year	Expenditure During Current Financial Year		
				Allocation	Releases	Utilization
1	2	3	4	5	6	7
A)	Civil Work					
Ghorimar						
i.	Log Huts (2 Nos.)	4.522	16.780	-	-	-
ii.	Clearing/ Grubbing & Landscaping	0.42	-	-	-	-
iii.	Wire Net Fence	0.47	-	-	-	-
iv.	Walk Way	0.462	-	-	-	-
v.	Children park	1.0013	-	-	-	-
vi.	Tuck Shop	0.0402	3.078	-	-	-
vii.	Camping Grounds	0.3282	0.400	-	-	-
viii.	Bar-B-Queue/Picnic Spot	0.7337	-	-	-	-
ix.	Toilets (3 Nos.)	0.077	-	-	-	-
x.	Water Supply	0.16	-	-	-	-
xi.	Sewerage	0.1225	-	-	-	-
xii.	Approach Road	0.474	-	-	-	-
xiii.	Repair & Renovation of Existing Rest House	0.05	0.774	-	-	-
xiv.	Lightening Arrestors	0.0625	-	-	-	-
xv.	External Electrification	0.991	-	-	-	-
Total		9.9164	21.0320	-	-	-

Tolipir						
i.	Motel& Restaurant (2 Nos.)	5.18325	-	-	-	-
ii.	Clearing/ Grubbing & Landscaping	0.027	-	-	-	-
iii.	Parking Lots	0.01177	-	-	-	-
iv.	Driveway	0.12	-	-	-	-
v.	Composite Bridge	0.075	-	-	-	-
vi.	Camping Grounds	0.89	-	-	-	-
vii.	Viewing Terraces (3 Nos.)	0.28	-	-	-	-
viii.	Toilets (2 Nos.)	0.0594	-	-	-	-
ix.	Water Supply	1.610	-	-	-	-
x.	Sewerage	0.1462	-	-	-	-
xi.	Lightening Arrestors	0.025	-	-	-	-
xii.	Tuck Shop, PBX & Guard Room	0.432	-	-	-	-
Total		8.8596	0.000		-	-

Lasdanna						
i.	Rest House	1.697	-	-	-	-
ii.	Cafeteria	1.5488	1.837	-	-	-
iii.	Tuck Shop, PBX & Guard Room	0.432	1.198	-	-	-
iv.	Parking Lot	0.005	-	-	-	-
v.	Walkway	0.525	0.448	-	-	-
vi.	Renovation of Existing Rest House	0.276	-	-	-	-
vii.	Lightening Arrestors	0.375	-	-	-	-
Total		4.5221	3.4830		-	-
Total (Civil Work)		23.300	24.515		-	-

B)	Furniture & Fixture					
i	Ghorimar	1.34	0.000	-	-	-
ii	Tolipir	0.856	0.000	-	-	-
iii	Lasdana	0.686	0.000	-	-	-
	Total:	2.882	0.000	-	-	-
c)	Machinery and other Equipment	3.379	3.318	-	-	-
D)	Departmental Services Charges and Office Contingencies	1.000	2.627+0.930 (Consultancy Charges)	-	-	-
E)	Linen for the Resort	0.382	0.000	-	-	-
F)	Pay & Allowances	2.836	4.230	-	-	-
G)	Price Escalation 6.5% for 2nd Year and 13% for 3rd Year	2.280	0.000	-	-	-
	G. Total	36.000	35.620	-	-	-

11). Physical Progress: (Quantitative)

Activities of Work	Unit	Quantity	Cumulative Physical Achievement up to end of last financial year	Physical Target Achieved During Current Financial Year	
				Planned	Achieved
1	2	3	4	5	6
Civil Work					
Ghorimar					
Log Huts	Nos.	02	01	-	-
Clearing/ Grubbing & Landscaping	Sft.	140000	0	-	-
Wire Net Fence	Rft.	2320	0	-	-
Walk Way	Sft.	9250	0	-	-
Children park	Nos.	01	0	-	-

Tuck Shop	Nos.	01	01	-	-
Camping Ground	Nos.	01	0	-	-
Bar-B-Queue/Picnic Spot	Nos.	01	0	-	-
Toilets	Nos.	03	0	-	-
Water Supply	Rft.	700	0	-	-
Sewerage	Rft.	150	0	-	-
Approach Road	Rft.	2300	0	-	-
Repair & Renovation of Existing Rest House	Sft.	1620	0	-	-
Lightening Arrestors	Job.	05	0	-	-
External Electrification	Job.	01	0	-	-

Tolipir					
Motel & Restaurant	Nos.	02	0	-	-
Clearing/ Grubbing & Landscaping	Sft.	9000	0	-	-
Parking Lots	Cft.	1280	0	-	-
Driveway	Sft.	2400	0	-	-
Composite Bridge	Job.	01	0	-	-
Camping Ground	Nos.	01	0	-	-
Viewing Terraces	Nos.	03	0	-	-
Toilets	Nos.	02	0	-	-
Water Supply	Rft.	8700	0	-	-
Sewerage	Rft.	150	0	-	-
Lightening Arrestors	Job.	02	0	-	-
Tuck Shop, PBX & Guard Room	Sft.	540	0	-	-

Lasdanna					
Rest House	Nos.	01	0	-	-
Cafeteria	Nos.	01	01	-	-
Tuck Shop, PBX & Guard Room	Nos.	01	01	-	-
Parking Lot	Cft.	640	0	-	-
Walkway	Sft.	13125	0	-	-
Renovation of Existing Rest House	Sft.	2120	0	-	-
Lightening Arrestors	Job.	03	0	-	-
Furniture & Fixture					
Ghorimar	L/S	-	0	-	-
Tolipir	L/S	-	0	-	-
Lasdana	L/S	-	0	-	-
Machinery and Other Equipment (including Vehicles 02 Nos., Computer 01 No., Photocopy Machine, Generator, Telephone Exchange etc.	Nos.	21	0	-	-
Departmental Services Charges and Office Contingencies	L/S	-	-	-	-
Linen for the Resort	L/S	-	0	-	-
Pay & Allowances	Nos.	21	06	-	-
Price Escalation 6.5% for 2nd Year and 13% for 3rd Year	L/S	-	-	-	-

12). Supervision of Work:

Name of PD /Responsible officer	
Designation	Director General Tourism
Full time/Additional Charge	Additional Charge
Contacts	
Office	05822-921421
Residence	-
Cell	-
Fax	-

13) Findings:

1. The project scope includes four bedrooms, two conference halls, two common rooms, one tuck shop, one cafeteria, one room with attached kitchen & bath, which shows that in fact the project was conceived to accommodate the elites class rather than to promote Tourism in AJK (As explained by the sponsoring department).
2. Unprecedentedly, the project execution was undertaken by the department under the external supervision through consultant instead of Public Works Department for which there was no provision of consultancy in the PC-1. However, on the initiation of Tourism department, the consultant, Allied Engineering Consultant (Pvt.) Ltd. was engaged from open market for which consent from P&D was also obtained.
3. The Department awarded the construction work on two sites [Lasdanna & Ghorimar] instead of three sites. However, the contractor left the project incomplete, at both these places while no work has so far been started at third site i.e. Tolipir (Poonch).
4. The contractor was awarded work at Ghorimar at the cost of Rs.10.800 million against the PC-1 provision of Rs.4.522 million for construction of log hut.
5. Contrary to the PC-1 provision and work order cost, the contractor was paid Rs.11.347 million for his incomplete and substandard work.
6. The contractor was also assigned to complete the construction work in 18 month time but he miserably failed to comply the given time schedule and complete the work in stipulated time and

the given financial provision of Rs. 8.925 million despite frequent reminders from the department.

7. The Tourism Deptt. also engaged Public works department to improve the substandard and incomplete work. PWD awarded remaining work (incomplete & substandard) at the cost of Rs 8.2 million while Rs 7.9 million has been paid to the new contractor until now.
8. The tourism department against the provision of Rs. 4.522 million for construction of log huts at Ghorimar has made payment of Rs.11.347 million and Rs. 7.9 million total Rs. 19.247 million which is Rs. 327% higher than the estimated/approved cost.
9. The core component of the Tourist Resort consists of four Bed Rooms at each site covering area of 6030sft@ Rs.750/sft but work at Lasdanna site has not started yet. However, the civil work for allied facilities including Cafeteria and Tuck shop was started at Lasdanna before starting work on main component i.e. accommodation (living rooms).
10. At Ghorimar site, the work on conference rooms, lavish servant rooms and Tuck Shop was also started along with four living rooms. However, the 13 out of 15 facilities are not yet started despite huge spending and consuming total approved cost estimated/approved for three sites. More or less a similar pattern is also witnessed on the Lasdanna where main building is not started at all while allied facilities (tuck-shop and cafeteria) have substandard and patchy incomplete structure.
11. The construction work at the site proposed for Tolipir log huts has not started yet either on living rooms or on allied facilities.
12. As referred above, the work on Ghorimar resort/site was re-awarded to improve the substandard and incomplete construction work at the cost of Rs. 8.2 million. Whereas, PC-1 provision of Rs.4.5 million has already been exhausted by making unauthorized payment to Mumtaz Builder amounting to Rs. 11.347 million including unauthorized advanced payment of Rs. 4.400 million as referred by Director General Tourism vide letter No./3587/2014 dated 02.05.2014.
13. The payment to Mumtaz Builder against its substandard work and unfinished was made on initiation and verification of consultant M/S Allied Consultant Engineer which refers to professional negligence and incompetency of the consultant as well as weak institutional capacity of the department, who tried to invent a new wheel against the prevailing norms and procedures to get the work to be done by government Works department having adequate capacity to deliver

such assignments as it has now been verified by engaging PWD for completing the work left in the way.

14. The approved head wise provisions were neither maintained by the Tourism Department while making the expenditure/payments during the execution of the project nor timely checked by P&DD to restrict the expenditure within the approved provision.
15. The M.Bs' were recorded by Allied Engineer (Pvt.) limited, a consultant engaged for supervision of work. As per PWD code M.B should not be recorded by less than an overseer by the department.
16. Technical sanction of estimates and bills claimed were not obtained by the department.
17. Against the following heads, unauthorized expenditure were made:

					Rs. Million
S #	Item	PC-I Allocation	Exp. made		% age Excess payment made.
1.	Ghorimar log huts.(2 no.)	4.522	Rs. 11.300 (By Allied consultant.)	Rs. 7.900 (By PWD)	320%
2.	Tuck Shop (Ghorimar)	0.0402		Total= Rs.19.200	
3.	Cafeteria (Lasdanna) Incomplete	1.5488	1.837		18%
4.	Tuck Shop (Lasdanna)	0.432	1.198		180%
3.	Departmental Service Charges & Office Contingencies	1.000	3.557		250%
4.	Pay & Allowances	2.836	4.230		67%

18. The project was approved for a period of three years and accordingly the consultant was engaged unprecedentedly for timely completion but despite this the project has not only been unnecessarily delayed but also the financial liability against the consultancy charges spread over ten years whereas the work on project activities is still unfinished/not started.

Specific site wise findings are also elaborated as follow:

Tolipir

- i. This site comprised of civil work costing Rs. 8.860 million besides other components to make this Tourist Resort operational.
- ii. Nothing has so far been found at site pertaining to Tolipir even though the site has not been marked yet.

Lasdanna

At this site, the tourist resort has three bed rooms and allied facilities along with beautiful lawn and damaged approach road, which is functional. However, under this project Rs. 4.522 million are allocated to improve these facilities by executing the civil work comprising of:

- i- Rest House
- ii- Extension and Renovation of Existing Rest House
- iii- Tuck Shop, PBX & Guard Room
- iv- Development of a Cafeteria
- v- Development of a new Parking Lot
- vi- Construction of a Walk way
- vii- Lightening Arrestors
- viii- Fencing of the Resort area including Camping sites

1. The work order issued by Tourism department for construction of Cafeteria amounting Rs. 2.762 million was allotted to M/S. Kh. Shoukat Sharif S/o Kh. Muhammad Sharif C/o Unique Builder and Zaree Trading Company, Sharif Plaza Haidery Chowk Bagh on 25-10-2008 with stipulated completion time of 18 months, while work order for construction work of Tuck Shop amounting to Rs. 1.698 million was awarded to M/S Muhammad Azad S/o Noor Hussain Contractor Co., C/o District Tourism Office Bagh with the similar modalities i.e. work order issued on 25-10-2008 to complete the work in 18 months.

2. As per record and physical verification, both the contractors failed to complete the task in given time frame (18 months) and therefore, the Tourism Department simultaneously cancelled contract of construction work of both the contractors on 25-9-2013 vide letter No. 579-82 and No. 583-86 respectively.

3. An amount of Rs. 3.035 million has been paid to Mr. Azad and Mr. Kh. Shoukat Sharif against the unfinished and incomplete civil work. The segregated details are given in following table.

3.	Cafeteria (Lasdanna) Incomplete	1.5488	1.837	18%
4.	Tuck Shop (Lasdanna)	0.432	1.198	180%

The Director General Tourism vide letter No. /1386-87/dated 04.11.2013 asked the consultant to explain the advance payment of Rs.182330/- for cafeteria and Rs. 150000/- for tuck shop but no response in this regard was found from the record, besides the department did not take any action on irregular payment recommended by the consultant.

Pictorial view of sites and technical aspects.

1. Structural work including roofing for cafeteria has been done at site. The retaining wall was constructed recently by PWD after cancellation of the first work order which should have been constructed prior to starting of civil work to prevent the building from damages.



Front view of under construction Cafeteria



Retaining Wall constructed by PWD

2. Construction of trusses has been done without following engineering designs/standards.



Broken horizontal member supported by wooden log



Horizontal wooden member supported by iron Vertical strips

3. Broken trusses at site were observed which were supported by vertical wooden logs to prevent these from breaking which clearly indicate the poor quality of supervision and construction made at this site.
4. Department was asked to show the concrete test report but it failed in presenting it to the the monitoring team.
5. Concrete strength was checked with concrete testing hammer, which in some cases was not found satisfactory.
6. Quality of structural work including roofing and plastering of tuck shop was not found satisfactory.



Construction of Trusses has been done without following engineering design/standards.



Wooden Trusses without any properly spaced Vertical Members



Damaged PCC Flooring indicative of poor quality of concrete used

7. The work on rest of the activities of the project like additional accommodation with existing rest house, walking track, access road, etc., has not been started yet at site.



Existing Rest House



Access road

Ghorimar

At Ghorimar an amount of Rs. 9.9164 million was allocated to execute the civil work comprising of:

- i- Log Huts (2 Nos.)
- ii- Repair & Renovation of Existing Rest House
- iii- Clearing/ Grubbing & Landscaping
- iv- Wire Net Fence
- v- Walk Way
- vi- Children park
- vii- Tuck Shop
- viii- Camping Grounds
- ix- Bar-B-Queue/Picnic Spot
- x- Toilets (3 Nos.)
- xi- Water Supply
- xii- Sewerage
- xiii- Approach Road
- xiv- Lightening Arrestors
- xv- External Electrification

The Tourism department issued the work order for construction of Log hut and amount Rs. 10.820 was allotted to MS Mumtaz Builders 167, B-5 Mirpur AJK on 18-3-2009 vide letter No. 731-36 to complete the work in 18 months. While work order for tuck shop amounting Rs. 2.194 million was allotted to Muhammad Tariq Khan S/O M.Aziz Khan R/O Pakhar Radban P.O Khaigala Rawlakot on 17.11. 2008 vide letter no.406 to complete this work in 12 months.

As per record and physical verification, the contractor miserably failed to complete the task in the given time and therefore, the tourism department vide letter No. 362-65 dated 21-8-2013 has cancelled the allotted work order to MS. Mumtaz Builder. however an amount of Rs. 11.347 million was paid to M/S Mumtaz Builder on the wrong verification of Allied Engineer Consultant Pvt. Ltd. against incomplete and substandard work. The department did not check the incorrect verification made by the consultant.

Public Works Department started work without ascertaining the budget provision and allocations i.e. segregating component wise earmarked allocations for Ghorimar and Lasdanna resorts, etc.

Although the Tourism Department similar to other Govt. deptts. badly lacks in skill and competency to spearhead developmental activities/projects yet it took the responsibility to implement the development

project itself including construction of tourist resort at Gorimar and Lasdanna. The Tourism Department is also not mandated to undertake deposit work but despite this fact it assigned the task to its non-professional staff ignoring technical staff existing within its organizational set up, which refers not only to the wide non-professionalism but also indicative of some vested inclinations.

The department emphasized on financial performance whereas physical performance was totally ignored as reflected by the work on the sites. Massive administrative and operational expenditures have also been incurred without ascertaining tangible physical performance in terms of three Tourists Resorts.

Detail of Excess payment made by the department at Gohrimar.

Item	PC-1 Provision	Work Order Amount	Payment made	% Excess payment made.
Construction Log hut(1)	4.522	10.800+8.200 =19.000	11.347 + 7.900 =19.247	325%
Tuck Shop	0.040	2.194	3.078	7600%

All the expenditure made over and above the PC-1 allocations and work order without the approval of competent authority/forum.

Pictorial view of sites and technical aspects.

1. Construction work of Tuck Shop and rest house building is almost complete and now leftover work has been awarded to PWD.



View of Tuck Shop



Damaged window of Tuck Shop



Access Road



Existing and New Rest House Building



View of Rest House Building



Entrance of New Rest House Building



Inner View of Rest House



Kitchen of New Rest House



Septic Tank



Area in front of Rest House Needs Soil Stabilization

14). Recommendations/ Required Action to be Taken by the Department:

1. The department would be asked to explain the irregularities, delays and over and above expenditure against the incomplete and unfinished work. An independent investigation is required to probe into irresponsible behavior in making the payments to contractor over and above the plan provision and contract cost as well as on wrong consultant's verifications.
2. The department should also be directed to inform the action taken against the consultant firm for irresponsible behavior and bad working overtime which taxed the department in financial term and abandoned the department in utilizing its resources optimally without time and cost overrun. It would also be appropriate to recover the extra amount paid to the consultant Allied Engineering(Pvt.) Limited as consultancy charges as well as over billing and payment against sub-standard work verified incorrectly by the Allied Engineering.
3. The department should benefit from the professional staff within its organizational set up and should get the assignment done through PWD in future to avoid this sort of bad performance resulting from patchy work and non-professional delivery at the department end.
4. It would be very safely inferred that the project is extreme victim of non-professionalism, negligence, unauthorized spending, heavily reliance on consultant, ignoring the services of technical staff, unnecessary delays in construction. It needs to probe and take some immediate action to avoid further loss in future.
5. The social and economic deprivation specially work done by the consultant also raise some question on the competency and commitment of department and consultant to undertake the

assignment in given time frame and stipulated cost which also stressed the committee members to recommend strict action against the culprit indulged in this poor performance, delays, substandard work and over payments.

6. The Principal Accounting Officer may conduct inquiry regarding recording of MBs by consultant, unauthorized technical sanction contrary to the PWD Code, and also fix the responsibilities for further proceedings.
7. Similarly the award of work by Tourism Deptt. instead of PP&H representation may be inquired and disciplinary proceedings initiated against the responsible officials.

Tolipir:

1. The provision of Tolipir facilities be deleted as no work as well as no site has not been identified yet.

Lasdanna:

1. The constructional work of Lasdanna site should be completed revising the project on the sites in which work have already been started (cafeteria & tuck shop) however approach road be also completed.
2. The cafeteria and tuck shop should be redesigned by converting it into living rooms to ensure optimum utilization of rest house facilities.
3. The advance payment of Rs. 182330/- for construction of Cafeteria and Rs. 150000/- for Tuck Shop be recovered from concerned contractor/ consultant as per rules.
4. All the material test reports be furnished to P&DD for evaluation.
5. Responsibility should be fixed for execution of poor quality of work like wooden trusses, concrete and flooring observed at site.
6. Damaged trusses work be got rectified from the contractor at his own expenses.
7. Keeping in view the poor quality of work, negligence and ill planning in execution of work at Lasdanna, the supervisory firm/consultant “Allied Engineering” must be black listed for making consultant services in AJK in future.
8. Existing wooden truss work be got checked and redesigned by CDO.

Ghorimar

1. The work on the Ghoimar site may be capped and furnishing works like procurement of furniture and construction of approach road be got completed by making recovery of irregular advance payment recommended by the consultant and made by the department.
2. A detailed inquiry be carried out to fix the responsibility for making unauthorized expenditure against following heads, regarding log hut Ghorimar by awarding civil works and improper technical sanctions by the competent authorities.

Construction of log hut.	4.522	10.800+8.200 =19.000	11.347 + 7.900 =19.247	325%
Tuck Shop	0.040	2.194	3.078	7600%

3. All the material test reports be furnished to P&DD for evaluation.
4. Area along side of the Rest House building be stabilized to prevent the building structure from any damage.

15) Category: (Please mark one as per the findings/recommendations).

Activities as per PC-I	Very Good	Good	Satisfactory	Poor
All the Activities	-	-	-	✓

16) Reporting team (P&D)

Name	Designation	Signature	Date
Raja Manzoor Ahmad	Chief M&E		
Syed Amjid Hussain Shah	SDO Tourism Deptt.		
Modassir Arif	Research Officer		
Muhammad Faheem	Assistant Director		