

PMC N: 11708

19.11.88

Σ1

No. 3672 W. d. 21st. Nov. 1888

B.

Approved
Approved

WMB

19.11.88

WMB

19/11/88

To the Ex. Secy. ✓
with enclosure

To the Secy. ✓
with enclosure
sent 24/11

30/11/88

[C. No. 8.]

GOVT.
OF MADRAS. }

1888.

{ P. W.
DEPT.

EXAMINER, P. W. ACCOUNTS.

Madras, 14 November 1888.

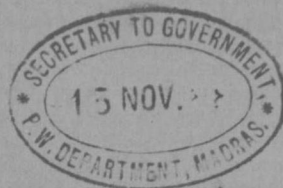
OFFICE NOTE No. 2590

Enc. 1

To

W.

With reference to para
7(a) of G.O. No. 916 W. dated 20th.
March 1888, I beg to forward herewith
for the approval of Government a
draft standing order specifying
certain cases of expenditure
technically classed as works, but
not really such and for which
completion reports are unnecessary.



h/la

C.

H/la
SP 16/11

Colt

This sum is available

GENERAL.
ACCOUNT.

Govt. of 1888 Madras.

PUBLIC WORKS.

Dated March, 20th.

Recd.

Encl.

20th March 1888, No. 917 W.

MARCH.

Monthly Divisional Accounts

The Government of India addressed with regard to certain suggestions for the simplification of the — and the reduction of clerical work in divisional offices.

20TH MARCH 1888, No. 917 W., PUBLIC WORKS.

PUBLIC WORKS DEPARTMENT.

General.
Account.

LETTER—from

COLONEL H. R. MEAD, R.E.,

Joint Secretary to the Government of Madras,

Public Works Department,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,

PUBLIC WORKS DEPARTMENT.

SIR,

With reference to the latter part of paragraph 7 of my letter, No. 2611 W., dated 4th October 1887, in which it was stated that certain points in connection with the question of reducing clerical work in divisional offices would probably before long form the subject of correspondence with the Government of India, I am directed to forward a copy of the Proceedings of this Government, No. 916 W., dated 20th March 1888, and to request the sanction of the Government of India to the modification of paragraph 352 of the Madras Public Works Code in the manner suggested in paragraph 8 of the Government order. The Code paragraph in question is based on paragraph 124, chapter III, volume I, of the Government of India Code.

2. I am also to recommend strongly, for the sanction of the Government of India, the proposal under head VI of the proceedings that the objectionable item statement be made a quarterly instead of a monthly return. Under the present procedure the orders of Government on the statement for one month rarely reach the officers concerned before the submission of the return for the succeeding month, and many items which have been finally disposed of by the orders on one statement are thus unnecessarily repeated in the next. It is also argued that, if the return be submitted quarterly, numerous petty irregularities, which are now reported to Government, would find no place in the statement, inasmuch as they would be remedied before the expiration of the quarter. I am at the same time to invite attention to paragraphs 12 *et seq.* of the Government order, and to the accompanying copy of a note by the Examiner, Public Works Accounts, No. 662, dated 18th October 1887, which show the measures proposed to render the objectionable item statement less of a routine matter than it now is and more effective in the prevention and removal of irregularities.

3. I am also directed to inquire whether the Government of India would be inclined to view favorably the proposals in paragraphs 16 and 17 of the order, that the monthly return of grants, expenditure and balances be converted into a quarterly

return, and that the divisional accounts in full detail be submitted bi-monthly instead of monthly as at present. If so, I am to say that the measures necessary to carry out the changes will at once be taken into consideration and the result reported to the Government of India in due course.

I have the honor to be,
Sir,

Your most obedient servant,

(Signed) H. R. MEAD, Colonel, R.E.,
Joint Secretary to Govt., P.W.D.

FORT ST. GEORGE,
20th March 1888.

GENERAL.
ACCOUNT.

Gobt. of {1888} Madras.
PUBLIC WORKS.

Dated March, 20th.

Recd.

Encl.

20th March 1888, No. 917 W.

MARCH.

Monthly Divisional Accounts

The Government of India addressed with regard to certain suggestions for the simplification of the — and the reduction of clerical work in divisional offices.

15. It may be said that detailed inquiry into individual items might proceed concurrently with the collective treatment under the objectionable items statement system, and no doubt it *might*; but there is an obvious waste of time in doing the same thing twice over, and I do not think that the staff generally has any time to spare.

16. With regard to the question as to what other statements could be similarly dealt with, *i.e.*, submitted less frequently than at present, I think that, if I have to single out individual statements, I can only specify the monthly divisional return of grants, expenditure and balances, in so far as it extends beyond a bare application for credit. The monthly application for credit would of course remain, but would be a very simple matter. The rest might, in my opinion, be made a quarterly statement if not done away with altogether, together with the budget register and connected procedure (see Code paragraph 1588 *et seq.*) in divisional offices, leaving to the Examiner the responsibility for taking the check which the present procedure is intended to secure; but this return is so intimately connected with returns required by the Accountant-General, Public Works Department, that it might be difficult to obtain the sanction of the Government of India to any change.

17. I am also seriously of opinion that all practical purposes would be perfectly well secured, and the audit in some respects considerably facilitated, if detailed accounts—*i.e.*, accounts supported by schedules in full detail—were submitted bi-monthly instead of monthly. I think the difficulties both in divisional offices and in the central office are considerably enhanced by the impossibility of disposing of one set of accounts before the next is submitted. The Financial Department would probably require some monthly accounts, but there need not, I think, be any difficulty in providing for monthly abstract statements in sufficient detail and sufficiently accurate, without insisting on the monthly submission of the mass of detail now required.

18. In conclusion, I may mention that there seems to be no reason why Government—if so disposed—should not at once sanction the procedure suggested above in connection with miscellaneous irregularities. Sanction of the Government of India seems unnecessary.

ANNEXURE.

Office note by the Examiner of Public Works Accounts, dated 18th October 1887, No. 662.

Referring to what I wrote about the routine character of the disposals on objectionable items statements, I may begin by saying that my remarks apply quite as much to my own action as to that of any other officer. I have to deal every month with some fifty or sixty of these statements; they are due on a certain date, and there is a certain limited time for preparing them; and the result is that it is impossible for me to give to them anything approaching to the personal attention which, in my opinion, I should give to any matter reported to Government. Practically I seldom attempt more than to see that there are no unnecessarily irritating remarks in them. If I attempted to do more I should probably delay the submission of the statements indefinitely.

2. It is an established principle of official correspondence that two or more subjects should not be mixed up in one letter (see Code paragraphs 878 and 887), but an objectionable items statement entirely ignores this principle. If each item is thoroughly gone into, they do not all, so to say, *mature* at the same date, and an item which could be disposed of at once may be delayed for weeks or months on account of some other item having no real connection with it. And if they are all gone into at once, their disposal requires, probably, a review of an utterly bewildering amount of matter. The result is that nowhere—neither in the Executive Engineer's office, nor in the Superintending Engineer's, nor in the Examiner's—is any individual item taken up at all thoroughly; at every stage the disposal has to be hurried through in a limited time; many, if not most, of the remarks are of the most futile character, and, when the statements reach Government, they seldom contain any adequate materials for the proper disposal of individual items.

3. In my opinion, therefore, the first step towards making the objectionable items statements more practically effective should be, in a large measure, to do away with them, that is to say, to abandon to a great extent the collective treatment and to deal with the items individually.

4. A collective objectionable items statement is intended, I presume, to serve two distinct purposes. It is intended—

- (i) as a means for regularising, remedying, removing, and checking irregularities, and
- (ii) as a means of exhibiting statistically in a more or less general view the general mass of irregularity, and showing its increase or decrease.

The first purpose, for reason stated above, is secured very badly, and the second can be much better secured by a condensed and classified abstract.

5. The irregularities at present included in the monthly objectionable items statements are:—

- (i) Irregularities in respect of estimates.
- (ii) Irregularities in respect of appropriations.
- (iii) Non-submission of completion reports.
- (iv) Miscellaneous irregularities.

If the statement, in its present form, is retained at all, I would confine its use entirely to the first two classes, for which it was originally designed, and for which—it may perhaps be capable of improvement—it is suited; but I think it would be very much better to deal with the two classes in separate statements, and to have for each a specially adapted form. I would provide for a separate periodical statement of overdue completion reports in a suitable form designed *ad hoc*, so as to show clearly all material facts, such as known dates of completion, when and by whom last inspected, whose inspection awaited, reason for non-submission, &c., with any further remarks of

officers concerned. And I would exclude all miscellaneous irregularities, and arrange that they should be separately and individually reported after due inquiry when necessary. Register of these items could be kept by me in any form and in any detail considered desirable, and periodical statements submitted showing, under any desired classification, their numbers and increase or decrease, and these abstracts would include, according to the wishes of Government, either all items whatsoever, or all outstanding more than a certain time, or only those actually reported to Government. As regards some classes of these miscellaneous irregularities, it might very possibly hereafter be found convenient to submit separate periodical statements in suitable forms as proposed in the case of completion reports, but I will not attempt to go into that matter now.

6. I have said above (in the last paragraph) that I would report all miscellaneous irregularities separately *after due inquiry when necessary*, and with regard to this last clause I may say that, in most cases of a plain breach of some distinct rule, whether by way of commission or of omission, I would propose to report the matter at once. "Inquiry," in far too many cases, simply means inordinate delay, months spent in sending reminder after reminder, eliciting eventually a bare statement to the effect that the matter is under correspondence with the Superintending Engineer, or that the irregularity was unavoidable, or that the matter will be disposed of shortly—which may mean anything from one month to eighteen—or some information equally useless, whereas the essential thing, in nearly all these cases, is that they should be dealt with and disposed of promptly. Therefore I would, as a rule, report the irregularity at once, but with a view to saving time and trouble it might be arranged that, in all such cases, I should send a copy of the report to the Executive Engineer concerned, with an intimation that, under such and such a paragraph of the Code (to be introduced for the purpose with the approval of Government), the officer's explanation (meaning of course a real and full explanation) should be furnished at once to Government through the Examiner, and, if necessary, through the Superintending Engineer, such explanation being due (again according to Code) within a specified time. Failing arrival of the explanation within the prescribed time, I should at once report the non-receipt to Government, and leave the further disposal of the matter entirely to Government. I do not for a moment wish to suggest that there is anything specially heinous about these miscellaneous irregularities, or that their number is very abnormal in Madras, but I think that the one great irregularity—a consequence I think of the system—is the way in which, in far too many cases, they are allowed to linger on unremedied, and, except as a matter of routine, almost unnoticed. I am convinced that, with a little promptness and determination, such of these irregularities as are not really unavoidable would soon be stopped under a system of individual treatment, whilst, as regards many of the remainder, the result of the more thorough consideration given to the matter would be to remove the occasion for technical irregularities by suitable modifications of the Code when shown to be desirable.

7. I am myself very dubious as to the advantage of the collective treatment as regards any of the different classes of irregularities, so far as concerns the first of the purposes referred to in paragraph 4, but that treatment is not so obviously unsuitable for the first three classes of irregularities as it is for miscellaneous irregularities. It is, however, very desirable, I think, that the different *classes* should be separately dealt with, because it is only on this condition that the forms adopted can, from time to time, be suitably modified, and more perfectly adapted to the several purposes. It would be impossible for me to go fully into the matter here, but I have no doubt that the collective treatment of these irregularities, *class by class*, can be materially facilitated by taking note of necessary incidents and of points of similarity between individual cases of the same class and gradually adapting the form used to the circumstances and requirements of the class concerned, so as to ensure all essential facts being clearly exhibited, and if Government should approve of the suggested change, I would at once take into consideration the question of alterations immediately desirable in the present form to meet more completely the requirements of the classes of cases referred to.

8. I would therefore deal with (1) irregularities as to estimate, (2) irregularities as to appropriation, and (3) non-submission of completion reports, in three separate

statements, and, as already suggested, I would make these statements quarterly instead of monthly as at present; but with regard to appropriations somewhat closer attention may be necessary towards the close of the financial year, and therefore during the last quarter of the year this one statement might be more frequent. As regards the statistical report or abstract relating to miscellaneous irregularities, I think that a half-yearly statement would be quite sufficient.

9. With a view to distributing the work in connection with these statements I would fix the due dates of the three quarterly statements, so that the statement for some one class should be due every month.

10. With a view to reducing the *number* of statements I would prepare them by circles instead of, as now, by divisions, and as regards separation by funds I see no reason why one statement (for each circle) should not be submitted for all funds dealt with in the General Branch and one for all dealt with in Irrigation Branch of the Secretariat.

11. With regard to specific measures for reducing irregularities of any kind with the more careful attention to individual cases which the proposed changes will, in my opinion, secure, experience will, I have no doubt, soon indicate both the measures to be taken in order to put a stop to real irregularities, and the modifications required in the rules in order to remove from the category of objectionable items many transactions and proceedings which are really unobjectionable, and possibly unavoidable, and I may point out that the adoption of any part of the suggestions made by the Superintending Engineer, VI Circle, in his letter, No. 771 T.J., dated 18th July 1887 (see also my office note No. 489 of 26th August 1887) for increasing the powers of Superintending Engineers will at once tend to reduce irregularities in respect of estimate. As regards this class, however, something more might, I think, be done. It seems to me that when a work is begun without estimate, or is continued after the estimate is exceeded, either (1) the work must go on, and ought to go on, regardless of estimate, or (2) it ought to be stopped; and I am quite prepared to admit that in the majority of cases the work probably ought to go on, and that the technical irregularity, under present rules, is unavoidable; but in such cases I think the Superintending Engineer might be empowered, if he is satisfied that the work ought to go on, to grant a provisional sanction, within his powers of course, and for a limited time, on a rough estimate of the expenditure, pending submission of detailed plans and estimates; and that when the expenditure is likely to exceed his own powers, he should report the circumstances and obtain a similar provisional sanction from Government; but if the objectionable items statement to Government is a quarterly return, such provisional sanction by Government should hardly ever be necessary. Precautions against above would not, I think, be difficult.

12. The only other suggestion that I can make "with a view to making the statements more practically effective" is that Government should insist on having real explanations, and real reasons, instead of the futile routine remarks which are now so frequent, and which, as I have already pointed out, are in a great measure—indeed I hope almost entirely—the result of the system, which makes any other than a routine disposal a matter of considerable difficulty.

13. The adoption of the proposals now made would no doubt necessitate some modification of the present system of dealing with objectionable items as between the Examiner and the Executive Engineer, but it is not now necessary to consider this matter at length.

14. I wish to repeat that nothing that I have said is meant to imply that there is any abnormal amount of irregularity in the Madras Presidency. I do not think there is; but I think there is more than there should be, or need be; and I think that the labor involved in, and the irritation caused by, the system at present adopted for remedying irregularities is out of all proportion to the results, and that better results might be secured with, in the end, much less trouble; and, in case I have not already made my meaning sufficiently clear, I will also repeat that, in my opinion, the fault lies almost entirely with the *system* (which compels a routine, and therefore ineffectual, treatment of the matter), and not with those who work with, or work under, the system.

15. It may be said that detailed inquiry into individual items might proceed concurrently with the collective treatment under the objectionable items statement system, and no doubt it *might*; but there is an obvious waste of time in doing the same thing twice over, and I do not think that the staff generally has any time to spare.

16. With regard to the question as to what other statements could be similarly dealt with, *i.e.*, submitted less frequently than at present, I think that, if I have to single out individual statements, I can only specify the monthly divisional return of grants, expenditure and balances, in so far as it extends beyond a bare application for credit. The monthly application for credit would of course remain, but would be a very simple matter. The rest might, in my opinion, be made a quarterly statement if not done away with altogether, together with the budget register and connected procedure (see Code paragraph 1588 *et seq.*) in divisional offices, leaving to the Examiner the responsibility for taking the check which the present procedure is intended to secure; but this return is so intimately connected with returns required by the Accountant-General, Public Works Department, that it might be difficult to obtain the sanction of the Government of India to any change.

17. I am also seriously of opinion that all practical purposes would be perfectly well secured, and the audit in some respects considerably facilitated, if detailed accounts—*i.e.*, accounts supported by schedules in full detail—were submitted bi-monthly instead of monthly. I think the difficulties both in divisional offices and in the central office are considerably enhanced by the impossibility of disposing of one set of accounts before the next is submitted. The Financial Department would probably require some monthly accounts, but there need not, I think, be any difficulty in providing for monthly abstract statements in sufficient detail and sufficiently accurate, without insisting on the monthly submission of the mass of detail now required.

18. In conclusion, I may mention that there seems to be no reason why Government—if so disposed—should not at once sanction the procedure suggested above in connection with miscellaneous irregularities. Sanction of the Government of India seems unnecessary.

GENERAL.
ACCOUNT.

Govt. of {1888} Madras.
PUBLIC WORKS.

Dated March, 20th.

Recd.

Encl.

G.O., 20th March 1888, No. 916 W.

MARCH.

Monthly Divisional Accounts

Orders on certain suggestions for the simplification of the — and the reduction of clerical work in divisional offices.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Account.

READ—the following papers :—

Note by Colonel J. Pennycuik, R.E., Superintending Engineer, dated 13th Sept. 1886.
Endorsement by the Chief Engr., Public Works Dept., dated 2nd Nov. 1886, No. 3841 C.
Note by Major D. Campbell, R.E., Deputy Chief Engineer, Public Works Department, dated 1st November 1886.
From the Superintending Engineer, I Circle, dated 15th January 1887, No. 409 G.T.
" " " II " " 10th " " " 291 G.T.
" " " III " " 12th " " " 1986 I.
" " " IV " " 8th " " " 4 E.W.
" " " V " " 24th March " " 6395.
" " " VI " " 15th January " " 1556 T.J.
" Examiner, Public Works Accounts, dated 5th May 1887, No. 85.
Note by the Chief Engineer for Irrigation, dated 13th May 1887.
From Colonel J. Pennycuik, R.E., Suptg. Engineer, VI Circle, dated 18th July 1887, No. 771 T.J.
From the Examiner, Public Works Accounts, dated 26th August 1887, No. 489.
" " " " " 18th October " " 662.
Endorsement from the Chief Engineer on extract from letter from the Superintending Engineer, I Circle, dated 6th April 1887, No. 142 G.D., dated 31st October 1887, No. 73 E.W.
From the Chief Engineer for Irrigation, dated 29th November 1887, No. 219.
" Examiner, Public Works Accounts, dated 23rd August 1887, No. 475.
Endorsement by the Chief Engineer, Public Works Department, dated 30th August 1887, No. 498 D.
From the Examiner, Public Works Accounts, dated 1st September 1887, No. 501.
" Superintending Engineer, I Circle, dated 4th Feb. 1888, No. 406 G.L.
" " " II " " 27th Oct. 1887, " 283 G.L.
" " " III " " 3rd " " " 1271.
" " " IV " " 15th " " " 411 E.W.
" " " V " " 24th Sept. " " 2636.
" " " VI " " 7th Nov. " " 1469 T.J.
" Consulting Architect to Government, dated 16th " " 1074.

ORDER—dated 20th March 1888, No. 916 W., Public Works.

The papers above recorded relate to certain suggestions made by Colonel J. Pennycuik, R.E., Superintending Engineer, having for their object the simplification of the monthly divisional accounts and relief to Executive Engineers in their preparation.

2. Colonel Pennycuik's proposals may be divided under the following main heads :—

- I. The withdrawal of accountants from divisional offices, and the compilation in Superintending Engineers' offices by a reduced staff of accountants of the accounts of the whole of the divisions in each circle.
- II. The increase of Superintending Engineers' powers of disposing of objectionable items, *i.e.*, increase of powers of sanctioning and condoning minor irregularities.
- III. The transmission of the monthly accounts direct to the Examiner by the circle accountant, and the stoppage of all direct correspondence between the Examiner and Executive Engineers.
- IV. The discontinuance of the transmission of work vouchers to the Examiner.

V. The transfer of the duty of auditing travelling allowance bills from the Examiner to Superintending Engineers.

3. In connection with the abovementioned proposals a further suggestion was made by Major A. C. Smith, Officiating Superintending Engineer, VI Circle, and Mr. G. T. Walch, Superintending Engineer, I Circle, that the objectionable item statement should be made a quarterly instead of a monthly return. This proposal will be referred to below as head VI.

4. Colonel Pennycuik's suggestions have been circulated for remarks to the Chief and Superintending Engineers, to the Examiner, Public Works Accounts, and to a number of selected Executive Engineers, and, after a careful consideration of the replies received, the Government have arrived at the following conclusions.

5. A large majority of the officers consulted consider proposal I to be impracticable; and as the balance of opinion is

Head I.—The withdrawal of accountants from divisional offices, and the compilation in Superintending Engineers' offices by a reduced staff of accountants, of the accounts of the whole of the divisions in each circle.

clearly in favor of maintaining the present practice of compiling the monthly accounts in divisional offices, the Government are of opinion that this suggestion need not be further considered.

6. *Head II.*—Colonel Pennycuik suggests that Superintending Engineers should

Head II.—The increase of Superintending Engineers' powers of disposing of objectionable items, i.e., increase of powers of sanctioning and condoning minor irregularities.

have the power of condonation in all cases coming under the following heads, such cases to be finally disposed of by the Superintending Engineer, and not to be included in the statement of objectionable

items, unless at the special desire of the Superintending Engineer:—

- (a) All cases of non-submission of completion certificates.
- (b) All cases of non-submission of work vouchers.
- (c) All cases of deviations or excesses on sub-heads of estimates.
- (d) All cases of deviations from sanctioned estimates for component works forming part of a general sanction, whatever be the amount of the individual estimates, provided that the total sanction is not exceeded by more than Rs. 1,000, or 5 per cent., whichever may be the greater.
- (e) All cases of excess over allotments not exceeding Rs. 1,000 in amount.

7. (a) The Government do not consider it desirable that Superintending Engineers should have the power to dispense with completion reports. If a Superintending Engineer has an opportunity of inspecting a completed work before the Executive Engineer, there is no objection to the report being signed by the former officer, but in no case of ordinary works can the completion report be dispensed with altogether. In some cases, however, objects of expenditure are technically classed as "works," though they are not "works" in the ordinary sense of the word, and in such cases completion certificates are probably unnecessary. The Secretary to the Code Committee will submit a draft standing order specifying the cases in which completion reports need not be submitted.

(b) The question as to the necessity for a work voucher, or as to the propriety of dispensing with it, is one for the Examiner's consideration. There is no objection to a Superintending Engineer suggesting to the Examiner the propriety of dispensing with the work voucher when there appear to be special circumstances to justify such a course, but it must be understood that the decision rests with the Examiner.

(c) Except in the case of productive or protective works, Superintending Engineers are already vested, under paragraph 267 (a) of the Public Works Code, with power to sanction deviations. With reference to productive or protective public works, the Government resolve to delegate to the Chief Engineers the powers vested in them under paragraph 1515 of the Public Works Code; and in individual cases, when it may appear advisable, the Chief Engineer may delegate similar powers to the Superintending Engineer concerned. As regards condonation of excesses on sub-heads of estimates, it is observed that such excesses are not usually reported to Government. To save correspondence, however, between Superintending Engineers and the Examiner, the former officers may, when possible, sanction some definite increase of

the faulty item of an estimate by a corresponding reduction of contingencies or of some other item.

(d) This proposal is approved by the Government, but in order to secure a guarantee for the due fulfilment of the stipulated condition as to excess over total sanction, some part of the estimate provision for unforeseen requirements will be placed at the disposal of the Superintending Engineer concerned as a reserve fund to be afterwards credited with all ascertained savings and debited with all additional or excess sanctions. Should the estimate in such cases contain no separate provision for unforeseen requirements, the reserve fund may be formed by diverting a portion of the provision for contingencies of each component item, reducing to a corresponding extent the estimates for the latter.

(e) Under paragraph 1966 of the Public Works Code, excesses not exceeding Rs. 500 over budget appropriations need not be reported as objectionable, because such small excesses will usually be counterbalanced by savings on other items, and will not appreciably disturb the equilibrium between the budget grant and expenditure. It is not likely that the Government of India will sanction the proposal to raise the limit to Rs. 1,000, and this Government are not disposed to recommend its adoption.

8. Colonel Pennycuik further advocates the following alterations in paragraph 352 of the Public Works Code:—

Before C insert—"also with the approval of the Superintending Engineer."

In C (1)—For Rs. 500 substitute Rs. 1,000.

In C (2)—For Rs. 500 substitute Rs. 1,000, and for Rs. 10,000 substitute Rs. 20,000.

In C (3)—For Rs. 10,000 substitute Rs. 20,000.

In C (1), (2) and (3)—omit the sentences excepting productive public works.

The Government see no objection to this proposal, and will submit it for the sanction of the Government of India.

9. *Head III.*—The proposal under head I having been negatived, this suggestion partially falls through. Paragraph 378

Head III.—The transmission of the monthly accounts direct to the Examiner by the circle accountant, and the stoppage of all direct correspondence between the Examiner and Executive Engineers.

of the Public Works Code, however, contingently provides for direct correspondence between the Examiner and the divisional accountant on routine account matters, and the Government have had

under consideration the question of giving effect to the rule generally. With certain reservations as to the responsibilities of Executive Engineers, the Examiner is of opinion that it would be a desirable arrangement to bring the rule into force, and the majority of the Executive officers consulted on the point are in favor of adopting the proposal. The replies received on the subject will be forwarded, in original, to the Examiner for further consideration and for submission of specific proposals as to the conditions under which direct correspondence between himself and divisional accountants may be allowed. In his office note, No. 501, dated 1st September 1887, above recorded, the Examiner draws attention to the necessity for some definite understanding as to the position, duties and responsibility of a divisional accountant, more especially if the provision of paragraph 378 of the Public Works Code be brought into force. This point also will be further considered by the Examiner in connection with the proposals above called for.

10. *Head IV.*—In view of the remarks made by the Government of India in their letter recorded with G.O., No. 2681 W., dated 31st October 1884, this Govern-

Head IV.—The discontinuance of the transmission of work vouchers to the Examiner.

ment do not consider it desirable to re-open this question at present. More-

over, under existing rules, the number of cases in which work vouchers are necessary is small.

11. *Head V.*—The officers consulted on this point are divided in opinion as to the propriety of leaving the final audit

Head V.—The transfer of the duty of auditing travelling allowance bills from the Examiner to Superintending Engineers.

of travelling allowance bills to Superintending Engineers. Several officers are of opinion that the present system involves a double audit, but the Examiner has

clearly explained that this is a misapprehension. The duties of the Superintending Engineer and the Examiner with respect to travelling allowance bills are distinct. The Superintending Engineer as *Controlling officer* allows or disallows a journey. The Examiner has nothing to do with the propriety of such journey, and the Superintending Engineer, on the other hand, has nothing to do with the amount of the claim to travelling allowance based on such journey. The latter comes within the province of the Examiner as *Audit officer*. There is no more double audit in such cases than when a Superintending Engineer sanctions a work and the Examiner audits the expenditure. On a full consideration of the question, the Government are not disposed to disturb the present practice.

12. *Head VI.*—In connection with this proposal, which has the approval of the Government, the question of making the disposal of objectionable item statements less of a routine matter has been under consideration. In a lengthy note, the Examiner, Public Works Accounts, has submitted certain suggestions in view to rendering the statement more practically effective in removing irregularities than it now is, and those suggestions may be briefly stated as follows.

13. The irregularities at present included in the monthly objectionable statements are:—

- (1) Irregularities in respect of estimates.
- (2) Irregularities in respect of appropriations.
- (3) Non-submission of completion reports.
- (4) Miscellaneous irregularities.

According to present practice all irregularities of the abovementioned four classes falling under each service head are included in a single statement for each circle, separate statements being usually submitted for the different classes of funds. The Examiner suggests that only the first three classes of irregularities be included in the objectionable item statement; that each class of irregularity be dealt with separately in a specially adapted form; that one statement for each circle and for each class of irregularity be submitted for all funds dealt with in the General Branch, and one for all dealt with in the Irrigation Branch; that the statements be submitted quarterly instead of monthly as at present, except that the statement dealing with appropriations be submitted more frequently during the last quarter of the year; and that the due dates of the three quarterly statements be fixed so that the statement for some one class should be due every month.

14. In view to reduce the number of irregularities, the Examiner suggests that, in the case of works begun on emergency without estimate, the Superintending Engineer should be empowered to grant a provisional sanction, within his powers, and for a limited time, on a rough estimate of the expenditure, pending submission of detailed plans and estimates, and that when the expenditure is likely to exceed the Superintending Engineer's powers, a similar provisional sanction by Government should be applied for.

15. With respect to miscellaneous irregularities the Examiner proposes that they should no longer be included in the objectionable item statements, but that they should be separately and individually reported after due inquiry when necessary; that in cases of a plain breach of some distinct rule, whether by way of commission or omission, the matter should be reported to Government at once, a copy of the report being sent to the Executive Engineer, with a request that a full and clear explanation may be submitted to Government through the Superintending Engineer and the Examiner, such explanation being due within a specified time; and that failing the arrival of the explanation within the prescribed time, its non-receipt should at once be reported, and the further disposal of the matter left entirely to the Government. The Examiner further proposes to keep a register of miscellaneous regularities, and to submit to Government a half-yearly abstract or statistical statement showing their numbers and increase or decrease.

16. The Government have also had under consideration the question whether any other periodical statement may be submitted less frequently than at present, and the

Examiner suggests that the monthly divisional return of grants, expenditure and balances, in so far as it extends beyond a bare application for credit, may be made a quarterly statement, if not done away with altogether, together with the budget register and connected procedure in divisional offices, leaving to the Examiner the responsibility of making the check which the present practice is intended to secure. The monthly application for credit would of course remain.

17. The Examiner is also of opinion that all practical purposes would be perfectly well secured, and the audit in some respects facilitated, if detailed accounts, *i.e.*, accounts supported by schedules in full detail, were submitted bi-monthly instead of monthly, the difficulties both in divisional offices and in the central office of accounts being considerably enhanced by the impossibility of disposing of one set of accounts before the next is due. The Examiner anticipates no difficulty in furnishing the Financial Department with monthly abstract statements in sufficient detail and sufficiently accurate, without insisting on the mass of detail now required.

18. The Examiner's several proposals under head VI are approved by the Government, and he may at once take into consideration the question of adapting the objectionable item statement form for the report of irregularities separately by classes instead of by funds. He may also at once proceed to put into force his suggestions with respect to reporting miscellaneous irregularities. The proposal with respect to making the objectionable item statement a quarterly return, as well as the Examiner's suggestions regarding the monthly return of grants and expenditure and the divisional monthly accounts, will be submitted for the consideration of the Government of India.

19. The Government are much indebted to the Examiner for the exhaustive manner in which he has dealt with these questions, and for his suggestions with respect to reducing clerical work in divisional offices.

(Here enter No. 917 W., dated 20th March 1888.)

(True Extract.)

(Signed) H. R. MEAD, Colonel, R.E.,
Joint Secretary to Govt., P.W.D.

To the Chief Engineer for Irrigation.

To Superintending Engineers.

To the Consulting Architect to Government.

„ Examiner, Public Works Accounts, with Current Nos. 7616,
7891, 8264, 8755, 9100 and 9309 of 1887, and 1413 of 1888.

Exd. J. Moses.

Spare Copies