

EAST AFR. PROT

C. O.

3950

3950

Governor
Milfield 28

1914

28 January

Last previous Paper.

2/24/12

CARGO STEAMER "MUSOGA" AND THE "MATHOMO"

and installation of oil fuel in Lake Steamers. States
Railway General Manager has reported expense of £49,190
has been incurred and sanctioned amount has been
exceeded by £2,593. It is up to cause and consider
it should have been reported earlier. Requests sanction
to meet expense from surplus balances.

R. Atkinson ~~has~~ is in the file

The estimate for the cost of the two cargo steamers
and tug and installation of oil fuel in the Lake
Victoria Steamers Service has given a good deal
of trouble. The first estimate was £33,000, and
a transfer of 20% Treas approval was given for the
purpose of £20,000 from balance in 1911-12 and from
provision of £13,000 as required in the Est for succeeding
years (a part of the £20,000 which should all be
repaid in 1911-12, to be provided subsequently in
the Est).

The first estimate was made up as follows

- Oil fuel £ 7000
- Cargo steamer £ 20000
- Steam tug £ 6000

Total £ 33000

But the tender offer received by CA was for
in excess of £33,000 (see CA/37812 (P.A.P.) viz £41,762

- Oil fuel £ 7532
- Cargo steamer £ 23,950
- Steam tug £ 10,280

*Adm. Lt. L. H. H. M.
For info see to Adm.
J. A. Cars for info
For info see to Adm. Lt. H. M.*

Last subsequent Paper.

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8163/14

The sum was approved which was paid to
the completion fund, and the final
estimate was £47,520.

C.P. paid £9000
Cargo claims £27300
Tug £11920

Actual
47134
28516
11947
49997

CR/442/12

Only about £2000 (on oil fuel installation) was
spent in 1911-12 out of the £2000 sanctioned
from balance by Gov. (see para 7 of C.O. letter
to Gov. on CR/442/12) leaving £18,000
to be provided on Est. for 1912-13.

The Gov. now shows that the total cost has been
£47,520 whereas £47,000 was
sanctioned in one lump sum of 442.
Excess £520.

Nearly half the excess is accounted for by the
2 1/2% Consulting Engineer's fees a charge
which was omitted from the original Est.
Other causes for the excess are increase
in freight charges, cost of drawings omitted
from the Est. and increase in C.A. Commission.
The Gov. proposes that the excess cost £2,520
should be met from balance on the ground
that £20,000 was sanctioned from balance
in 1911-12 towards the cost of this work.
But the stipulation in 1911-12 was that a
part of the sum of £20,000 which should be
drawn from balance in 1911-12 (and as
the greater part of the sum was not spent)
should be provided for on the Est. in future
years: and I don't think that the Gov. has
good ground for his present proposal as far
as the original £20,000 is concerned.
The Treasury, whom we are no longer bound to
consult, would I think, have refused it.
If the whole expenditure for the work had

been originally charged to balance in 1911-12
and it had been impossible to spend all the
money till this year the £2,520 might
be treated as a lapsed sum and not
drawn from balance but as a lapsed sum on the work
has been provided almost entirely on the Est.
and the excess should then be met from
balance.

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I think we should find the cost to the Gov.
and at the same time with the views of
The CA who were responsible for the Estimate
on the omission of the charges of Consulting
Engineer's Fees and Drawings.

(A.72) 10214

If we take this line we must telegraph
to the Treasury may not be available
I think we ought to do so. The fact that
£20,000 was approved for balance, the
remaining £17,520 being charged to
annual estimate, seems to be a
poor reason for changing the estimate of
£2,520 to balance rather than to estimate.
? Telegraph reports accordingly, in the
despatch concern with the Gov. in the
opinion that the Gov. be right to have
drawn attention to the excess in July
last, then would the Treasury estimate,
on which the matter above have been
considered, was submitted to the

Gov. accordingly
P.S.

5-1/2
Lad. 10/1/14

H. J. R.
10/11/14

alone
P. 11. 2. 14

GOVERNMENT HOUSE,
NAIROBI,
C. O. BRITISH EAST AFRICA.

3950 January 7th 1914.

EAST AFRICA PROTECTORATE.

No. 28

Sir,

With reference to your despatch No. 16 of 11th January 1912 in which sanction was given for the expenditure of £47,000 to meet the cost of the new Cargo Steamer "Usoga" and tug "Kavirondo" as well as for the installation of oil fuel in the Lake Steamers, I have the honour to inform you that the General Manager, Uganda Railway, has reported that expenditure amounting to £49,593 has been incurred and that the amount originally sanctioned has been exceeded by the sum of £2,593.

2. The accompanying Statements give the items of expenditure and show clearly that there is an excess as stated.

3. I called upon the General Manager to submit further information as to whether it was not possible to foresee that the estimate would be exceeded and from his reply I have elicited the following facts.

4. In the original estimate two items, viz: "2 1/2% Consulting Engineers fees" and the cost of the "Drawings" were entirely omitted as they were not anticipated. These charges amount to Rs. 12,176.

Further

RIGHT HONOURABLE
LEWIS HARCOURT, P.C., M.P.,
SECRETARY OF STATE FOR THE COLONIES,
DOWNING STREET, LONDON, S.W.

62
442
1/2
Statement
do.
do.

(2)

Further the heavy excess in sea freight and launching charges, due probably to the great increase in shipping rates, accounts for Rs.14,363. Other minor excesses such as freight on the Uganda Railway and Crown Agents commission have been shown but it is mainly on account of the home charges and freight by sea that the total excess has occurred.

5. The matter was reported by the General Manager in October last and I find on enquiry that it was known as early as July that the estimate would be exceeded. I think that it should have been the duty of the General Manager to have reported the necessity for this excess expenditure as soon as it was realised, particulars could have been furnished later if they were not available at the time.

6. In the circumstances I would ask sanction to meet the excess from surplus balances. My reason for doing so is that originally a sum of £20,000 was sanctioned from that source towards the purchase of the new steamer, vide your despatch No. 507 of 14th September 1911 and I think that it would be more proper to charge it as I have suggested than to any savings on the Railway Works Extraordinary Vote.

Treas
29/11/11

I have the honour to be,

Sir,

Your humble, obedient servant,

H. G. B. B. B.

GOVERNOR.

(Lake Steamers and Oil Installations)

Name of Works.	Details.		Total.	
	No.	C.	No.	C.
<u>S. S. "Dagon".</u>				
Base Cost		289,860.00		
Freight and landing charges		24,008.44		
Heavy freight		8,577.42		
Consulting Engineers' fees		7,106.25		
Cross Agents Commission		3,914.68		
Swings etc.		547.73		
Provision		100,348.60	427,744.02	28,576
<u>Trig "Kavironda".</u>				
Base Cost		189,300.00		
Freight and landing charges		9,860.90		
Heavy freight		3,070.08		
Consulting Engineers' fees		3,480.00		
Cross Agents Commission		1,427.93		
Swings etc.		547.74		
Provision		21,559.50	179,246.12	11,943
Oil Hoop Tanks			56,469.73	2,431
Oil Storage Tanks			18,494.84	1,055
<u>S. S. of Fuel Equipment.</u>				
Cost of 5 sets Fuel Equipment		54,989.49		
Provision in Steamers		37,893.66		
Pipe Line (Estimate not yet submitted)		2,500.00	85,053.15	5,670
Total.			743,907.86	28,595
Provision.			705,000.00	27,000
Excess.			38,907.86	1,595

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1937 FEB 14

STATEMENT

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C. O.
3950

STATEMENT

	PROVISION	ACTUAL	SAVING	EXCESS.
"O.C.A."				
cost	Rupces.cts. 284250-00	Rs.-cts. 284250-00	Rs. cts. ...	Rs. cts. ...
freight and launching charges	15000-00	24002-14	...	9002-14
away freight	7500-00	8577-42	...	1077-42
Consulting Engineer's fee	...	7106-25	...	7001-25
Crown Agents Commission	2642-50	2914-68	...	72-18
wings etc	...	547-78	...	547-78
ation	100345-50	...	...	...
"V.I.R.N.B.O."				
cost	139200-00	139200-00	...	...
freight & launching charges	4500-00	9860-09	...	5360-09
away freight	2400-00	3076-06	...	676-06
Consulting Engineer's fee	...	3430-00	...	3430-00
Crown Agents Commission	1382-00	1427-03	...	35-03
ation	21559-50	...	...	...
wings etc	...	547-74	...	547-74
elling Bogie tank	34807-82	36469-73	...	3661-91
rage tanks (three)	15274-79	15494-84	...	220-05
ets oil fuel equipment	49524-82	54959-49	...	6434-57
ation in steamers	27593-66	...	...	...
pipe line	2500-00	...	...	...

For 3950/1914
E.A.P

SW

14 Febry 1914

ansd 8/63

Gentlemen,

Ref. to your letter

(W. H. Underhill, 1853) of the
4th of Jan'y 1912. I am to
inform you that the fact of
the E.A.P. has reported that
expenditure amounting to
over £2000 in excess of
estimate has been incurred
in connection with the
steamer "Isoga"; the "Havanda"
and the installation of oil
fuel in the Lala Steamer.
The fact also states that
the general manager has
explained that a large
proportion of the excess
expense is due to the fact

DRAFT.

Refr. Agents

[ca 400/12]

MINUTE

- Mr. Harper 12/1/14
- Mr. [unclear] 12/1/14
- W. Reed 12
- Sir G. Fiddes.
- Sir H. Just.
- Sir J. Anderson.
- Lord Emmott.
- Mr. Harcourt.

Handwritten scribble or signature

3 dfts

that no provision was made
in the original estimates
for Consulting Engineer fees
or for cost of drawings.

I Mr. Harcourt
will be glad to receive
your observations on the
omission of these charges
from the estimates.

(Signed) HED. READ,
for the Under Secretary of State

Sir 3950/1914
EAS 300

Sent 5.10 pm
12 February
Fallabore

DRAFT Telegram

Governor
Nairobi

MINUTE

- Mr. Harper 12/2/14
- Mr. Bottomley 12/2/14
- Sir G. Fiddes ✓ 12/2/14
- Sir H. Juel
- Sir J. Anderson
- Lord Emmott
- Mr. Harcourt

Your despatch of 7 January 1914
regarding

28 expenditure incurred
in excess of amount allocated
epidemic calamities
to be met out of savings in
estimates and not from
balances

415

No 3950/1914

Cap.

391



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13 Febr. 1914.

Sir,

I have the honour
to acknowledge the receipt of
your despatch, No.
28th of the 7th of Janry,
~~and to inform you that~~ on
the subject of the
exp^{ts} incurred in excess
of the amount sanctioned
in connection with the
steamer 'Usoga', ^{the} ~~the~~
'Kavrondo' and the
installation of oil fuel in the
Lake Steamers, and to
confirm my telegram of
the 12th of July, informing

Draft

Cap.

No 128

Edw. H. Salford

—

12/2/14

12/2/14

Recd 12/2/14

Handwritten scribbles and initials.

(14/2/14)
Handwritten note in a box.

that the excess amount
must be met from savings
in the estimates.

2. ^{greater part of the} ~~the~~ ^{estimated}
expenditure has been provided almost
entirely in the estimates. I
regret that I am not able
to accept your recommendation
that the excess expenditure should
be met from surplus balances.

3. I concur in your
opinion that the General
Manager should have drawn
attention to the ^{matter} ~~excess~~ in
July last, ~~when it became known~~ ^{when it became known that an excess was}
~~in the accounts~~ ^{unavoidable}

~~My letter was automatically~~
and I have to request
that you will cause them
to be informed accordingly. I
ought point out that revised extracts
of salary revenue & expenditure
were submitted to me in that month,
and that there was therefore
every opportunity for bringing
the matter to notice. I am
yours faithfully,
L. BARCOTET.

(Signed) L. BARCOTET.