GOVERNMENT OF KERALA

Abstract

PUBLIC SERVICE—ADMINISTRATIVE REFORMS—THIRD REPORT OF THE KERALA
ADMINISTRATIVE REFORMS COMMITTEE—RECOMMENDATIONS
APPROVED—ORDERS ISSUED

PERSONNEL AND ADMINISTRATIVE REFORMS (D) DEPARTMENT


Read:—G. O. (Ms.) No. 7/97/P&ARD dated 26-5-1997.

ORDER

In the Government Order read above, the Kerala Administrative Reforms Committee (KARC) was constituted to simplify and streamline the present system of administration in the State. The Committee has submitted its third report on Financial Reforms to Government.

2. Government have examined the recommendations of Kerala Administrative Reforms Committee regarding financial reforms and are pleased to approve the recommendations appended to this Order.

3. Necessary orders regarding enhancement of the existing delegation of powers of the Administrative Department of the Secretariat and Heads of Departments will be issued immediately by the Finance Department and the Administrative Departments concerned.

By order of the Governor.

RAM SINGH,
Secretary to Government.

GCPT. 3/2544/2009/TP.—(3)
To

All Principal Secretaries/Secretaries/Special Secretaries to Government.
All Departments in the Secretariat including Law and Finance.
All District Collectors.
All Heads of Departments.
The Accountant General, Kerala, Thiruvananthapuram (with C. L.).
The Member Secretary, Kerala Administrative Reforms Committee (with C. L.).
The Private Secretary to Chief Minister.
The Private Secretary to all Ministers.
The Private Secretary to Leader of Opposition/Chief Whip.
The Additional Secretary to Chief Secretary.
The Director of Public Relations.
The Stock File /Office Copy.
APPENDIX

RECOMMENDATIONS OF ADMINISTRATIVE REFORMS COMMITTEE
ON FINANCIAL REFORMS

In the delegation of financial powers to the Administrative Departments of the Secretariat issued by Finance Department, most of the items have the monetary limits fixed years back and do not have any real value. The existence of low levels of delegation, which have lost its purpose, also brings up every issue for the consideration of the Finance Department. Therefore, the monetary limits are to be changed realistically as recommended in Annexure I.

2. The delegation of financial powers to the Heads of Department and Collectors have to be updated as recommended in Annexure II.

3. A high level committee consisting of Chief Secretary, Finance Secretary and the Secretary of the Administrative Department may consider the proposals for relaxation of the economy orders so that all the necessary aspects get the required attention. Once the Committee decides to recommend relaxation, the issue should be submitted to the Council of Ministers (if Council's approval is required).
1. **Shifting of posts**

The Administrative Departments of the Secretariat may, without previous consultation of the Finance Department, sanction shifting of posts having the same duties and functions like the various grades of Clerks, Typists, Confidential Assistants etc. within the same unit of appointment.

2. **Leave**

“The Administrative Department of the Secretariat may without previous consultation with the Finance Department sanction study leave, special disability leave, leave to take up other employment and leave without allowances to join the spouse according to the rules in the matter. Cases where relaxation of rules is required or where there is any doubt regarding the applicability or interpretation of the rules should be sanctioned in consultation with the Finance Department”.

3. **Deputation for Training**

The Administrative Department may without previous consultation with the Finance Department sanction all cases of deputation of Officers for training, within India for a period not exceeding one month subject to the following conditions:

(i) The deputation of Officers for training is under any scheme approved by the Government in consultation with the Finance Department.

(ii) There is specific provision for the training in the budget.

(iii) The training is a professional one for the upgradation of the skills of the officers in the department.

4. **Deputation to Foreign Service**

The Administrative Department of the Secretariat may without previous consultation with the Finance Department sanction all cases of deputation to Foreign Service and extension of the period of Foreign Service which are ordered in accordance with the standard terms of deputation in the KSR. However all cases involving variations in the terms of emoluments of deputation and relaxation of rules must be ordered only in consultation with Finance Department.
5. **Permanent advance**

The existing delegation in para 12 may be recast as follows—"12. The Administrative Departments of the Secretariat may without previous consultation with the Finance Department sanction permanent advances limited to a maximum of Rs. 5,000 in each case. The Orders will be issued on the Recommendation of Accountant General in conformity with Article 11 of the KFC, Volume 1".

6. **Reimbursement of Medical expenses**

The Labour and Rehabilitation Department of the Secretariat may without previous consultation with the Finance Department sanction the reimbursement of medical expenses to the insured employees covered by the E.S.I. Scheme upto Rs. 10,000 in each case.

7. **Hiring of private building**

The Departments of the Administrative Secretariat may without previous consultation with the Finance Department sanction hiring of private buildings without monetary limit, on production of the rent and non-availability certificates from the Public Works Department. The Administrative Departments may, without prior consultation with the Finance Department, also sanction hiring of private buildings without insisting on the rent and non-availability certificates from PWD subject to an upper limit of Rs. 15,000 p.m.

8. **Land acquisition**

The Administrative Departments of the Secretariat may without previous consultation with the Finance Department sanction expenditure on land acquisition charges upto Rs. 15,00,000 (Rupees Fifteen lakhs only) in each case provided there is specific provision in the budget for the purpose.

9. **Disposal of unserviceable articles**

The Administrative Departments of the Secretariat may without previous consultation with the Finance Department sanction the disposal of all unserviceable articles upto a limit of Rs. 2 lakhs in each case without any annual limit subject to the provision in Articles 154-157 of the Kerala Financial Code, Volume 1.

10. **Expenditure on works**

The Administrative Departments of the Secretariat may without previous consultation with the Finance Department accord administrative sanction to any work provided that the estimate amount does not exceed Rs. 25 lakhs.
11. Maintenance estimate of Water Supply and Drainage Schemes

The Administrative Departments of the Secretariat may without previous consultation with the Finance Department sanction maintenance estimates of water supply and sanitary installations upto Rs. 50,000 (Rupees Fifty thousand only) in each case provided that the maintenance cost of water supply and sanitary installations does not exceed 10% of the capital cost and subject to the usual conditions.

12. Annual maintenance of Government buildings

The Administrative Departments of the Secretariat may without consultation with the Finance Department sanction maintenance estimates not exceeding Rs. 1,00,000 in each case provided the estimate does not exceed 10% of the capital cost of the building.

13. Purchase of stores other than for works

The Administrative Departments of the Secretariat may without previous consultation with the Finance Department sanction expenditure which does not exceed Rs. 10 lakhs in respect of purchase of stores other than for works subject to budget provision being available and stores purchase rules being observed.

14. Addition

Satisfaction of decrees and other payments ordered by the courts.—Now the cases against Government are on the increase. Very often the decree and judgement is received without much time for its satisfaction. Therefore, it is desirable that the Administrative Departments are empowered to sanction payments on the orders of the courts without prior consultation with the Finance Department subject to the limit of Rs. 10 lakhs, provided that there is no scope for appeal or revision or special leave petition.

ANNEXURE II

1. Ceremonial function

The existing provision is as follows—“To incur expenditure for each ceremonial function upto Rs. 100”. [Vide G. O. (Ms.) 405/60/PD dated 31-10-1960].

The financial limit was prescribed 38 years ago. So the limit may be enhanced to Rs. 1,500 (Rupees One thousand five hundred only).
2. **Disposal in auction**

The amount was fixed 17 years ago. The limit may therefore be enhanced from Rs. 15,000 to 50,000 (Rupees Fifty thousand only).

3. **Petty expenses**

The monetary limit was fixed 33 years ago. This limit may be enhanced from Rs. 50 to 1,000 (Rupees One thousand only).

4. **Petty construction, repair and maintenance**

The existing delegation is as follows:—“To sanction maintenance, petty construction and repair works for execution up to Rs. 4,000 in each case without reference to P.W.D.”

The limit was fixed 17 years ago. This may therefore be enhanced to Rs. 25,000 (Rupees Twenty five thousand only).

(The DHS and the Labour Commissioner have been delegated with enhanced powers upto Rs. 1 lakh and Rs. 15,000 respectively.)

5. **Contingencies—Non-recurring**

The amount was fixed 28 years ago and so the financial delegation may be enhanced from Rs. 1,500 to 10,000 (Rupees Ten thousand only).

6. **Printing**

The financial limit may be enhanced to Rs. 20,000 (Rupees Twenty thousand only) at a time instead of Rs. 2,000.

As per the above, in emergent cases the printing work may be entrusted with private presses without reference to Superintendent of Government Presses at a cost not exceeding Rs. 50 at a time subject to annual limit of Rs. 500.

The financial delegation may be enhanced from Rs. 50 to Rs. 500 (Rupees Five hundred only) at a time subject to an annual limit of Rs. 5,000 (Rupees Five thousand only)

7. **Purchase**

(i) **Stationery**—The limit was fixed 28 years ago. Hence it may be enhanced from Rs. 150 to Rs. 1,000.

(ii) **Stores**.—The present delegation is as follows:—“To issue administrative sanction for the purchase of recurring supplies required for the normal running of the Department subject to budget provision up to Rs. 1 lakh, Rs.50,000, Rs. 5,000 as the case may be at a time according to the grouping in appendix II.

The above limit may be enhanced to Rs. 8 lakhs (Rupees Eight Lakhs only), Rs. 4 lakhs (Rupees Four Lakhs only) and Rs. 40,000 (Rupees Forty thousand only) respectively.
The above monetary limit may be enhanced from Rs. 5,000 to Rs. 40,000 (Rupees Forty thousand only) at a time.

8. **Renting of private buildings**

Existing provision is as follows—"To sanction hiring of private buildings when the accommodation is provided in a separate building upto 300 per month in each case".

The above monetary limit may be enhanced to Rs. 2,500 (Rupees Two thousand Five hundred only) per month in each case.

9. **Works (major Heads of Departments)**

The monetary limit may be enhanced from Rs. 3 lakhs to Rs. 7.5 lakhs (Rupees Seven lakhs and fifty thousand only).

**Minor Heads of Department**

To give administrative sanction for original works upto Rs. 2 lakhs. This limit may be enhanced to Rs. 5 lakhs (Rupees Five lakhs only).

**Chief Engineer**

The Chief Engineers have already been given powers to sanction original works up to Rs. 15 Lakhs.

This limit may remain for the present.

10. **Write off**

The existing provision is as follows:—"To sanction write off of irrecoverable amounts including value of stores upto Rs. 5,000 in each case subject to an annual limit of Rs. 25,000.

The above limit may be enhanced to Rs. 10,000 (Rupees Ten thousand only) in each case with annual limit of Rs. 50,000 (Rupees Fifty thousand only). (The powers now being exercised by the CCF and DHS may remain unchanged.)

11. **Repair of Hospital equipment**

The issue of enhancement of delegation of powers to the Director of Medical Education, Principals of Medical Colleges and Director of Health Service—Regarding repairs of hospital equipment may be discussed by the Chief Secretary with Secretary, Health and Family Welfare and suitable suggestions made.