



GOVERNMENT OF KHYBER PAKHTUNKHWA

FINANCE DEPARTMENT

Finance Department Civil Secretariat Peshawar <http://www.finance.gkp.pk> [facebook.com/GoKPPD](https://www.facebook.com/GoKPPD) twitter.com/GoKPPD

No.BO.I/FD/5-20/2018-19/Release Policy

Dated Peshawar the 29/10/2018

To

- 1 All Administrative Secretaries to Govt. of Khyber Pakhtunkhwa, Peshawar.
- 2 All Deputy Commissioners in Khyber Pakhtunkhwa.

Subject: **RELEASE POLICY FOR FINANCIAL YEAR 2018-19**

Dear Sir,

I am directed to refer to the subject noted above and to convey Release Policy for financial year 2018-19, Provincial and Local Governments, duly approved by the Provincial Cabinet in its special budget meeting held on 15/10/2018, as per details given below for information and necessary action, to be effective from 1st November, 2018:-

A) DEVELOPMENT EXPENDITURE:

| TYPE OF SCHEMES | FUNDS RELEASE METHODOLOGY |
|---|--|
| 1. Ongoing approved schemes | <ol style="list-style-type: none">i) 50% of the allocated funds will be released to ongoing schemes of a sector progressively at the start of the financial year.ii) Out of released 50% funds; the Administrative Department will ensure adequate releases to the on-going schemes, due for completion and to the schemes pertaining to snow bound areas (either due for completion or not) through intra sectoral re-appropriations.iii) Subsequent releases to each sector will be made on provision of Utilization Certificate of at least 75% of already released funds or justification to be provided by Administrative Department for non-utilization / low utilization on case to case basis. |
| 2. New approved schemes | 25% of the allocated funds will be released to new schemes of each sector on production of Administrative Approval (AA). Remaining allocations for such schemes will be released as and when demanded by the Administrative Department on production of utilization report and on case to case basis. |
| 3. Schemes with 'R' status in ADP 2018-19 | Funds will be released to the schemes of 'R' status in ADP 2018-19 on the basis of notified Revised Administrative Approval. |

4. District wise complete breakup of the umbrella schemes shall be provided by the Department within one week after release of funds to enable Finance Department to punch it in SAP system.
5. No release shall be made in the name of individuals with respect to Umbrella schemes.
6. 75% release will be made for procurement of medicines under schemes of Health Department on the request of the Department. Subsequent 25% release will also be made as and when required by the Health Department.
7. Development funds to schemes having designated accounts will be released subject to production of utilization report and bank statement of their accounts.
8. Intra-Sectoral re-appropriation approved by Administrative Departments to development schemes shall be punched in SAP system by Administrative Departments themselves and not by the Finance Department.
9. No re-appropriation shall be made against those schemes wherefrom funds are re-appropriated to other schemes, during current financial year, unless otherwise justified by the P&D Department.
10. Proposed schemes against 21 billion from arrears of NHP will be subject to the receipts from Federal Government

(B) CURRENT EXPENDITURE – PROVINCIAL

| S# | OBJECTS | FUNDS TO BE RELEASED |
|----|---|--|
| 1. | • Salary* (<i>except Honoraria which shall be released on case to case basis</i>) | 100% |
| 2. | • Electricity • Sui Gas Charges • Advertisement Charges (Current side only) • Financial Assistance to the families of Government servants who die while in service | 100% |
| 3. | Rest/Others | 75% |
| 4. | Purchase of Physical Assets | 75% |
| 5. | Maintenance & Repair ** | 75% |
| 6. | Wheat Subsidy | Release on the request of Food Department |
| 7. | Funds at the disposal of Finance Department | Release on case to case basis through re-appropriation as per Guidelines contained in Finance Department's circular letter No. BO.I/FD/5-17/2014 - 15 dated 12/06/2015 |
| 8. | S.N.E (Fresh) | Authentication of Audit Copy by the Finance Department |

NOTE:

- Medical Charges*:-** The funds released under object A01274-Medical Charges shall be utilized by the concerned sanctioning authorities only upto the limit of medical re-imburement claims i.e Rs.30,000/- where verification / authentication by Director General, Health Services, Khyber Pakhtunkhwa is not required under the prevailing rules/policy instructions. The incurrence of expenditure against the remaining claims shall be authorized by Finance Department on case to case basis as usual.
- Repair & Maintenance **:-** The funds allocated for civil works, maintenance and repair of Roads, Highways and Buildings, will be released on case to case basis on the approval of competent forum and issuance of Administrative Approval.
- Release of Withheld Budget:-** The withheld budget under Current Expenditure (Provincial) will be released in 3rd quarter of current financial year subject to availability of financial resources. The individual demands for release of balance funds shall be examined at the level of concerned Sections and decided by the competent authority based on justification(s) provided by the Administrative Department concerned."

(C) (DEVELOPMENT & CURRENT EXPENDITURE – LOCAL GOVERNMENTS**i. DEVELOPMENT EXPENDITURE (LOCAL GOVERNMENT)**

Development share of District Development Funds shall be transferred to respective Local Governments on quarterly installment basis, which have not been provided development funds during financial year 2018-19. Such Districts, TMAs and VCs/NCs which have been provided development budget during last financial year (2017-18), shall be facilitated with funds subject to utilization of 60% development funds of last financial year.

ii. CURRENT EXPENDITURE(LOCAL GOVERNMENT)

| SR.# | GRANT | FUNDS TO BE TRANSFERRED |
|------|------------|--|
| 1. | Salary | On monthly installment basis subject to adjustment of balance available from previous month. |
| 2. | Non-salary | On quarterly installment basis subject to availability of financial resources. |

(D). **GRANT TO LOCAL COUNCILS**

| SR.# | GRANT | FUNDS TO BE TRANSFERRED |
|------|-------------------|---|
| 1. | TMA | On monthly installment basis subject to availability of financial resources. |
| 2. | District Councils | 20% share of the Grant on monthly installment basis of the total allocation which shall be released on need basis subject to availability of financial resources. |
| 3. | Grant to VCs/NCs | 80% share of the Grant on monthly installment basis subject to availability of financial resources. |
| 4. | Gantt: Board | On monthly installment basis subject to availability of financial resources. |

Yours faithfully,


(SAEED AHMAD KHAN)
BUDGET OFFICER-I

Email: saeed.ahmad@finance.gkp.pk

Endst: No. and date even:

Copy forwarded for information and necessary action to the:

- 1) Principal Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
- 2) Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
- 3) Military Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
- 4) Accountant General, Khyber Pakhtunkhwa, Peshawar.
- 5) All Divisional Controller of Accounts / District Accounts Officer, Khyber Pakhtunkhwa
- 6) Budget Officer II-XI, Fund/Loan, PFC, Finance Department.
- 7) Section Officer (Dev. I-IV), Finance Department.
- 8) Private Secretary to Minister for Finance, Khyber Pakhtunkhwa.
- 9) P.Ss to Finance Secretary/Special Secretary Finance.
- 10) P.As to Addl: Finance Secretaries (Budget/PFC & Development).
- 11) P.A to Director, FMIU, Finance Department.
- 12) P.As to Deputy Secretaries (Budget/PAC/Development), Finance Department


BUDGET OFFICER-I

