



# GOVERNMENT OF KHYBER PAKHTUNKHWA

## FINANCE DEPARTMENT

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

No.BO.I/FD/5-8/2019-20/Austerity Measures

Dated Peshawar the 01/07/2019

To

- 1) The Senior Member, Board of Revenue, Khyber Pakhtunkhwa.
- 2) All Administrative Secretaries to Govt. of Khyber Pakhtunkhwa.
- 3) The Principal Secretary to Governor, Khyber Pakhtunkhwa.
- 4) The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa.
- 5) All Divisional Commissioners in Khyber Pakhtunkhwa.
- 6) All Heads of Attached Departments in Khyber Pakhtunkhwa.
- 7) All Heads of Autonomous/Semi-Autonomous Bodies in Khyber Pakhtunkhwa.
- 8) All Deputy Commissioners in Khyber Pakhtunkhwa.
- 9) The Registrar, Peshawar High Court, Khyber Pakhtunkhwa.
- 10) The Secretary, Provincial Assembly, Khyber Pakhtunkhwa, Peshawar
- 11) The Registrar, Khyber Pakhtunkhwa Service Tribunal Peshawar.
- 12) The Secretary, Khyber Pakhtunkhwa Public Service Commission, Peshawar.

Subject: - **ECONOMY/AUSTERITY MEASURES FOR FINANCIAL YEAR 2019-20**

Dear Sir,

I am directed to refer to the subject noted above and to say that the Provincial Cabinet in its meeting held on 18/06/2019 while considering the Budget Estimates 2019-20, approved the following guiding principles to curtail the expenditure, to be effective from 1<sup>st</sup> July, 2019:-

- 1) There shall be complete ban on:
  - a. **Creation of posts** except posts required for completed developmental Projects unless scrutinized and recommended by the **committee** comprising of Secretaries to Govt. of Khyber Pakhtunkhwa, Finance, Establishment & Administration, Planning & Development Department as well as concerned Department and approved by the Chief Minister, Khyber Pakhtunkhwa.
  - b. **Purchase of new vehicles** except Ambulances, Earth moving machinery, Fire Trucks, Tractors, Non-Luxury vehicles, Single Cab Pickup 4x4 and 4x2, 3 Door Jeeps, Trucks, Buses, Passenger vans, Prisoners Vans, Motorcycles, Water Bowser Trucks, Recovery/Rescue vehicles, Rescue/Life Saving boats. Rest of the vehicles will be purchased on the recommendations of the **committee** consisting of Secretary Finance, Secretary Administration, Secretary Transport, Secretary P&D and Secretary of the Department concerned and approved by the Chief Minister, Khyber Pakhtunkhwa.
  - c. Participation in **workshops/seminars and training abroad** involving provincial funds.
  - d. Holding Seminars and Workshops in **Five Star Hotels** involving Provincial funds.
  - e. **Treatment abroad** on Provincial Government's expense.
- 2) All Administrative Secretaries and Heads of Autonomous/Semi-Autonomous Bodies, being Principal Accounting Officers, shall conduct meetings of **Departmental Accounts Committee** regularly under intimation to Finance Department so as to ensure **internal audit** of their respective Departments /Organizations.
- 3) To bring efficiency in revenue collections, a high powered "**Provincial Revenues Review Committee**" shall be constituted under the chairmanship of Minister Finance to review the performance of all revenue collecting entities of the Provincial Government and to propose structural changes, performance indicators, legal reforms and other realignments in the procedures.
- 4) All Administrative Secretaries shall conduct review meetings on progress on the targets against, **Key Performance Indicators (KPIs)** of their respective Departments quarterly under intimation to Finance Department.
- 5) All Government **Rest Houses/Guest Houses** etc shall be managed on commercial basis through appropriate institutional arrangements.
- 6) No appointment of **contingent paid staff** shall be made during the course of the financial year 2019-20 unless recommended by the committee as mentioned serial No.1 (a) above.
- 7) No appointment shall be made against **leave vacancies** without prior approval of Finance Department.

- 8) No appointment will be made against vacant posts (except Class-IV & promotion posts) without obtaining **NOC from the concerned Surplus Pool.**
- 9) Principal Accounting Officers will make sure that no appointment is made against a **vacant post of dying cadre** and will also initiate disciplinary action, if any such appointments have been made previously.
- 10) **Expenditure shall be restricted** to the funds released and the Administrative Departments shall not incur expenditure in anticipation of additional or supplementary grants.
- 11) No developmental scheme involving creation of posts and purchase of vehicles, machinery & equipment and furniture (**Revenue Component**) will be considered without prior clearance of Finance Department.
- 12) **No department shall retain receipts in Bank Accounts.** The Departments must remit all Receipts to Provincial Account forthwith except where Departments/ facilities have been specifically permitted under some Statute/Act. All MTIs shall share the **balances in Reserve Fund** with Finance Department on **quarterly basis alongwith the Procurement Plan.**
- 13) **No funds will be utilized** on account of annual and special repair of such Roads & Buildings which have been repaired / rehabilitated during last three years except flood and earthquake affected Government infrastructure. To ensure the scope and standard of such works, **Director General, Monitoring & Evaluation (M&E),** shall inspect the sites periodically and provide a quarterly report to P&D & Finance Department.
- 14) The **advertisement charges** allocated under Current Revenue Expenditure shall be utilized on current side only. As regards expenditure on developmental side, necessary provision will be made in the PC-I(s)/Costs Estimate(s) of the concerned scheme(s) whereas the devolved Department's expenditure on this account shall be met out of **Account-IV** of the District concerned.
- 15) All posts which are lying vacant for the last **three (03) years** shall stand abolished.
- 16) Finance Department shall undertake next phase of the **expenditure review** to realize further savings as part of an integrated sectoral review process.
- 17) P&D Department shall initial **District & Sectoral plans** spread over the next three (03) years as part of the mid-term development framework for the purpose of improved planning and to eliminate wasteful expenditure.
- 18) **All Autonomous / Semi-Autonomous bodies,** Medical Teaching Institutions, other Institutions and Authorities under Provincial Government shall **adopt the measures** within their respective organizations with the approval of their competent forums.

2. The above Economy/Austerity Measures for the financial year 2019-20 may kindly be implemented in letter and spirit.

Yours faithfully,

(**SAEED AHMAD KHAN**)  
BUDGET OFFICER-I

**Endst: No. and date even:**

Copy forwarded for information and necessary action to:-

- 1) The Accountant General, Khyber Pakhtunkhwa, Peshawar.
- 2) All Additional Finance Secretaries, Finance Department.
- 3) The Director FMIU, Finance Department with the request to upload it in the Web portel of Finance Department.
- 4) All Deputy Secretaries in Finance Department.
- 5) All the District Comptroller of Accounts/District Accounts Officers in Khyber Pakhtunkhwa.
- 6) All the Budget/Section Officers, Finance Department, Khyber Pakhtunkhwa.
- 7) Private Secretaries to all Provincial Ministers, Khyber Pakhtunkhwa.
- 8) Private Secretary to Chief Secretary, Khyber Pakhtunkhwa, Peshawar.
- 9) Private Secretaries to Finance Secretary/Special Secretary Finance.
- 10) Private Secretary to Special Secretary Finance (NMAs).

BUDGET OFFICER-I