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1915

January

previous Paper

11056/15

LOAN OF £375,000
OIL FUEL INSTALLATION, KILINDINI

The further letter from Railway Acting General Manager. Additional exact cost report makes total expenditure £12,065.

Place on 11056

L.M.
13/12/15
J.R.
15/11/15

[Handwritten signature]

sequent Paper.

12/24/15

AFRICA PROTECTORATE

No. 52

GOVERNMENT HOUSE,
NAIROBI,
BRITISH EAST AFRICA.

January 21st 1916.



4730-

Sir,

I have the honour to refer to paragraph 9 of my despatch No. 26 of the 15th instant, relating to Railway Expenditure from Loan Funds and to enclose a copy of a further letter from the Acting General Manager respecting Item 33. Oil Fuel Installation, Kilindini.

2. You will observe that an additional excess must be reported on the cost of erection amounting to £485 making the total expenditure £12,000 against £11,580 previously quoted.

I have the honour to be,

Sir,

Your humble, obedient servant,

H. Conway Bejred

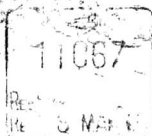
GOVERNOR.

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

Ag. General
Mgr. Ug. Ry
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January 1915

TO
The Hon'ble
The Chief Secretary
to the Government.
NAIROBI.

Oil storage Installation at Kilindini
Ref HQ, D/a/20/648 dated the 18th
December 1914.

Sir,

I have the honour to refer you to paragraph 8 of the above quoted letter, in which I state that the Agents of the Anglo Persian Oil Co gave me the sum of Rs. 26,000 as being the cost of the erection of the tanks, including passages of men employed and any other expenses incurred.

This is £1,933.

2. On October 28th the Crown Agents cabled if they might pay £1,200 on account of the cost of erection. As that sum was well within the amount of £1,933 I agreed to the payment. I have since received a cable asking that they may be allowed to pay a further sum of £1163-11-6, "balance" of erection expenses. This brings the total cost of erection up to £3,419. I did not feel justified in telling the Crown Agents to pay this full amount, and enclose you a copy of my letter to them which explains the present position.

3. If the amount now asked for is approved

there will be an additional sum of £486 that must be reported as excess expenditure, bringing the total cost of the installation up to £12,066, and I would ask that sanction may be given, if it be found necessary, to incur this expenditure.

4. I would draw your attention to paragraph 4 of my letter to the Crown Agents. The estimated "approximate" cost of the tanks erected at Kilindini (exclusive of the cost of piping) was £4,936. The sum now asked for as the balance of erection expenses makes the actual cost £6,984. The conditions of the estimate of the Anglo Persian Oil Company are given in paragraph 2 already quoted, but an increase of practically 40% cannot be allowed to pass without comment.

I have the honour to be,

Sir,

Your obedient servant,

Sd/ B. EASTWOOD

Actg General Manager.
Uganda Railway.

Enclos: 1 letter
in triplicate.

- 2 -

there will be an additional sum of £485 that must be reported as excess expenditure, bringing the total cost of the installation up to £13,065, and I would ask that sanction may be given, if it be found necessary, to incur this expenditure.

4. I would draw your attention to paragraph 4 of my letter to the Crown Agents. The estimated "approximate" cost of the tanks erected at Kilindini (exclusive of the cost of piping) was £4,936. The sum now asked for as the balance of erection expenses makes the actual cost £8,864. The conditions of the estimate of the Anglo Persian Oil Company are given in paragraph 5 already quoted, but an increase of practically 40% cannot be allowed to pass without comment.

I have the honour to be,

Sir,

Your obedient servant,

Sd/ B. EASTWOOD

Actg General Manager,
Uganda Railway.

Enclos: 1 letter
in triplicate.

- 2 -

there will be an additional sum of £485 that must be reported as excess expenditure, bringing the total cost of the installation up to £12,065, and I would ask that sanction may be given, if it be found necessary, to incur this expenditure.

4. I would draw your attention to paragraph 4 of my letter to the Crown Agents. The estimated "approximate" cost of the tanks erected at Kilindini (exclusive of the cost of piping) was £4,936. The sum now asked for as the balance of erection expenses makes the actual cost £8,984. The conditions of the estimate of the Anglo Persian Oil Company are given in paragraph 2 already quoted, but an increase of practically 40% cannot be allowed to pass without comment.

I have the honour to be,

Sir,

Your obedient servant,

sd/ B. EASTWOOD

Actg General Manager,
Uganda Railway.

Enclos: 1 letter
in triplicate.

January 12th 1908

TO
H. His Crown Agents
for the Colonies
Whitehall Gardens.
LONDON.

Gentlemen,

In continuation of my No. 1/a/26 of the 4th instant confirming my cablegram to you authorising you to pay the Anglo Persian Oil Company the sum of £377. balance of cost of erection of oil tanks at Kilindini I have the honour to say that beyond what information has been given to me by the Agents of the Anglo Persian Oil Company at Mombasa I have no record of what expense was actually incurred in the erection of the tanks and I am not therefore in a position to authorize payment.

2. I was informed that the cost of erection, passages etc amounted to approximately £45,000, say £1,000. I had previously agreed to your paying £1,000, and therefore cabled you to pay the difference between that sum and the amount I had been told the erection of the tanks had cost, viz: £1,000.

3. The arrangement made in connection with the erection of these tanks was that the Anglo Persian Oil Company would erect the tanks for us at cost price, therefore, on their satisfy-

ing you that the total sum of £3418-12-6 as the actual cost of erection and the expenses in connection with it I presume you will pay them the balance of £486 now left unpaid.

4. The estimate that the Anglo Persian Oil Company gave of the cost of erection was £1,476. They accepted no responsibility in connection with the correctness of this amount, but the difference between the estimated amount of £1,476, and the actual cost of £3,418 is too large to pass without comment.

etc
I have the honour to be,

Sirs,

Your obedient servant,

Sd/ B. EASTWOOD

Actg General Manager
Uganda Railway.