

Friday 20th Feb^r 1784.

The Committee having examined the fair copy of their fourth Report, sign'd & deliver'd it to the Governor: being as follows.

The fourth Report of the Committee appointed to inspect & enquire into the Mode & execution of the Business as now carried on in the different departments of the Bank.

To the Governor, Deputy Governor, &
Committee of Treasury.

Having in our former Reports taken notice of such Things within the department of the Chief Cashier, as appeared to require immediate attention: We now proceed to submit, for the consideration of the Court, such observations as have occurred during our examination into the conduct of business in the Offices within the department of the Chief Accountant.

This department we find divided into 15 Offices, most of them superintended by a Chief or Head Clerks. viz^t

The enterers of the Credits & payments of
Bank Notes.

The same of the 7 days sight Notes.

The enterers, serialism, of Bills & Notes discounted.

Those of Bills & Notes discounted into the
(Discount Ledgers.

The Drawing Office, which checks with the
(Drawing Office in the Hall.

The Office of Bank Stock, & Consol. Long. Ann.

do. of Consol. Reduced.

do. of 3 $\frac{1}{2}$ Cent Consols.

do. of 4 $\frac{1}{2}$ Cent Consols, & the Short Ann.

do. of 3 $\frac{1}{2}$ Cent. Ann. 1726, & the Ann.
(for 28 years.

The Chancery Office.

The Cheque Office.

The Writer of the Journal.

The Account of Exchequer bills, kept by the
. Accountant General & checked by the Deputy
Accountant.

The General Ledger, kept by the Dep^y Accountant.

We have examined the Chiefs & most of the other
Clerks in all these Offices relative to the Business of
each, as well as to the Behaviour, abilities, &
attendance of the Clerks themselves; but in this
Report we mean to confine ourselves to such

observations as we have made in the Stock & Cheque Offices, & to the suggestion of such alterations with respect to them as in our Opinion will be material improvements.

The Stock Offices being the first in point of importance, especially to the Publick, naturally claimed our earliest & closest attention, & a good deal of our time has been employed in endeavouring to ascertain how far the very frequent complaints, in regard of the delays & inconveniencies experienced by the Publick in receiving their Dividends, are well founded, from what causes they arise, & to what degree they may be remedied. To this end, we directed our principal enquiries to the Office of 3 & Cent Consol. Ann^s, where from the largeness of the Capital & number of the Proprietors, these inconveniencies must of necessity most prevail.

The Hours from 9 to 11 in the forenoon & from 1 to 3 in the afternoon are fixed for the payment of Dividends; & from 9 to 1 for Transfers: & every Transfer ticket must be put in before 1 o'clock, or is accounted a private Transfer, & must be paid for as such. This regulation, made undoubtedly with a view to prevent the business of transferring from interfering with that of Dividends, in order that all Transfers might be over before the

payment of Dividends in the afternoon commenced, is now entirely counteracted by the Brokers & Jobbers, who commonly deliver in more Transfer tickets, during the last quarter of an hour of the time allowed, than in all the preceding part of the day. The entering & executing these Transfers generally employ the greatest part of the hour between 1 & 2 o'clock (sometimes much longer), & whilst this is doing, it is the common practice of the Office to require all Persons applying for Dividends, to wait till the Transfers are finished, on the plea that the Tickets having been put in within the time prescribed, they must be completed before any Dividend Warrants be delivered. This interference of two different Branches of business in the hour between 1 & 2, we conceive to be the principal source of most of the disagreements between the Publick & the Clerks, the former strenuously insisting that the time from 1 to 3 being allotted by the Bank for payment of Dividends they have a right to be immediately satisfied, whilst the latter (however willing to accommodate them) find it impossible to comply with their demands.

Before we propose a remedy for this inconvenience, we shall proceed to state another matter which in our apprehension deserves notice. From our examination of the Clerks, we find that the

method formerly practised universally throughout the Transfer Offices, of marking the non-accepted Stock on the Dividend Warrants, in order that the parties claiming their Dividends might first be called on to make their Acceptances, has been for some time discontinued in this Office; nor are the Jobbers now required to accept Stock, before they are allowed to re-transfer the same; notwithstanding that the words of all the Acts of Parliament which establish the Government Funds so couple the Acceptance with the Transfer as if the Transfer could not be considered as complete without it. The reason given to us for the omission, is, that the short time (in respect to the amount of the Capital) allowed for the shuttles previous to the Dividend, had rendered it sometimes impossible for the Clerks to look out & mark the non-acceptances; & it has been stated that even if this could have been done, the delay occasioned by obliging all persons to accept, before they were permitted to receive their Dividend Warrants, would have been so great & inconvenient to the Publick, that it became necessary, some years ago, to lay aside the practice altogether. The omission, in this Office, has been drawn into precedent, by the Jobbers in the other Transfer Offices, & has been used as a plea, why they

should not be strictly required to make acceptances there; & really it seems to be an unanswerable argument, that if an acceptance be unnecessary in the great Stock of 3 $\frac{1}{2}$ Cent Consols, it must be equally so, in those of 4 $\frac{1}{2}$ Cents, Reduced, & other smaller Stocks.

Whether Acceptances should, in pursuance of the words of the Acts of Parliament, be rigidly insisted on, before Dividends are paid, or Re-transfers allowed, however inconvenient it may prove, to the Parties, (& it has been very forcibly represented to us by the Deputy Accountant that the Jobbers will complain heavily if they should be obliged to comply with that practice), is a matter we must leave wholly to the consideration of the Court.

We have been sedulously occupied in endeavouring to discover some means of removing the cause of the complaints arising from the interruptions in the payment of Dividends, particularly in this Office, without at the same time protracting the general business or producing other ill-consequences; but of all the various Modes that have been suggested to us, there is but one, which in our opinion is not accompanied with great inconveniences, & as that does not seem liable to any material objections,

we now offer it to the consideration of the Court.

The business of making Transfers & that of paying Dividends, being entirely independent of each other, we recommend that they be separated, & transacted in different Offices. The two now used for the 3^d & 4th Gent Council. Ann^l will, we think, in every respect answer the purpose for this Stock, if one of them be appropriated to the purpose of Transfers only, the other to that of Dividends. In this case a smaller number of Clerks will be sufficient for the Dividend branch than are now employed in that service, because the payment will continue the whole day without intermission, & they will not be subject to be called off from this peculiar business: but then a few Clerks extraordinary will be required, to have the charge of settling the disputed or intricate Accounts; of attending such Persons as may have acceptances to make; & of looking out the Warrants for claims of old Dividends: every part of which is now done by the Dividend payers themselves, to the great delay & dissatisfaction of the Publick. If these circumstances alone be considered, it will be found that additional Clerks are wanted even at present; but if the proposed separation should take place they will be unavoidably necessary, on account of the Ledgers being then fixed in the other Office. And should

the Court think proper to direct that all Acceptances be required in future, the present regulation will enable the Head of the Office to carry their Orders into execution, through the assistance of these Clerks; which in our opinion cannot in its present state be effected. We may also observe, that by the proposed alteration the Transfers will certainly be carried on with more ease & ^{be} less liable to Errors than they can be in the present state of the Office: for neither the Clerks nor the Publick will meet with the interruptions they now find, from the confusion occasioned by two different Branches of business going on in the same place at one & the same time.

(We have not ventured to suggest this alteration without first taking the Opinions of the Chief & Deputy Accountants, the Heads of all the Transfer Offices, & many of the most experienced Clerks, as to the practicability of the plan, who uniformly allow its tendency to facilitate the publick business of the House, to promote the ease of the Clerks, & to increase the Security of the Bank: they have expressed their wishes for its adoption, & we can discover no objection of moment to its being carried into immediate execution.

We annex, by way of Appendix, a Scheme of the requisite Alterations. They are such as

may be easily effected: And by an addition of only 7 Clerks to the present number, a Regulation so extremely useful to the Publick & conducive to the honour of the Bank may be compleatly established.

We now proceed to state some observations on the manner of keeping the Dividend Warrants in the Cheque Office, where all Warrants after payment are deposited, & where the old unpaid or Back Warrants, down to within 4 or 5 years of the running Dividend, are kept; & here we found matters deserving very serious consideration.

To obtain information in respect of the Mode of conducting business here, we pursued the method, invariably practised by us, of going into the Office, to see the process of a day's work, on the spot. And our first business was to enquire, where the unpaid or Back Warrants were kept, & what precautions were taken for their safety: our surprise was great indeed to find they were placed (to the amount of £75,000), in a wooden cupboard under one lock, to which each of the Clerks has a key. This appeared to us the more extraordinary as the Chief Clerk informed us, that this Office was established, about 22 years

ago, principally to prevent the repetition of a fraud perpetrated by one of the Clerks of this House, who by having access to these Back Warrants was tempted to forge the signatures to a large parcel of them, & afterwards to receive their amount.

With a view of keeping a check upon this store of unpaid Warrants, we find that all the Transfer Offices send once a year to compare these Back Warrants with their Lists, except the 3 Cent Consol. Office, in which the practice has been discontinued for several years. We deem it however so essential an examination that we cannot avoid recommending that Orders be given for its being constantly attended to in future.

Farther, the paid Warrants in course for sending up to the Exchequer, or settling the Exchequer Account, being extremely numerous, & necessary for the sake of references to them to be in or near this Office, are now kept in numerical order in large boxes; but the place not being large enough to contain them all, some are in an outer room adjoining, within a low wooden partition, & others in the open Lobby, where they are much exposed to accidents. It is true that these Warrants are cancelled, & therefore the Bank runs no risk of paying them a second time: but if any of them

should be lost or destroyed, we apprehend it would raise an almost insuperable difficulty in settling with the Exchequer; where they scrupulously require every single Warrant to be produced.

But this is not the only danger this Office is subject to. From its situation over the Gate & House-porter's Lodges, where fires are constantly kept a great part of the year, no doubt can be made of its being more exposed to accidents from fire than any other part of the House; a consideration too alarming not to be immediately attended to, by adopting any alteration that will fix an Office of so much importance in a place of greater security.

For this purpose we recommend that the Warrant Office, now kept in the Old General Court room, be removed to its former station over the gate-way into the Room now occupied by the Officer on guard, which is large enough for the business; & that the Cheque Office be placed in the Old General Court room. This exchange will fix the Cheque in the interior part of the House, afford ample space & security for all its operations with the paid Warrants; & allow of a proper situation for erecting an Iron Safe or Chest

for depositing the Back Warrants. And the present Cheque Office may be fitted up for the use of the Officer on guard.

We have consulted the Chief Cashier & Chief Accountant, who both concur in the propriety of this exchange of Offices, on the grounds before assigned.

S. Bosanquet

Bank of England

19th Feb: 1784

Thomas Dea

Benj: Winthrop

The Alterations proposed in order to separate the two Branches of transferring & paying Dividends in the 3^d Cent Consols.

1st To remove the Chancery (now in the 4th Cents) into a room adjoining to the other Chancery Office; or into a part of the Rotunda to be taken off for the purpose; or into any other part of the House thought more convenient

2^d To remove the Office of Ann: 1726 & 28 years (now in the 3^d Cent Consols) to the place now occupied by the Chancery in the 4th Cent Office.