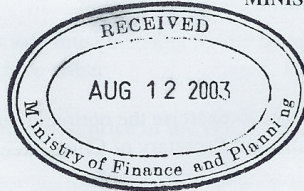




ANY REPLY OR SUBSEQUENT REFERENCE SHOULD BE
ADDRESSED TO THE FINANCIAL SECRETARY AND
THE FOLLOWING REFERENCE NUMBER QUOTED -
Telephone No: 92-28600-16



MINISTRY OF FINANCE AND PLANNING
30 NATIONAL HEROES CIRCLE
P.O. BOX 512
KINGSTON
JAMAICA

August 4, 2003

CIRCULAR NO. 18
FILE NO. 267/021 TJ
DIVISION: PUBLIC EXPENDITURE POLICY CO-ORDINATION

**Permanent Secretaries
Heads of Departments**

**Procedure for Termination of Assignment of Vehicles to Persons in the System at the level of
SEG 4 to SEG 6 or Equivalent**

The attention of Permanent Secretaries and Heads of Departments and Agencies is invited to Circular No. 8 dated April 24, 2003 which outlined the revised Comprehensive Motor Vehicle Policy of Government.

Based on the new policy, persons in the system at the level of SEG 4 to SEG 6 and other similar levels who are in receipt of fully maintained or partially maintained vehicles will no longer qualify for this benefit, but instead will be given the option to purchase the vehicle assigned to him/her and be paid the fixed allowance. In order to assist officers with the purchase, a special loan facility has been established through the Accountant General's Department.

1. Non-Exercise of Option to Purchase

- 1.1 Officers must exercise the option to purchase the vehicle by **August 29, 2003** at the latest.
- 1.2 Where the option is not exercised, the following shall apply:
 - (a) The former assignee must hand over the vehicle's keys, documents and Advance Card to the Transport Manager;

- (b) The ministry, department or agency must terminate the insurance on the vehicle and seek to obtain from the insurance company any refund or credit accruing;
- (c) The Transport Manager must place the vehicle in the ministry, department or agency's fleet and, if it had a private licence plate, this should be replaced by a Government licence plate.

2. Exercise of Option to Purchase

2.1 The former assignee who wishes to exercise the option to purchase the vehicle must submit a letter to his/her Permanent Secretary or Chief Executive Officer stating his/her request.

2.2 The Permanent Secretary or Chief Executive Officer must forward the request to the Public Expenditure Policy Co-ordination (PXPC) Division, Ministry of Finance and Planning as well as the following :

- (a) the recommendation for sale of the vehicle to the assignee;

- (b) information on the vehicle, such as :

- make and model;
- model year;
- licence number;
- purchase price;
- date of purchase;
- date of assignment;

- (c) two valuations of the vehicle, one of which must be from a Government motor vehicle examiner (i.e. where the vehicle is over 5 years old)

2.3 The PXPC Division of this Ministry will approve the sale of the vehicle and will determine its selling price based on the guidelines stipulated in the revised Comprehensive Motor Vehicle Policy.

2.4 The PXPC Division will advise the relevant ministry, department or agency of the approval of the sale and forward a copy of the letter of approval to the Accountant General's Department.

2.5 Upon receipt of the letter of approval, the ministry, department or agency must:

- (a) advise the former assignee of the approval;

(b) agree on a timetable for transfer;

(c) endorse the title of the vehicle and forward it to the Accountant General's Department along with the vehicle's certificate of fitness;

(d) cancel the insurance policy on the vehicle;

2.6 The letter of approval for sale must be taken by the former assignee to the Accountant General's Department, where either:

(a) the full amount of the selling price of the vehicle must be paid; or

(b) arrangements made for the payment of the vehicle over a period of time under the special loan facility.

2.7 The Accountant General must advise the relevant ministry, department or agency of the sale agreement as soon as it is signed. A copy of this advice must be forwarded to the PXPC Division of this Ministry

2.8 The ministry, department or agency upon advise of the sale agreement shall remove the vehicle from its inventory.

2.9 All transfer costs and other costs incidental to the sale and transfer of these vehicles are to be waived in relation to this one-off exercise.

3. Special Loan Facility

3.1 Where the former assignee is unable to immediately pay the full amount of the selling price of the vehicle, the Accountant General must enter into a loan agreement with him/her.

3.2 The unpaid balance on the selling price of the vehicle must be regarded as an interest free motor vehicle loan.

3.3 The period of repayment must not exceed five (5) years and must also not exceed the period of the former assignee's contract.

3.4 If the former assignee retires, resigns, is dismissed from the Government Service, dies or his/her contract is terminated, the full balance outstanding on the loan becomes immediately payable. This debt due to the Government must be recovered from any amount payable by the Government to the former assignee or from his estate and must be promptly paid over to the Accountant General by the ministry, department or agency.

3.5 Where the vehicle is being acquired under the special loan facility, the Accountant General must ensure that a lien is registered on the title of the vehicle and that the vehicle is comprehensively insured by the purchaser.

3.6 Officers benefiting from the special loan facility will not also be eligible to be provided with loans under the regular Government motor vehicle loan facility.

4. Contract Officers

4.1 A contract officer whose contract stipulates that he/she be provided with an assigned vehicle shall continue to enjoy the benefit of the assigned vehicle until the end of the contract.

4.2 With immediate effect, no future contract of employment must include a provision for the assignment of a vehicle.

4.3 A contract officer with not less than three (3) years' service spanning one or more successive contracts shall be entitled to the option to purchase the assigned vehicle. However he/she shall not be entitled to the special loan facility.

5. Public Bodies

5.1 The sale of all assigned vehicles by public bodies requires the prior, written approval of the PXPC Division of this Ministry.

5.2 The Chief Executive Officer shall be responsible for ensuring that the procedures herein are applied where applicable.

5.3 The former assignee may be extended the special loan facility where the Body has an approved motor vehicle loan scheme; otherwise the assignee must pay immediately the full amount of the purchase price of the vehicle.

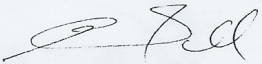
5.4 The Board shall determine what is to be done with the funds received from the sale of assigned vehicles.

6. Duty Concession

6.1 The rules relating to duty concession shall be applicable to all officers to whom assigned vehicles are sold.

7. Conclusion

Permanent Secretaries and Heads of Departments and Agencies are asked to ensure that this circular is brought to the attention of all relevant persons.


Financial Secretary