



ANY REPLY OR SUBSEQUENT REFERENCE SHOULD BE ADDRESSED TO THE
FINANCIAL SECRETARY AND THE FOLLOWING REFERENCE NUMBER QUOTED:-

Telephone No. 92-28600-16
Website: <http://www.mof.gov.jm>
Email: info@mof.gov.jm

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

June 10, 2013

Circular No. 14

File No. 27/027

Division: Public Expenditure Coordination Division

Permanent Secretaries
Heads of Departments
Chief Executive Officers of Executive Agencies

Re: Payment of Judgement Debts; Negotiated Settlements and Ex-Gratia Awards

The attention of Permanent Secretaries, Heads of Departments and Chief Executive Officers is invited to the revised procedures for dealing with compensation claims, as well as ex-gratia payments.

Actions involving the Attorney General's Chambers

1. All judgements awarded by the courts, negotiated settlements and ex-gratia awards shall be paid by the Ministry of Justice upon advice of the Attorney General.
2. The approved provision in the budget of the Attorney General's Chambers for awards and indemnity is to be utilised for the payment of judgements awarded by the courts, negotiated settlements and ex-gratia awards. The prior approval of the Financial Secretary is not required for payments within the approved budget unless the provision has been exhausted. In keeping with Section 7 of the Financial Administration and Audit (Fiscal Responsibility Framework) Regulations, 2011, the approval of the Cabinet is required for payments in excess of the approved budget.

Action involving Ministry of Justice

1. The Ministry of Justice in collaboration with the Attorney General's Chambers, shall submit to the Ministry of Finance and Planning on a quarterly basis a report in the form attached, of all outstanding judgement debts, negotiated settlement and ex-gratia awards and payments made against the approved budget. Each report must be updated to include information on known cases of legal proceedings against the State, and an estimate of the costs which are likely to impact the budget within the medium-term. The report must be submitted by the seventh (7th) day of each month following the end of a quarter.

Actions by Ministries, Departments and Agencies

1. In all cases of judgement debts, negotiated settlements and ex-gratia payments, Permanent Secretaries, Heads of Departments and Chief Executive Officers must in accordance with Part V1 of the Financial Administration and Audit (FAA) Act, Financial Management Regulations, where appropriate take one or more of the following actions:
 - a) Disciplinary action in respect of negligent employees based on the Public Service Regulations and any other law relating to employee's conduct;
 - b) Submit a report to the Auditor General for investigation and possible recommendation to the Financial Secretary for surcharge in accordance with Section 20 of the Financial Administration and Audit Act; or
 - c) An order for contribution towards the payment in accordance with the FAA Act Regulations or any other pertinent Orders or provisions.

Conclusion

This circular supersedes Ministry of Finance Circular No.5 dated April 10, 1995 and takes immediate effect.

Permanent Secretaries, Heads of Departments and Chief Executive Officers must ensure that this Circular is brought to the attention of all relevant officers in your Ministry, Department and Agency.



Devon Rowe
Financial Secretary

