



OFFICE OF THE PRESIDENT

Department of Public Administration

CIRCULAR NO.9 of 2018

5 June, 2018

TO:

**Attorney General
Secretary General
Secretaries of State
Commissioner of Police
Chairman Constitutional
Appointments Authority
Ombudsman
Auditor General**

**Chairman Electoral Commission
Chairman, Public Service Appeal Board
Chief Secretary Public Service
Principal Secretaries
Clerk of the National Assembly
Master / Registrar, Supreme Court
Chief Executive Officers**

Payment of Graduate Housing Allowance

With the introduction of the Progressive Income Tax from 1st June 2018, payment of graduate housing allowance will be transferred from the Department of Public Administration Centralised budget to the Treasury and will be disbursed through the payroll system. The amount that each beneficiary receives will be grossed up by 15 percent to cater for income tax deduction so that the net amount of SR4000.00 payable to each beneficiary remains unaffected. For the initial payment in June, 2018, the Treasury will use existing information from the DPA database to effect payment. However for future payments, the procedures for application and payment shall be as follows:

- a) all new applications for graduate housing allowance shall be submitted to the Department of Public Administration as per current arrangement for approval;
- b) upon approval, the Department of Public Administration shall convey the decision to the employing organization by letter copied to the Treasury;
- c) upon receipt of approval, the employing organization must complete the necessary payroll amendment form to insert the employee for payment of the housing allowance on payroll;

- d) in the case of pre-mature discontinuation of the allowance such as unpaid leave or exit of the beneficiary, the employing organization must advise the Treasury to stop payment through the normal payroll amendment procedures;
- e) organizations are to ensure the prompt notification to the Department of Public Administration, of resignations, terminations and requests for unpaid leave of their employees receiving a graduate housing allowance;
- f) the employing organization and the Treasury shall ensure that the approved duration for payment of the allowance is respected and that payment, on the expiry date or date of exit is promptly discontinued.

All Principal Secretaries of Ministries/Departments and Chief Executive Officers of Agencies are requested to advise their graduate employees receiving graduate allowance of the change in disbursement method which will be reflected on their pay slip at the end of June 2018.



Jessie Esparon (Ms)
CHIEF SECRETARY
PUBLIC SERVICE