



Government of Jamaica Revised Comprehensive Motor Vehicle Policy for the Public Sector

Ministry of Finance and the Public Service

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AUTHORITY AND PURPOSE

The Ministry of Finance and the Public Service has overall responsibility for developing the Government's fiscal and economic policy framework; collecting and allocating public revenues; the management and control of fixed assets (including motor vehicles) and playing an important role in the socio-economic development of the country in creating a society in which each citizen has every prospect of a better quality of life.

This Revised Comprehensive Motor Vehicle Policy is issued under the authority of the Ministry of Finance and the Public Service, pursuant to Cabinet Decision No. 21/17 dated May 22, 2017.

This policy seeks to address certain weaknesses observed in the management and control mechanisms; as well as to capture the relevant changes within the Government of Jamaica (GOJ) in relation to the procurement and management of motor vehicles.

This policy shall be updated from time to time to reflect the requirements of GOJ.

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OVERVIEW

This Revised Policy supersedes previous motor vehicle policies and related circulars, *except for the circulars mentioned within this policy*. This policy is applicable to all government entities; that is, Ministries, Departments, Executive Agencies, Municipal Corporations and Public Bodies.

This policy seeks to provide clear guidelines that will ensure the desired objectives of efficiency, cost containment and probity in the management and administration of motor vehicles in the Public Sector.

It establishes the requirements and procedures for acceptable acquisition, management, maintenance and disposal of the Government of Jamaica's motor vehicles.

The Policy provides guidance in ten (10) main areas of motor vehicle management, namely:

- (i) Entitlement to Concessionary Benefits
- (ii) Procurement of Motor Vehicles
- (iii) Management and Operation of Assigned Government Owned Motor Vehicles
- (iv) Disposal of Assigned Vehicles
- (v) Management and Operation of Fleet Vehicles
- (vi) Rental of Motor Vehicles
- (vii) Transfer of Government-Owned Motor Vehicles
- (viii) Disposal of Fleet Vehicles
- (ix) Reporting Arrangements
- (x) Sanctions

DEFINITIONS

The following is a definition of terms as used in this policy:

Assigned government-owned motor vehicles - are vehicles assigned to positions named in Appendix 1

Auction - it involves the sale of tangible government property where all sales are considered final once all payments for the accepted bid amount is received

Government Driver - any person duly approved for driving a Government-owned motor vehicle (fleet vehicle)

Central Government - Ministries, Departments and Executive Agencies (MDAs)

Boarded – Determination of disposal by means of sale, destruction or by dumping

Board of Survey (BOS) – Examination of asset with a view to dispose of as part of the BOS process

Established Post – refers to posts created by/after review or classification has been carried out by the Corporate Managing Development Branch (CMDDB) of the Strategic Human Resource Management (SHRM) Division.

Fleet Vehicles - all vehicles owned and operated by GOJ entities however acquired, (whether by way of gifts, purchases from funds provided locally/externally funded projects, or from the Government of Jamaica funds) are classified as fleet vehicles; with the exception of assigned vehicles.

Marked Official Vehicles - those vehicles assigned to portfolio Ministries exclusively for use by designated official in the discharge of his or her duties, and in keeping with the requirements of that Office. These vehicles must be specifically marked. Vehicles assigned to this category include the positions of the Prime Minister, Commissioner of Police, the Chief of Staff (Jamaica Defence Force) and Mayors.

Members of Parliament - refers to Members of the House of Representatives

Model A Executive Agency - these are executive agencies that are mostly funded by the Consolidate Fund. Therefore, these agencies will **not** have authority to write off or dispose of their assets (Financial Instructions to Executive Agencies (FIEA) refers).

Model B Executive Agency - these agencies are funded in part on a net basis through appropriations-in-aid and have greater authority to write off losses and deficiencies and also have the authority to dispose of their assets (as defined in the FIEA).

Model C Executive Agency - these agencies are fully funded from fees earned and will operate independently of the Consolidated Fund. They have greater authority to write off losses and deficiencies and also have authority to dispose of assets (as defined in the FIEA).

Municipal Corporation - refers to Kingston and Saint Andrew Corporation and the Municipal Corporations

Parliamentarians – refers to Members of Parliament and Senators (upper and lower house of parliament)

Private Treaty - it involves the sale of tangible government property where the terms (including reserved price) is announced upon offering the property for sale.

Public Bodies (this includes Quasi-government and Para-statal entities) - refers to Statutory Bodies, Commissions, Government Companies, Societies and any Company, Corporation or Commercial Enterprise wholly owned by the Government or in which the Government has a majority shareholding.

Public Officials – refers to personnel employed to the Public Service, Executive Agency, Local Government Entities and Public Bodies.

Reserve Auction - refer to items being offered for sale where the set 'reserve' price is **not** announced. In this instant, the entity reserves the right to accept or reject the highest bid if the amount offered is less than the reserved price.

1. ENTITLEMENT TO CONCESSIONARY BENEFITS

1.1 QUALIFIED GOVERNMENT ENTITIES FOR 5% DUTY CONCESSIONARY RATE

The concessionary rate for the importation of motor vehicle is set at 5% (i.e. 5% Common External Tariff (CET) and relief of Environmental Levy) to specified categories of government entities and will be granted for vehicles being imported for use by designated officials who occupy the positions named in Appendix 1 and those acquired for use within the motor vehicle fleet.

The concessionary rate shall be applied to entities as under:

- Central Government (Ministries, Departments, Executive Agencies)
- Approved Educational Institutions
- Municipal Corporations
- Fully funded and partially funded Public Bodies

Self-financing entities are not granted a concessionary rate for the importation of motor vehicles. Therefore, the Jamaica Customs Agency should *not place any restriction on the sale or transfer of vehicles procured by self-financing entities for which full duty has been paid.*

The list of all Public Bodies (self-financing, fully funded and partially funded) may be accessed from the Ministry responsible for Finance website at: mof.gov.jm (see **Documents-> Publications-> Public Bodies-> Public Bodies (Active)**)

1.2 COST INSURANCE FREIGHT (CIF) THRESHOLD - 5% RATE OF DUTY

The upper limit for CIF for the purchase of vehicles within the GOJ is approved by Cabinet and communicated by the Ministry responsible for Finance from time to time.

The following ceilings are currently applicable as approved by Cabinet:

- (a) Assigned Motor Vehicle acquired for the Prime Minister will be restricted to the upper limit of US\$60,000.00 CIF
- (b) Assigned Motor Vehicles acquired for Cabinet Ministers and President of the Senate will be restricted to the upper limit of US\$55,000.00 CIF
- (c) Assigned Motor Vehicles acquired for the Attorney General will be restricted to the upper limit of US\$50,000.00 CIF

- (d) Assigned Motor Vehicles acquired for Municipal Councillors and other Public Officials who occupy the positions, as named in Appendix 1, will be restricted to the upper limit of US\$45,000.00 CIF
- (e) All motor vehicles purchased for use by Jamaica's overseas Missions for assignment to specific public officials (i.e. vehicles normally assigned for use by Heads of Mission but deployed for use by the Prime Minister, Ministers and other eligible senior officials when they visit the relevant cities/posts), will have a special upper limit on the CIF (see Appendix 1) in accordance with Cabinet Decision No. 36/05 dated December 12, 2005. This special upper limit will be reviewed and amended annually based on movements in the United States Consumer Price Index.

The same conditions set out above will apply to all vehicles acquired locally for use as Protocol Vehicles.

- (f) The procurement of fleet vehicles should be undertaken based on the intended use. Therefore, motor cars are not expected to exceed the upper limit of US\$25,000 CIF.
- (g) SUVs and Pick-ups to be used in rough terrain should not exceed a CIF Upper Limit of US\$38,000.00.
- (h) The acquisition of other types of fleet vehicles, such as tractors, trucks and buses, will be allowed to exceed the upper limit of US\$38,000.00 CIF.

The conversion rate, if the supplier's invoice is not quoted in US dollars, shall be based on exchange rate as at the date the Customs Entry was duty paid (payment date).

1.3 QUALIFIED OFFICIALS FOR 20% DUTY CONCESSION RATE

The concessionary rate of duty for the importation of motor vehicle by public officials is set at 20% (i.e. 20% Common External Tariff, relief of General Consumption Tax and Special Consumption Tax) and is applied to specified categories under specific circumstances.

1.3.1 The 20% duty concession is available:

- once every parliamentary term of office for Parliamentarians; and
- once every five (5) years, calculated from the date the Customs Entry was duty paid (payment date) on the vehicle for which a concession was received, for the Attorney General, Municipal Councillors and other public officials.

1.3.2 The following provides details on entitlement:

- a) Cabinet Ministers are eligible to access the 20% duty concession within a parliamentary term regardless of whether he/she was assigned a vehicle. The Cabinet Ministers have three (3) months after demitting office to make application for the 20% duty concession.
- b) The Public Official eligible for an assigned motor vehicle (see Appendix 1) may utilize a concession every five (5) years provided that he/she does not exercise the option for an assigned vehicle, except in situations as outlined in Section 1.4 (b).
- c) The 20% concession is available to Public Officials who are permanently appointed to positions that attract the commuted, full upkeep or fixed travelling allowance within government entities as approved by the Strategic Human Resource Management (SHRM) Division in conjunction with the Tax Policy Division of the Ministry responsible for Finance and the Public Service.

1.3.3 The concessionary rate of 20% will be extended to Contract Officers, only:

- i. where the contract period is for no less than three (3) years;
- ii. if the officer is employed in an Established Post; and
- iii. where the emoluments provided in the contract are within salary scales of the most recent Civil Service Establishment Act.
- iv. if the application is made within the first three (3) months of the commencement of the contract period and the facility utilized within the stipulated time frame.

1.4 COST INSURANCE FREIGHT (CIF) THRESHOLD - 20% DUTY CONCESSION RATE

The rates for duty concession and the applicable positions within the GOJ are set by the Cabinet and communicated through the Ministry responsible for Finance. The following criteria are applicable to beneficiaries of duty concession:

- a) The concessionary rate of 20% is applicable to private motor cars and private motor trucks (pick-ups) within the meaning of Section 11 of the Road Traffic Act, (this does not include commercial type vehicles) up to a specified maximum CIF value, with no restrictions to engine displacement (cc rating) or type of vehicle, or any other such limits. The Upper Limit will apply under the following categories:
 - I. The Prime Minister and former Prime Minister - US\$60,000.00 CIF

- II. Leader of the Opposition, Cabinet Ministers, Attorney General, President of the Senate and Speaker of the House of Representatives - US\$55,000.00 CIF
 - III. Members of Parliament – US\$50,000 CIF
 - IV. Municipal Councillors and other Public Officials - US\$45,000 CIF
- b) Public officials shall not benefit from the 20% duty concessionary rate and be provided with an assigned vehicle simultaneously, **excepting** Public Officials who are provided with marked vehicles for the execution of their official duties.

Under these circumstances, the Public Official will not be able to exercise the option to purchase the marked vehicle assigned. He/she will therefore be allowed to benefit from the 20% duty concession for his or her privately owned motor vehicle, operated concurrently with the assignment of a marked official vehicle.

- c) In special circumstances, Ministers of Government who are also Members of Parliament may be allowed to utilize a 20% duty concession to purchase a vehicle for use in the constituency as determined by the Ministry responsible for Finance.
- d) Designated officials who are eligible for an assigned motor vehicle and who decide not to utilize the facility, may benefit from the 20% concession. Where the request for the 20% duty concession is being made the applicant must indicate in writing to the Ministry responsible for Finance, through the Human Resource Management of the relevant ministry, that he/she has opted to forgo the benefit of an assigned official vehicle for the next five (5) years.

Further guidelines are contained in the Third Schedule of the Customs Act, Group 11 of the General Consumption Tax Act in respect of the application of the duty concession facility and the Revised 20% Motor Vehicle Duty Concession circular issued by the Ministry responsible for Finance.

2 PROCUREMENT OF MOTOR VEHICLES

Procurement of Motor Vehicles must be based on need and conducted in compliance with the procedures as detailed in the GOJ Public Sector Procurement Guidelines and related instructions approved by Cabinet from time to time.

The following should be observed in the procurement of motor vehicles:

- a) The procurement of fleet vehicles should be undertaken only in instances where it will add to operational efficiency.
- b) Procurement of all fleet vehicles must be based on a competitive bidding process, unless proper justification is made for Direct Contracting.

- c) Procurement of all assigned vehicles, although exempt from competitive bidding, should follow a due diligence exercise by the Transport Manager, to ensure value for money is obtained. This includes, but is not limited to, reviewing invoices and import entries submitted by the Car Dealers as well as negotiating the quoted price.
- d) The Transport Managers must also ensure where necessary, that the full dutiable amount for the motor vehicle is recorded on the invoice, to facilitate assessment of concessionary price;
- e) For all procurements, the relevant specifications must be developed, with the assistance of the Transport Manager or a qualified motor vehicle technician, and utilized in soliciting bids.
- f) For all procurements, the requirements/suitability for the intended official use as well as availability of parts must be important considerations in the selection process; and
- g) The procurement activities must be recorded and filed for audit purposes.

2.1 CUSTODY OF MOTOR VEHICLE DOCUMENTS AND SPARE KEYS

Once the Motor Vehicle(s) has been procured by the entity or by a project, all original motor vehicle documents listed below as well as the spare key(s) and a copy of the importation document(s), where applicable, should be submitted to the Transport Manager:

- Certificate of Title
- Certificate of Registration
- Certificate of Fitness
- Certificate of Insurance

2.2 ACQUISITION OF VEHICLES FOR PROJECTS

Motor vehicles acquired under local and internationally funded projects must be procured in keeping with the conditions stipulated in the relevant agreement of the donor/international partner. In the absence of such instructions, the GOJ Procurement Guidelines and this Motor Vehicle Policy will prevail. The contract/project document relating to the acquired motor vehicle for a project must be forwarded to the Transport Manager to facilitate the management of the vehicle.

2.3 TRANSFER OF A MOTOR VEHICLE FROM A PROJECT

Once it has been agreed by the donor that ownership of the Motor Vehicle should be transferred at the end of the project to the executing government entity or any other government entity, steps should be taken by the Transport Manager to have the vehicle legally transferred to the government at the immediate end of the project.

The Motor Vehicle should be recorded as an asset in the books of the receiving entity at the market value at the date of the transfer. The Ministry responsible for Finance should be provided with the details of the Motor Vehicle(s), in keeping with section 9 of this Policy.

2.4 ACQUISITION OF MOTOR VEHICLES - GIFTS

Stipulations for motor vehicles received from local and international individuals and/or organizations should conform to the guidelines for the Acceptance of and Accounting for Gifts to the Government, issued by the Ministry responsible for Finance.

The Motor Vehicle should be recorded as an asset in the books of the entity at the market value as at the acceptance date of the Gift. The Ministry responsible for Finance should be provided with the details of the Motor Vehicle(s), as per Section 9 of this policy.

3 MANAGEMENT AND OPERATION OF ASSIGNED GOVERNMENT-OWNED MOTOR VEHICLES

To be eligible for assignment of a government-owned motor vehicle, the individual must be a senior, full-time government employee. The list of eligible positions for the assignment of motor vehicles is provided in Appendix I.

3.1 DETERMINATION OF WHO QUALIFIES

The responsibility for approving persons who qualify for an assigned government-owned vehicle is as under: -

- I. Cabinet for Parliamentarians and Municipal Councillors;
- II. Ministry responsible for Finance for other Public Officials in Ministries, Departments and Executive Agencies; and
- III. The recommendation of the Board of Directors for Public Officials in Public Bodies, in conjunction with the Administrative Head of the Public Body, subject to the endorsement of the portfolio Ministry.

The approval of the assignment of government-owned motor vehicles must be in keeping with the spirit of this policy.

3.2 OPTIONS FOR QUALIFIED ASSIGNEES OF MOTOR VEHICLES (EXCEPT THE JUDICIARY)

All persons qualified for assigned motor vehicles shall elect one of the following alternatives, except for the Judiciary: -

- a) **A fully maintained government-owned motor vehicle.** All expenses relating to fuel, maintenance, insurance and licensing of the vehicle will be borne by government. In this case, the assignee is not entitled to receive a travelling allowance, or any other payment in respect of the use of the motor vehicle.
- b) **A partially maintained government-owned motor vehicle.** The assignee is entitled to be paid 50% of the applicable fixed travelling allowance only. The assignee will be required to meet the following operating costs:
 - (i) petrol;
 - (ii) battery;
 - (iii) washing and cleaning.
- c) **Operate own motor vehicle.** The assignee is entitled to receive the prevailing fixed travelling allowance and any other payment in respect of the use of the motor vehicle for utilizing their own vehicle in the performance of their official duties, except Cabinet Ministers who utilize an assigned government-owned vehicle.

3.3 OPTIONS FOR QUALIFIED JUDICIARY OF ASSIGNED MOTOR VEHICLES

All judiciary qualified for assigned motor vehicles shall elect one of the following alternatives:

- a) **A partially maintained government-owned motor vehicle.** Judges are entitled to a partially maintained vehicle and are paid the applicable travelling allowance and mileage rate. The assignee will be required to meet the following operating costs:
 - (i) battery;
 - (ii) petrol;
 - (iii) repairs (not covered by insurance) up to ¹JA\$100,000
 - (iv) toll
 - (v) upkeep and maintenance

¹ The cost for major repairs or replacement billed for more than JA\$100,000 can be met by the Ministry however, the payment should be in relation to billing for one set repair/replacement cost at any one time and should not be an accumulation of bills incurred over a period.

- b) **Operate own motor vehicle (e.g. 20% Duty Concession Vehicle).** The assignee is entitled to receive the applicable travelling allowance and any other payment in respect of the use of the motor vehicle for utilizing their own vehicle in the performance of their official duties.

3.4 PROVISION OF VEHICLE TO ASSIGNEES

Designated officials, named at Appendix 1, may elect to be assigned a regular motor vehicle or a rough terrain vehicle, within the maximum allowed CIF value as outlined in Section 1.2, based on the nature of his official duties.

It should be clearly understood that:

- a) An assignee is entitled to one vehicle. No other vehicle should be assigned to him unless the assigned vehicle is temporarily out of use. Where a fleet vehicle is to be temporarily assigned, the period of time for which the fleet vehicle will be used must be pre-determined and the fleet vehicle shall be returned immediately after the time specified;
- b) If the designated official requires the temporary use of a rough terrain fleet vehicle in the performance of his official duties, arrangements should be made for the specified activity. The period of time for which the rough terrain fleet vehicle will be used must be pre-determined and the vehicle shall be returned immediately after the designated time.

3.5 INCOME TAX LIABILITY FOR ASSIGNED VEHICLES

The value of the benefit allowed in the provision of assigned motor vehicles is subject to payment of income tax at source, in keeping with the Income Tax Act. Accounting Officers are required to ensure compliance within their respective organizations in keeping with the guidelines of the Tax Administration of Jamaica.

3.6 OPERATION OF ASSIGNED MOTOR VEHICLES AS DESIGNATED BY THE ASSIGNEE

- a) The Officer who has been granted an assigned motor vehicle may allow one (1) duly licenced person to drive the assigned government-owned vehicle in special circumstances. However, he/she shall not drive the vehicle on a continuous basis (that is, more than 4 days consecutively). The name and particulars of this individual must be supplied to the Accounting Officer/Head of Entity and Transport Manager of the relevant Ministry, Department, Executive Agency (MDA), Municipal Corporation or Public Body.

- b) Vehicles assigned to the Prime Minister, Minister of Finance, and the Minister of National Security are accorded Police drivers.
- c) For other Parliamentarians who are appointed a driver by the Houses of Parliament, no other driver should be allowed to use the assigned vehicle.
- d) Public Officials who are assigned a motor vehicle are not entitled to an appointed driver; therefore no other driver should be allowed to use the vehicle.
- e) Notwithstanding the provision in Sections 3.6 (b) to 3.6 (d), the assignee may allow a licensed driver as per provision in section 3.6 (a), or a government driver to drive the assigned vehicle in an emergency; therefore, it should not be on a continuous basis unless special approval is granted by the ministry responsible for the Public Service.
- f) Where the assignee allows someone else the use of the assigned vehicle, other than an approved driver as per section 3.6 (e) and an accident or any other damage to the unit occurs, the relevant costs associated with the accident and repairs to the vehicle will be the responsibility of the assignee and not a charge to public expenditure.

3.7 PROVISION OF PETROL FOR ASSIGNED MOTOR VEHICLES - MDAS AND MUNICIPAL CORPORATION ONLY

Each government entity shall provide Fuel Cards for the procurement of petrol for travelling in the performance of official duties. Custody of the card is the responsibility of the assignee, who will be held accountable for the inappropriate use of the card. The Accounting Officers must ensure strict compliance with approved procedures and maintenance to prevent waste and extravagance. Assigned vehicles must be appropriately managed and operated in keeping with this Policy.

3.8 SERVICING OF ASSIGNED VEHICLES

All government entities are responsible for ensuring that all assigned vehicles are operated, maintained and serviced in a manner that safeguards the economic value of the motor vehicles.

3.9 INSURANCE COVERAGE FOR ASSIGNED GOVERNMENT-OWNED VEHICLES

All government-owned motor vehicles which are assigned to designated officials, named at Appendix 1, must be comprehensively insured based on the price inclusive of the full import duty or the commercial valuation.

3.10 ACCIDENT REPORTING FOR ASSIGNED VEHICLES - MDAS AND MUNICIPAL CORPORATIONS ONLY

3.10.1 Accounting Officers shall be required to submit reports to the Financial Secretary and the Auditor General on any deficiency, loss or destruction in respect of motor vehicles, in keeping with Section 26 of the FAA Act. The assignee must:

- (i) Under no circumstance, declare or accept liability for any damage caused by the accident;
- (ii) Report the accident/ loss to the Police within 24 hours;
- (iii) Complete and sign the Accident Data Form at Appendix 3, ensuring that the details of the other vehicle(s) and party(ies) involved in the accident are correct;
- (iv) Drive or arrange for the vehicle to be taken to the related Ministry, Department and Executive Agency, the nearest Police Station or any secure government entity. The vehicle must not be taken to a garage for repairs without the prior approval of the Transport Manager;
- (v) Submit a written, detailed report of the accident to the Transport Manager within forty-eight (48) hours or the earliest possible time, which should be no later than month after the accident.

3.10.2 Where the vehicle is involved in an accident, the required documents must be submitted to the insurance company promptly for processing. An opinion from the Attorney General regarding culpability is **not necessary**.

3.10.3 In instances where the insurers have provided settlement for a claim, the amount received must be:

- (i) used to effect repairs to the vehicle, if the vehicle has not yet been repaired;
- (ii) used to reimburse the MDA's account for the amount spent on repairs to the vehicle, if the repairs were paid for in the current financial year;
- (iii) lodged to Miscellaneous Revenue, if the repairs to the vehicle were done in a previous financial year in the case of Ministries Departments, and Model A Executive Agencies.

3.10.4 Where the settlement received from the insurers is in respect of Government vehicles that have been written off, the amounts should be lodged to the Consolidated Fund except where approval is given by the Financial Secretary to utilize the funds to assist in the replacement of the vehicle.

3.10.5 Where the assignee fails to comply with the stipulations above, disciplinary action must be imposed on the officer and/or a recommendation made for the Public Official to be surcharged for any loss incurred by Government as a result of non-compliance.

3.10.6 Where the assignee/ driver is deemed by the insurance company to be liable and negligent, the excess cost of repairs to be borne by the entity or portion thereof,

must be recovered from the assignee and/or disciplinary action taken as deemed appropriate by the Accounting Officer.

- 3.10.7** Where an approval letter to purchase the assigned government vehicle has been issued to the assignee, all repairs for accident below the insured excess should be borne by the assignee unless a formal refusal letter has been submitted to the Ministry or the period of the offer has expired (section 4.2, (e) refers).

3.11 ACCIDENT REPORTING OF ASSIGNED VEHICLES - PUBLIC BODIES

Public Bodies should maintain proper records and procedures consistent with this policy and best practice, and in compliance with acceptable accounting standards to ensure efficiency and effectiveness in the operation and control of motor vehicles.

3.12 PROVISION OF VEHICLES FOR SECURITY PERSONNEL ASSIGNED TO DESIGNATED OFFICIALS

- a) The following personnel are entitled to Close Security Personnel
- I. Prime Minister
 - II. Leader of the Opposition
 - III. Cabinet Ministers;
 - IV. Former Prime Ministers
 - V. Minister of National Security (Present and Former);
 - VI. High Court Judges;
 - VII. Parish Judges
 - VIII. Chief of The Defence Staff
 - IX. Commissioner of Police (Present and Former);
 - X. Commissioner, Correctional Services; and
 - XI. Commissioner, Independent Commission of Investigations;
- b) Special approval is granted from the Ministry of National Security for close protection security detail for other officials than those listed in (a) above based on justifications provided. The timeframe and requirements for the close protection detail for the official shall be stipulated by the Ministry of National Security.
- c) All vehicles for Security Personnel assigned to the Prime Minister, the Minister of National Security and the Leader of the Opposition, shall fall under the management and control of the Ministry of National Security.
- d) Individual MDAs will be responsible for providing motor vehicles for their respective Minister and Public Official's Security personnel.

- e) The maximum CIF value for the acquisition of vehicles for Security Personnel to carry out their roles and responsibility shall be in keeping with the limit set for fleet vehicles as outlined in Section 1.2.
- f) MDAs that provide such facilities must issue written directives from the Transport Manager to the assignees on the operation of the motor vehicle, noting in particular that:
 - (i) under no circumstance should unauthorized persons be allowed to drive these vehicles;
 - (ii) vehicles must be maintained and operated as **fleet vehicles** specifically for the execution of security duties related to the respective Minister/Official;
 - (iii) the security personnel must exercise due care in the utilization of the fleet vehicle; and
 - (iv) the security personnel operating the vehicle has no entitlement to purchase the vehicle.

4 DISPOSAL OF ASSIGNED MOTOR VEHICLES

The Ministry responsible for Finance approves the disposal of all assigned vehicles, except those purchased by self-financing Public Bodies. However, the approval by the Board of the self-financing Public Body is expected to follow the principles outlined herein.

The assignee is entitled to purchase the government-owned vehicle, except Cabinet Ministers, in keeping with the following conditions:

4.1 DISPOSAL OF VEHICLES ASSIGNED TO CABINET MINISTERS AND ATTORNEY GENERAL

- a) The Cabinet Ministers and the Attorney General will not have first preference in the sale of the assigned vehicle to him/her. The sale of the assigned vehicle will be treated in the same manner as a fleet vehicle; Section 8 – Disposal of Fleet Vehicle refers. However, the Cabinet Minister and Attorney General **shall not** be restricted from participating in the auction proceedings of the vehicle.
- b) Where a Cabinet Minister and Attorney General opt to change his/her fully depreciated vehicle, the Transport Manager must assess the suitability of the assigned vehicle to operate within the ministry's fleet. If the vehicle is not suitable for the fleet, then a request should be made to have it boarded in accordance with Section 8.1.
- c) Where a government-owned vehicle is assigned for more than seven (7) years and is not boarded, the Cabinet Minister and Attorney General may continue to use the vehicle until it becomes uneconomical to operate, at which time the vehicle should be boarded. The Transport Manager through the Head of Entity

must write to the Ministry responsible for Finance to approve the boarding of such a vehicle.

4.2 DISPOSAL OF ASSIGNED VEHICLES TO PUBLIC OFFICIALS (EXCEPT THE JUDICIARY)

- a) The vehicle must be at least three (3) years old (based on purchase date);
- b) The prospective purchaser who is the officer concerned, must have been assigned the vehicle for his full time use for a period not less than three (3) years ;
- c) If the criteria above (a) and (b) are not met upon resignation, termination of service or any other reason for separation from the position, then the vehicle should be reassigned to the succeeding public officer.
- d) The price at which the vehicle shall be sold to the assignee will be:
 - (i) The original purchase price less accumulated depreciation, as per purchase date, for the period at the rate of 25% per annum on the reducing balance method.
 - (ii) Where the vehicle is damaged (accident or natural disaster) and is to be sold as is where is, then the sale price shall be computed on the *lower of*:
 - the original purchase price less accumulated depreciation at 25% on the reducing balance; or
 - the average of two (2) valuations, one of which shall be by the Government of Jamaica Motor Vehicle Examiner (Island Traffic Authority).
 - (iii) Depreciation will be calculated on a pro rata basis; no depreciation will be calculated for the month when the application for purchase is made.
- e) Failure to take up the offer for sale within three (3) months from the date the applicant is notified (the date of dispatch of the approval letter shall be considered the date of notification) will render the application null and void and will require the applicant to make a new application. If the re-application is made less than one year later, then the sale price will remain the same.
- f) Designated officials, named at Appendix 1, will not be allowed to purchase an assigned government-owned vehicle more than once in every five (5) years.
- g) Where a public official exercises the option to purchase the vehicle after three (3) years, that public official shall be obliged to retain the vehicle for carrying out his/her official duties for two (2) additional years (except in cases where the assignee has retired or period of contract has ended) during which period he/she shall be paid travelling allowance at the prevailing rate.

- h) Where a government-owned vehicle is assigned on a full time basis and is not disposed of by sale to the assignee, the assignment of the vehicle shall continue until the vehicle becomes uneconomical to operate or until it is fully depreciated; at which time, the vehicle should be boarded in accordance with section 8.1.
- i) Once the assigned vehicle is boarded, the assignee will have the first option to purchase the vehicle at the average of two (2) valuations, one of which shall be by the Government of Jamaica Motor Vehicle Examiner (Island Traffic Authority). Where the assignee chooses not to exercise the right to purchase the vehicle, then such vehicle should be offered for sale (in accordance with section 8.1.1), and the assignee restricted from taking part in such sale.

4.3 DISPOSAL OF ASSIGNED VEHICLES TO THE JUDICIARY

The procedures for disposal of assigned vehicles to judges are in accordance with Cabinet Decision 4/04 dated January 26, 2004 as outlined below:

- a) The prospective purchaser who is the officer concerned, must have been assigned the vehicle for his full time use for a period not less than five (5) years. However, for those judges who did not receive their vehicles when due, the period of delay *in delivery* of the vehicle should be taken into account in computing the time.
- b) If the judge utilized his/her 20% Concession, then the period of delay should not be taken into account until the five (5) year period has ended.
- c) If the criteria above (a) is not met upon resignation or any other reason for the separation from the position other than retirement, then the vehicle should be reassigned to the succeeding judge.
- d) The selling price is set at 15% of the current market value of the vehicle;
- e) If a retiring Judge wishes to exercise the option to purchase the vehicle assigned to him/her, he/she may retain possession of the vehicle up to the period of purchase, after the date of retirement, but be responsible for all subsequent payments, namely:
 - i. Insurance
 - ii. License
 - iii. Fitness
 - iv. Servicing
 - v. Fuel
 - vi. Repairs (all types)

4.4 FINALIZATION OF ALL SALE OF ASSIGNED VEHICLES

- a) The sale of an assigned vehicle is finalized upon payment of the total sale price of the vehicle. This must be done within three (3) months of the date the applicant is notified that is, the date the approval letter was dispatched.

All receipts for the purchase of assigned vehicles must be submitted to the Asset Management Unit of the Ministry responsible for Finance within two (2) weeks, to facilitate verification of the finalization of the sale of the vehicle.

5 MANAGEMENT AND OPERATION OF FLEET VEHICLES

5.1 APPOINTMENT OF TRANSPORT MANAGER

Permanent Secretaries, Heads of Departments and Chief Executive Officers shall appoint a Transport Manager with responsibility for the management of the fleet. The Transport Manager shall be appointed as an "Accountable Officer" in accordance with the Financial Administration and Audit Act.

5.2 REGISTRATION OF FLEET VEHICLES

- a) With the exception of assigned vehicles, all other vehicles owned and operated by GOJ entities, however acquired (whether by way of gifts, purchases from funds provided from locally/externally funded projects etc., or Government of Jamaica funds) shall be classified as fleet vehicles.
- b) All fleet vehicles, with the exception of Executive Agencies (EAs), Municipal Corporation and Public Bodies, shall use government registration plates.
- c) All government entities are required to have the relevant entity's identification markings, except in special circumstances, on the fleet vehicles. All entities are also required to register, license and obtain Certificates of Fitness for all fleet vehicles.

5.3 AFFIXING OF REGISTRATION PLATES

- i. All government-owned vehicles must display government registration plates, except Municipal Corporation, Executive Agencies and Public Bodies and under other special circumstances. No approval is required for affixing the government plates.
- ii. Private plates may be affixed to the assigned vehicles for Ministers and Judges only. However, special consideration may be given by the Ministry

responsible for Finance, for affixing private registration plates due to the sensitive nature of the duties being performed and the safety and security of the relevant personnel. In such cases, the appropriate justification must be submitted to the Asset Management Unit, Ministry responsible for Finance for approval.

- iii. The prior approval must be sought from the Asset Management Unit, Ministry responsible for Finance for the transfer of motor vehicle registration plates from one fleet vehicle to another.
- iv. License plates no longer in use, should be returned to the Tax Administration of Jamaica forthwith. The notice of return, with the details of the vehicle, should be submitted to the Ministry responsible for Finance within five (5) days, to update the records.

5.4 CONTROL OF FLEET VEHICLES FOR MINISTRIES, DEPARTMENTS, EXECUTIVE AGENCIES AND MUNICIPAL CORPORATION

The responsibility for fleet vehicles resides with the respective Permanent Secretary, Head of Department or Chief Executive Officer.

The Transport Manager will be the officer authorized by the Permanent Secretary, Head of Department or the Chief Executive Officer to assign and manage the motor vehicles. The Transport Manager must ensure:

- (i) that only authorized personnel are allowed the use of a fleet vehicle;
- (ii) the travel itinerary for the driver(s), including the time and purpose of the assignment, is legitimate.
- (iii) all fleet drivers are certified by NWA
- (iv) the safe custody of the original motor vehicle particulars;
- (v) the safe custody of the Fuel Cards for fleet vehicles as he will be held accountable for the inappropriate use of these cards
- (vi) the operational efficiency of each vehicle is captured on the prescribed form (see appendix 3).
- (vii) in keeping with FAA Act, any loss of public asset is reported immediately to the Financial Secretary, once it has been discovered. The report should detail the circumstances in which the loss has occurred

- (viii) where the fleet vehicle is driven by several persons, i.e. in a pool, that there is a check in/check-out system. This will ensure the proper identification of the person in whose custody the vehicle was at the time of an accident, which should assist in determining culpable persons and whether the accident was as a result of negligence. The Transport Manager shall report any motor vehicle accident in keeping with the established guidelines.
- (ix) The driver of a fleet vehicle:
 - (a) maintains the prescribed log book;
 - (b) returns the vehicle and key to base immediately upon the completion of the assignment;
 - (c) reports accidents in accordance with regulations.

5.4.1 TEMPORARY USE OF FLEET VEHICLES

The Transport Manager is empowered to temporarily loan vehicles to eligible travelling officer for a specific period and purpose.

- a) A Travelling Officer who does not qualify for an assigned motor vehicle shall not be allowed the use of a fleet vehicle unless the travelling officer's own vehicle is unsuitable for the terrain of the area in which the official duty require him/her to travel. In such instance, the vehicle shall be assigned for a limited period and the following rules must apply:

The Transport Manager must ensure:

- I. the validity and class of the assigned driver's license is appropriate, taking into consideration prior driving record as one of the conditions for the assignment of a vehicle; and that the vehicles are assigned only on an "ad hoc" basis and for specific periods. The public official shall not receive mileage during the time of assignment;
 - II. the delivery of a vehicle is done only on presentation of the special request under the signature of a senior public official, specifying the assignee, purpose of the journey, duration and estimated mileage or location of travel.
- b) Any government employee, who qualifies for an assigned vehicle and is temporarily assigned a vehicle from the fleet under special circumstances for a specified period, as approved by this Ministry, shall not receive travelling allowance and/or mileage during the time of assignment. If he/she makes the claim then he/she shall be liable for such payment

and/or disciplinary action in accordance with Section 20 of the Financial Administration and Audit Act.

- c) Certifying Officers, who authorize payments of travelling allowance where a fleet vehicle is assigned in (b) above, shall be liable for such payment and shall be sanctioned in accordance with Section 20 of the Financial Administration and Audit Act.

5.4.2 UNPRODUCTIVE USE OF FLEET VEHICLE(S)

Drivers and other authorized employees who operate fleet vehicles, must note that:

- The government motor vehicles should only be used for official duties therefore; on no occasion should these vehicles be used privately.
- If the Auditor General or the Ministry responsible for Finance identifies under-utilization of a fleet vehicle, the Financial Secretary reserves the right to re-assign such vehicle to any other area, which may be deficient in transportation.

5.4.3 LOAN OF FLEET VEHICLES BETWEEN GOJ ENTITIES

The Ministry responsible for Finance must be informed of all vehicles on loan from one government entity to another within five (5) days of lending. This notification letter should be approved by the Accounting Officer and routed through the Transport Manager. The notification letter should include:

- The period of the loan
- Particulars of the vehicle
- The reason for the loan

5.4.4 SECURITY OF FLEET VEHICLES

The Transport Manager is responsible for the safe custody of the Fleet Vehicles. Therefore, government vehicles should not be retained overnight or beyond the period of the specific assignment except in special circumstances such as, where a vehicle is used to transport members of staff to and from work or for any other justified extenuating circumstances. The Accounting Officer may grant permission for the extenuating circumstances; however, he/she must satisfy himself of the continued safe custody of the vehicle during these specific assignments.

5.4.5 MANAGEMENT OF FUEL CARDS

- a) Transport Managers, Accounts Departments and other designated officers should monitor and evaluate consumption of fuel and expenditure pattern.

- b) At least once per week, the Transport Manager should reconcile fuel, oil and lubricant usage.
- c) Any discrepancies observed should be resolved promptly and the Ministry responsible for Finance, Asset Management Unit advised accordingly.

(Circulars on the Use of Government Funded Fuel Cards provides further instructions)

5.5 CONTROL OF FLEET VEHICLES FOR PUBLIC BODIES

Public Bodies and Executive Agencies should maintain proper records and procedures consistent with this policy and best practice, and in compliance with acceptable accounting standards to ensure efficiency and effectiveness in the operation and control of motor vehicles.

5.6 INSURANCE COVERAGE FOR FLEET VEHICLES

5.6.1 Executive Agencies, Municipal Corporation and Public Bodies

Executive Agencies, Municipal Corporation and Public Bodies are not included under the arrangement stipulated for Ministries and Departments at Section 5.6.2 below as it relates to government insurance coverage for fleet vehicles.

The responsible officers within these organizations should ensure that there is adequacy in the insurance coverage for all fleet vehicles/assigned vehicles. Therefore, the placement of insurance coverage should be effected at the full market value.

5.6.2 Ministries and Departments

The Government of Jamaica is its own insurer of fleet vehicles for entities in this category.

In the event of an accident the following rules apply in the administration of government self-insured vehicles:

- (i) only the assignee or official driver is authorized to drive fleet vehicles;
- (ii) in view of Government's possible liability in case of accident, no passenger other than a person on official duty, or in special approved circumstances, should be conveyed in a fleet vehicle;
- (iii) assigned drivers of fleet vehicles found in breach of (ii) shall be liable for the imposition of sanctions up to the full cost incurred by government in the event of an accident, in addition to any disciplinary action;

- (iv) sanctions may be imposed upon any driver of a fleet vehicle involved in an accident, if he/she is found to have been negligent and is a causative factor in the accident;
- (v) performance of drivers who are involved in frequent accidents should be evaluated to determine competence to continue service in this capacity.

5.7 ACCIDENT REPORTING FOR FLEET VEHICLES FOR MINISTRIES, DEPARTMENTS, EXECUTIVE AGENCIES (MODEL A) AND MUNICIPAL CORPORATIONS

Accounting Officers shall comply with Section 26 of the FAA Act and other stipulated guidelines that provide details on the requirement to submit reports to the Financial Secretary and the Auditor General on any deficiency, loss or destruction of government property, including motor vehicle accidents.

5.7.1 Duties of the Government Driver and the Transport Manager

(a) The **Government driver** must:

- (i) Report the accident to the Police within 24 hours; under no circumstance should the government driver declare responsibility or accept liability for any damage caused by the accident;
- (ii) Complete and sign the Accident Data Form at Appendix 2, ensuring that the details of the other vehicle(s) and party(ies) involved in the accident are ascertained;
- (iii) Drive or arrange for the vehicle to be taken to the Ministry, Department, Executive Agency or the nearest Police Station or any other secure government entity. The vehicle must not be taken to a garage for repairs without the prior approval of the Transport Manager;
- (iv) Submit a written, detailed report of the accident to the Transport Manager within forty-eight (48) hours or the earliest possible time.

(b) The **Transport Manager** must:

- (i) Receive detailed accident reports from the government driver, passenger(s) in the government vehicle; any eye witness and the police report.
- (ii) if the vehicle is privately insured, report accident to the insurers at the earliest possible time.
- (iii) personally examine vehicle and record damages; obtain an estimate for repairs as well as an Assessor's report from approved providers.

- (iv) produce a report of the circumstance in which the vehicle was assigned, include within the report the period of assignment and the capacity in which the assignee was acting at the time of the accident and any other relevant details.
 - (v) All documents including reports relating to the accident should be collated for submission to the Ministry, Department, Agency or Authority's Legal Officer for advice as well as to the Accounting Officer or Head of Department.
- (c) Where the assigned Government Driver or Transport Manager fails to comply with the established guidelines on motor vehicle accident procedures, disciplinary action must be imposed on the officer and/or a recommendation made for the officer to be surcharged for any loss incurred by Government as a result of the officer's non-compliance.

5.7.2 Submission of Claim to Insurers

- a) Where the Government vehicle is insured and the driver is deemed by the insurance company to be liable and negligent, the excess cost of repairs to be borne by the Ministries, Departments, Executive Agency (model A) and Municipal Corporation or portion thereof, must be recovered from the driver and/or disciplinary action taken.
- b) Where the Government driver of the vehicle is not at fault and a claim is likely to be made against the other party to the accident and/or his insurer, the insurer should be notified in writing before repairs are done.

5.7.3 Claims for accident for an Insured Vehicle

- a) Where the insurance company has provided an option to repair or write-off the vehicle (fleet or assigned), the Asset Management Unit within the Ministry responsible for Finance must be contacted for advice prior to making a selection.
- b) Where the settlement received from the insurers is in respect of a write-off, approval must be sought from the Financial Secretary to utilize the funds to assist in the procuring of a replacement vehicle, subject to the availability of funds, and any other factor deemed relevant by the FS.
- c) Where the insurers have provided settlement for the claim, the amount received must:
 - be used to effect repairs to the vehicle, if not yet repaired; or
 - be used to reimburse the Ministry, Department or Executive Agency for the amount spent on the vehicle if repairs were paid for in the current financial year and; or

- be lodged as Miscellaneous Revenue, if repairs were done in the previous financial year

5.7.4 Submission to Chambers for Ministries and Departments only

The entity may effect repairs to the vehicle pending the ruling of the Chambers. The opinion of the entity's Legal Officer must be sought prior to effecting repairs.

The entity's Legal Officer must submit his legal opinion to the Attorney General along with the above-mentioned documents for an opinion regarding culpability and the responsibility of the state to the legitimate claimant(s).

The Attorney General must provide a final opinion on settlement, after being satisfied that proper investigation have been carried out, on the culpability of the public officer and the settlement sum, if any, to be offered to the claimant(s).

5.7.5 Liability of Government Driver/Transport Manager - Ministry and Department

Where the vehicle is **not** privately insured and the government driver is deemed to be liable and negligent by the Attorney General, the full cost or a portion thereof to repair the government vehicle and the other party's vehicle and/ or property involved in the accident, must be recovered from the government driver and/or Transport Manager and/or disciplinary action taken as deemed appropriate by the Accounting Officer, Head of Department or the Chief Executive Officer.

The Accounting Officer, Head of Department should submit the recommendation for the recovery of the loss to the Ministry responsible for Finance for approval.

The Accounting Officer, Head of Department must ensure that budgetary allocation is made to compensate claimant(s) based on the Attorney General's ruling.

5.8 REPAIRS AND MAINTENANCE OF FLEET VEHICLES FOR MINISTRIES, DEPARTMENTS AND MUNICIPAL CORPORATIONS

- a) All repairs should be undertaken by government workshop, if possible, unless the vehicle is still under warranty. If the workshop cannot undertake the task, estimates shall be obtained from approved garages.
- b) Government vehicles shall be repaired at garages approved by the National Works Agency (NWA). NWA must maintain a list of all the approved garages.
- c) All motor vehicle repairs must be done in keeping with procurement guidelines and guidelines issued by NWA.

- d) Direct Contracting, based on procurement guidelines, requires only one estimate however; the Transport Manager is responsible to ensure the estimate is competitive.
- e) Vehicle under warranty must be repaired at the specified dealer during the warranty period, unless written permission is provided by the warrantor to do the repair at an approved garaged.
- f) For general repairs (servicing) only the Transport Manager will be responsible for certifying the works for payment.
- g) With the exception of servicing, all estimates in excess of the stipulated amount issued by NWA should be submitted to NWA for approval prior to the job being carried out. Accounting Officers shall ensure compliance with the guidelines issued by NWA in respect of motor vehicle repairs. *The current guideline from NWA is attached for reference, see Appendix 4.*
- h) Permanent Secretaries, Heads of Departments and Chief Executive Officers in consultation with their respective Transport Managers should make selections from the list of approved garages and solicit estimates to carry out the required repairs.
- i) *For repairs above the stipulated minor repairs limits as stipulated by NWA, proper evaluation of the cost must be conducted by NWA on presentation of the estimates before the actual repairs are undertaken. Therefore, on no account should the vehicle be repaired without the prior approval of NWA (including vehicles under warranty).*
- j) On no account should arrangements be made with garages other than those on the approved list to effect repairs, without specific approval from NWA.
- k) NWA is required to certify that the work has been satisfactorily done prior to settlement of the invoice.

5.9 Accident and Repairs of Vehicles in Public Bodies and Executive Agencies

The Head of Public Bodies and Executives Agencies should ensure proper controls are in place to address accidents and repairs of government vehicles as well as maintain proper records and procedures consistent with this policy and in compliance with acceptable accounting standards. This is to ensure efficiency and effectiveness in the operation and control of these assets.

6 RENTAL OF MOTOR VEHICLES FOR MINISTRIES, DEPARTMENTS, EXECUTIVE AGENCIES (MODEL A) AND MUNICIPAL CORPORATIONS

The Transport Manager must ensure that all other options, including checks with other government entities, are explored before a request is made to rent motor vehicles. Except in cases of dire emergency, no Ministry, Department or individual shall enter into a contract for rental of a motor vehicle without the prior, written permission of the Ministry responsible for Finance.

However, where the emergency dictates that such a course of action is imperative, the contract should not be for more than three (3) days. The covering approval of the Financial Secretary must be obtained and a report of the circumstances for the emergency rental submitted within five (5) days of the vehicle being rented.

In submitting requests for approval to rent a motor vehicle, justification and the intended contract period must be provided. Each request for rental will be considered on its own merit.

The Transport Manager must ensure that the rental of motor vehicle is done from a registered car rental establishment.

Officers found in breach will be liable to sanctions up to the amount of any unauthorized expenditure so incurred.

7 TRANSFER OF GOVERNMENT-OWNED MOTOR VEHICLES

7.1 The transfer of Government property from a government entity to an external party

The Asset Management Unit, on the approval of the Financial Secretary, shall issue directives to the Jamaica Customs Agency to facilitate the transfer of the motor vehicle for which the 5% concession rate was applied on importation and require transfer prior to 3 years. The Jamaica Customs shall communicate with the Tax Administrative Department within two (2) days of receipt, to ensure speedy processing of the transfer.

7.2 In reference to the transfer of Government property from one Government entity to another:

- a) Regulation 128 of the FAA Act Financial Management Regulations, 2011 states that, *“except with the prior written approval of the Financial Secretary, Government property shall not be transferred from one Department to another.”*

Therefore, for the Ministry responsible for Finance to approve such requests the following must be submitted:

- A letter detailing reason for the transfer
 - Letter from the proposed receiving entity accepting vehicle
 - Details of the vehicle as stated in *Section 9- Reporting Requirements*
 - The depreciated book value of the motor vehicle (25%reducing balance method) to the date of the transfer or a valuation report from a private valuator. The cost for the valuation should be borne by the transferee
- b) The Asset Management Unit (AMU), Ministry responsible for Finance will approve the transfer, except for self-financing entity, when the necessary documentation noted above is submitted. The steps noted will also facilitate the proper updating of the GOJ's Comprehensive Motor Vehicle Register.
- c) The Asset Management Unit shall issue directives to the Jamaica Customs Agency to facilitate the transfer of the motor vehicle for which the 5% concession rate was applied on importation and require transfer prior to 3 years. The Jamaica Customs Agency shall communicate with the Tax Administration Department within two (2) days of receipt, to ensure speedy processing of the transfer to the other government entity.
- d) The Motor Vehicle(s) should be recorded as an asset in the books of the receiving government entity at the current market value or the depreciated value, if similar application was used, at the date of the transfer.
- e) In cases where there is a change/re-assignment in portfolio, an exception is granted for prior approval for the transfer of asset. In such case, this Ministry will provide covering approval. Details of the asset transferred should be submitted to this Ministry within 5 days of the transfer providing:
- Details of the vehicle as stated in *Section 9 - Reporting Requirements*;
 - The depreciated book value of the motor vehicle (25%reducing balance method) at the date of the transfer.

8 DISPOSAL OF FLEET VEHICLES

8.1 DISPOSAL BY Ministries, Departments and Executive Agencies (Model A)

- a) Accounting Officers shall ensure that motor vehicles are maintained and operated in such a manner to ensure efficiency in the use of these assets. A new motor vehicle's replacement period is every seven (7) to ten (10) years; unless they are assessed as being uneconomical to operate before such period. In all circumstances, a Board of Survey must be done to assess whether the vehicle still has useful life.
- b) Used motor vehicles must be assessed at acquisition by the NWA, to assist in determining the replacement period.
- c) The Asset Management Unit (AMU), Ministry responsible for Finance must approve the disposal of fleet vehicles. When a fleet vehicle becomes uneconomical to maintain, a Board of Survey (BOS) inspection should be requested by the entity. The BOS Unit will determine if the vehicle is unserviceable and a BOS Report with findings and recommendations completed for appropriate action.
- d) The relevant entity should submit to the Board of Survey Unit all original documents pertaining to a boarded motor vehicle. The documents should be submitted within one week of receipt of the BOS report to facilitate the transfer of ownership.
- e) Once the motor vehicle is boarded due care must be taken to safeguard the government asset. If there is any discrepancy in relation to condition of the vehicle after the Board of Survey, sanctions as outlined in Section 10 will apply.
- f) The reserve (minimum) price at which the vehicle is to be sold must be predetermined by valuation.

8.1.1 Disposal Methods

Section 129 (2) of the FAA Act Financial Management Regulations 2011, states inter alia *"that the Financial Secretary may authorize the disposal of unserviceable stores by any other means as he thinks fit.* This ministry therefore gives approval for the disposal of all unserviceable stores including motor vehicles using the noted methods.

Public Auctions refer to assets being offered for sale to the general public.

Guidelines for Public Auction:

- (i) The auction must be open to all registered bidders including government employees, except for the individuals involved in the auction process;

- (ii) The Auction shall be advertised in Printed Media at least two (2) weeks before the auction.
- (iii) All vehicles to be disposed of must be valued to determine the reserved (minimum) price at which the vehicle should be sold.
- (iv) Purchasers who are unable to or unwilling to make settlement within the stipulated time frame shall be considered as having forfeited the goods. Deposits will not be refunded and the delinquent purchaser will be banned from the next auction or for an extended period depending on the circumstances.
- (v) Items purchased must be removed within ten (10) days after payment. Failure to remove same within the time specified will result in such items being sold except where proper justification can be provided for an agreed period not exceeding thirty (30) days.

Closed Auctions are intended to allow government employees the first choice of purchasing an unserviceable vehicle.

Guidelines for Closed Auction:

- (i) The auction shall be open to Government employees who are employed for at least two (2) years.
- (ii) The Auction should be advertised via printed media or publicly displayed for the staff to be aware through the Public Relations Unit/Human Resource Management Division and/or the Trade Unions or the entity's parent ministry
- (iii) Persons who have benefitted from the 20% duty concession within the last three (3) years, will not be allowed to acquire a motor vehicle at the auction;
- (iv) Except for shell units, no officer shall be allowed to purchase more than one (1) unit (vehicle) at any auction; except where proper justification can be provided
- (v) It should be clearly understood that on no account should a Public Official enter an auction to purchase a unit for anyone who would not be eligible to do so under the foregoing rules.
- (vi) Any Public Official who is found in breach, of (iv and v) above, shall forfeit the purchase, notwithstanding the fact that the Officer may have already paid the sum when the breach was identified. Such an Officer may also be cited for disciplinary action to be exercised against him/her.

- (vii) All vehicles to be disposed of must be valued to determine the reserved (minimum) price at which the vehicle should be sold.

Blind Auctions – this option requires that sealed bids be submitted for items being offered for sale. Items can be offered for sale via Private Treaty or Reserve Auction subject to the following conditions:

- (i) items offered for Private Treaty/Reserve Auction should be publicized (in printed media or staff email and the entity’s Notice Board(s)) by an auctioneer/any other designated officer;
- (ii) All Private Treaty/Reserve Auction offers must be sealed bids and submitted to the designated office/auctioneer within a stipulated period;
- (iii) No other offers should be accepted after the close of the offering;
- (iv) Justification for accepting bids below the reserved price, under the Reserve Auction option, must be clearly documented and submitted to the Ministry responsible for Finance. No bids should be accepted below 2% of the reserved price.

General Rules

- (i) All bidders must be registered to participate in the proceedings
- (ii) All items must be paid for, in full, within the prescribed period. This should be clearly communicated to the bidders in all categories stated above. The sale is considered final once all payment is received.
- (iii) In keeping with Section 38 of the FAA Act, net proceeds of the sale shall be paid into the Consolidated Fund/Principal Bank Account.
- (iv) Public Officers, who administer, organize or manage the sale proceedings are **not** allowed to participate in the auctions.

8.2 Disposal by the Municipal Corporations:

The under-mentioned procedures should apply:

- (i) The particular municipal corporation shall submit the request to the Ministry responsible for Finance for Board of Survey inspection of motor vehicles;

- (ii) The Board of Survey Unit will conduct the physical examination of the items and report its findings with appropriate recommendations;
- (iii) Municipal Corporation may conduct their own auction using any of the methods outlined under 8.1.1 under similar conditions; or may request that the auction be conducted by the AMU on their behalf;
- (iv) Regardless of whether the auction was conducted by the entity or the MOF, a Service Fee of five percent (5%) of the proceeds of the sales shall be remitted to the Public Expenditure Policy Coordination Division (PXPC) of this Ministry. This payment represents Service Fee for the work undertaken by the Board of Survey Unit.
- (v) Where the Municipal Corporation takes the decision to conduct its own sale by public auction, the local authority must ensure that proper controls are put in place to ensure transparency of the disposal process and therefore should be guided by the procedures stated under 8.1.1 and the recommendation(s) of the BOS Unit.
- (vi) A report should be submitted to this Ministry each April detailing:
 - The method and process employed in the disposal of the Motor Vehicle(s) for the previous year
 - the minutes of the meeting/ auctioneer's report
 - The description of the motor vehicle(s)
 - The sale price of each motor vehicle
- (vii) Where the entity is experiencing difficulty with the sale of the unserviceable vehicles in a timely manner, arrangements should be made with the Ministry responsible for Finance for assistance.

8.3 Disposal by Public Bodies and Executive Agencies (Model B and C)

- 1) Public Bodies and Executive Agencies shall adopt the following procedures in the disposal of fleet vehicles:
 - (i) establish a Board of Survey (BOS) Committee consisting of not less than five (5) persons to review and recommend vehicles for disposal;
 - (ii) co-opt to the Board of Survey Committee an individual external to the entity;
 - (iii) the number of persons for the quorum must be predetermined;

- (iv) the deliberations of each meeting and decisions shall be recorded in the minutes;
- (v) All vehicles to be disposed of must be valued to determine the reserved (minimum) price at which the vehicle should be sold. The valuation shall be the average of two (2) valuations, one of which shall be by the Government of Jamaica Motor Vehicle Examiner (Island Traffic Authority) and the other a private valuator, from an approved list of valutors.
- (vi) where the method of disposal is by sale, the Board (in the case of Executive Agencies, the power resides with the CEO) shall decide whether it should be Public Auction, Closed Auction or Blind Auction. In reference to Blind Auction, the entity has the option of offering the vehicle(s) first to the entity's staff, taking in to consideration the rules governing disposal to public officials;
- (vii) the disposal proceedings must be duly recorded;
- (viii) proper notation as to the assets disposed of, shall be made in the motor vehicle /assets register and the notation shall be certified by someone other than the person with responsibility for maintaining the register;
- (ix) ***Public Bodies*** - The net proceeds for the disposal of Motor Vehicles for Partially and Fully-funded Public Bodies shall be paid into the Consolidated Fund unless approval is granted by the Financial Secretary for retention of the funds or any portion thereof. Self-financing Public Bodies may retain the proceeds from the sale;
- (x) ***Executive Agency (Model B and C)*** - In keeping with the FIEA² Motor vehicles valued at or above the prescribed limit must be disposed of by way of competitive bidding (in keeping with **vi**) and the amount less than the prescribed limit, as noted in the FIEA, may be sold on an uncompetitive basis.
The proceeds may be retained by the Executive Agency;
- (xi) In cases where the entity conducted its own sale, a report should be kept on file for this Ministry, the auditors or any other authority to verify the transparency and prudence employed in the process. The report should detail:
 - the minutes of meetings/auctioneer's reports
 - the methods of disposal

² Financial Instructions to Executive Agency

- the description of the motor vehicle(s)
 - the reserved price for each motor vehicle sold
- 2) Where no BOS Committee is established, the Public Body or Executive Agency shall request that the Board of Survey Unit conduct the examination of their motor vehicles. The Public Body or Executive Agency would then be required to remit five percent (5%) of the proceeds of all related sales to the Asset Management Unit of the Ministry responsible for Finance. This payment represents Service Fee for the work undertaken by the Board of Survey Unit.
 - 3) Where the entity is experiencing difficulty with the sale of the unserviceable vehicles in a timely manner, arrangements should be made with the Asset Management Unit for assistance. The net proceeds, less BOS Service fee of 5% and the Auctioneer's fee, will be surrendered to the entity.

8.4 Government Valuation Method

The value as calculated by the Island Traffic Authority of Jamaica shall be based on the purchase price of the vehicle and discounted according to the age and condition of the vehicle.

9 GENERAL REPORTING REQUIREMENTS

- a) In order to effectively maintain the motor vehicle inventory record, the Asset Management Unit of the Ministry responsible for Finance be informed within two (2) weeks of any changes such as:
 - acquisitions
 - transfer of vehicles
 - change of registration plates
 - disposal of vehicles
- b) The details of each vehicle acquired must be submitted to the Ministry responsible for Finance with the following (minimum) information:
 - Registration number, Make, model, year and colour of vehicle
 - Engine number
 - Chassis number
 - Purchase Price
 - Date of Purchase
 - Monthly budget
 - Odometer readings
 - Tank capacity in litres
 - Petrol type (E10 Blend 87, E10 Blend 90, Diesel ULSD)
 - Type of Insurance (where applicable)

10 SANCTIONS

Any person, who is responsible for the control or operation of fleet vehicles or any activities incidental thereto, will be liable for sanctions in the event of any breach of the instructions contained in this circular.

Where a breach results in a financial loss to Government, the person responsible may be sanctioned by the Financial Secretary and may become liable for the full amount of the loss.

APPENDIX 1

Category “A” List of Eligible Assignees with Upper C.I.F Limit for Motor Vehicle of US\$60,000

- (i) Prime Minister

Category “B” List of Eligible Assignees with Upper C.I.F Limit for Motor Vehicle of US\$55,000

- (i) Ministers of Government; and
- (ii) President of the Senate;

Category “C” Upper C.I.F Limit for Protocol Vehicle - US\$42,000 subject to the US CPI with effect from 2005.

The Upper Limit for 2017 is US\$51,500.00

- (i) Heads of Mission

Category “D” List of Eligible Assignees with Upper C.I.F Limit for Motor Vehicle of US\$50,000

- (i) Attorney General

Category “E” - List of Eligible Assignees with Upper C.I.F Limit for Motor Vehicle of US\$45,000

- (i) Auditor General;
- (ii) Cabinet Secretary;
- (iii) Chief of The Defence Staff;
- (iv) Chief Executive Officers/Executive Directors/Managing Directors;
- (v) Chief Medical Officer;
- (vi) Chief Parliamentary Counsel;

- (vii) Chief Personnel Officer;
- (viii) Chief Technical Directors;
- (ix) Commissioner, Correctional Services;
- (x) Commissioner, Fire Brigade;
- (xi) Commissioner, Independent Commission of Investigations;
- (xii) Commissioner , Jamaica Customs Agency;
- (xiii) Commissioner of Police;
- (xiv) Commissioner General, Tax Administration Jamaica;
- (xv) Contractor General
- (xvi) Director of Public Prosecutions;
- (xvii) Financial Secretary;
- (xviii) Masters in Chambers;
- (xix) Mayors;
- (xx) Permanent Secretaries;
- (xxi) Parish Court Judges;
- (xxii) Solicitor General;
- (xxiii) Senior Parish Court Judges; and
- (xxiv) Any other position so designated (Section 3.1 refers)

APPENDIX 2

Appendix A – ACCIDENT DATA FORM

Date of Accident	Time of Accident	Accident Location	
Name of Government Driver		Name of Passengers in Government Vehicle	
Driver's Licence no.			
Expiry date			
Government Vehicle Type	Government Vehicle Make/Model	Government Vehicle Licence Plate Number	
PARTICULARS OF OTHER VEHICLE(S) INVOLVED IN THE ACCIDENT			
	Vehicle 1	Vehicle 2	Vehicle 3
Licence Plate Number			
Vehicle Make/Model			
Name of Driver			
Driver's Licence Number			
Driver's Licence Expiry Date			
Name of Insurer			
Insurance Certificate Expiry Date			
Certificate of Fitness Expiry Date			
Motor Vehicle Registration Certificate Expiry Date			
Name of Persons Injured			
Other Property (ies) Damaged			

Driver's Signature _____ Date _____

APPENDIX 3

MOTOR VEHICLE OPERATIONAL EFFICIENCY

Type of Vehicle.....

Type of Fuel.....

Reg. No.....

Fleet No.

Standard km/L.....

Speed- o-meter Reading (km)				Petrol Consumption					Maintenance and Repairs (including downtime)				Accidents
Quarter Ended	Readings first (km)	Readings Last (km)	Distance Travelled (km)	Qty/Fuel Used (litres)	Cost/L (\$)	Tot cost (\$)	Km travelled/L	Cost per Km	Date	Reference	Brief Particulars	Cost \$	Brief details (and file reference)

NATIONAL WORKS AGENCY GUIDELINES

Minor Repairs

Work less than \$50,000.00 –The Transport Manager/Officer of the Government entity will be responsible for certifying the works for payment. However, in the case of Heavy Equipment such as Tractors, Trucks exceeding 10 tons GVW) or Critical Care Ambulances the limit for minor repairs will be increased to \$150,000.

General Servicing

For general servicing only the Transport Manager/Officer will be responsible for certifying the works for payment.

PROCUREMENT OF GOODS AND SERVICES

Procurement shall be conducted in accordance with Public Sector Procurement Procedures summarized below:

ESTIMATES	GARAGE REQUIREMENTS	METHOD OF PROCUREMENT
Up to \$1.5M	Registered with NWA OR NCC and TRN	Direct Contracting (one estimate)
\$1.5M < \$3.0M	Registered with NCC and Valid TCC	At least three estimates(Limited Tender)
\$3.0M < \$8.0M	Registered with NCC and Valid TCC	At least five estimates

Please note that where one estimate is required the entity has the responsibility to ensure that the estimate is competitive.

Variation to the Initial Scope of Works

When there is a variation to the approved scope of works, an estimate must be prepared and submitted to the Transport Officer, who will then forward same to the NWA, for approval before commencement of the works. The variation must be clearly stated on the purchase order.

Fluctuations in material prices should be communicated to the Transport Manager/Officer before proceeding with the repairs.

Warranty

Vehicles under warranty should be serviced and repaired at the specified dealer for the warranty period subject to the foregoing procedures.