



**OFFICE OF THE PRESIDENT
Department of Public Administration**

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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**

**REVIEW OF THE POLICY ON PAYMENT OF HOUSING ALLOWANCE TO
GRADUATES**

1.0 Introduction

The housing allowance payable to citizen graduates in the public service will be converted to a graduate allowance with effect from 1st January 2019.

As from 2019 the allowance will be paid to graduates who are appointed at **salary band 4 to salary band 5** on the Public Service Salary Table. Graduates who are appointed to a post at a higher salary band will not be paid the allowance but their salary will be set at an entry point that will also take into account the established sum for graduate allowance when

determining their base pay as detailed in paragraph 3.0 and its subparagraphs below.

The allowance will be paid together with the graduate's salary. The rate of the allowance will remain unchanged at **SR4000** per month and grossed up by 20% (SR5000) to accommodate income tax deduction as is per current arrangement.

2.0 Criteria for payment of the graduate allowance

The criteria for payment of the graduate allowance shall be as follows and the graduate must meet **all** of them:

- 2.1 a graduate who has followed a recognised training course at an overseas or local university; or a similar institution; or by distance learning and has graduated with a degree or equivalent qualification at level 7,8 and 9 of the National Qualifications Framework for the first time;
- 2.2 a graduate who has completed training:
 - (i) as a pre-service candidate or
 - (ii) as an in-service candidate
- 2.3 a graduate who produces official written confirmation of successful completion of the training programme / transcript or upon production of the degree certificate from the respective university, together with a validation certificate from the Seychelles Qualifications Authority or certificate from a professional body;
- 2.4 a graduate who is first appointed to a position at **salary band 4 to salary band 5** level requiring a university degree qualification;
- 2.5 a graduate who submits an application for payment of the allowance within five years upon completion of studies.

3.0 Conditions for payment of the graduate allowance

3.1.1 Salary Band 4 to Salary Band 5

- a) The allowance shall be payable to all eligible graduates who are appointed at SB4-SB5 **for as long** as they occupy a post at that level.

- b) Graduates occupying a post at SB4-SB5, who did not qualify for payment of a housing allowance under the policy applicable as at 31 December 2018 on account of ownership of a house, will be eligible for a review under the new policy effective from 1 January, 2019 subject to the application being within five years of completion of studies.

3.1.2 Salary Band 6-7 and Salary Band 7-9

- a) The allowance will not be applicable to a graduate whether pre-service or in-service who is appointed at SB6-SB7 and above. The Salary Band 6-7 will be enlarged to SB6-SB8 and the Salary Band 7-9 will be enlarged to SB8-10 so that the salary upon appointment may be set to take into account a component of the graduate allowance provided that the candidate meets the full entry requirements of the post.

3.1.3 Graduate allowance upon promotion

- a) The graduate allowance will cease when a graduate is promoted to a position of SB6-SB7/SB7-SB9. However upon promotion the graduate allowance will be consolidated in the base pay and will be further enhanced within SB8, SB9 or SB10 respectively upon promotion depending on the post level.
- b) An employee receiving a housing allowance who is promoted to a post of SB9-SB10 will not be entitled to have the housing allowance consolidated in his/her base pay but will be paid the salary of the post and the allowance will cease. The salary band will be enlarged to SB11 to accommodate salary adjustment.

3.1.4 Employees currently receiving graduate housing allowance

- a) All employees currently on a post at SB4-SB5 and SB6-SB7 receiving a graduate housing allowance shall continue to receive the allowance until the expiry date after which their allowance will be consolidated in their base pay and adjusted accordingly. Employees on a post at SB8-SB9 receiving a housing allowance will have their salary reviewed on a case to case basis upon expiry of the housing allowance.
- b) Graduates whose housing allowance would have expired during the period July to December 2018 would have their salary consolidated in accordance with the current policy.

4.0 Effects on existing schemes of service

- 4.1 All existing schemes of service with provision for salary consolidation upon cessation of the housing allowance after five years will be amended to accommodate the changes in policy. Such existing provisions are revoked and each case will be considered on its merit pending a review of the provision in all schemes of service.

5.0 Responsibility for payment of the graduate allowance

- 5.1 It will be the responsibility of Ministries, Departments and Agencies to inform graduates of their entitlement and to submit their application promptly. The allowance shall be payable by the employing organisation on the date and month that the application is approved by the Department of Public Administration with no backdating.

6.0 Effects on salary and post level

- 6.1 The policy review will necessitate upgrading the salary level of posts of Director or equivalent positions currently at SB7-SB9 to SB8-10 and Director General or equivalent positions currently at SB9-SB10 to SB10-SB11 in order to re-align the salaries of qualified Directors and Heads to ensure that they are not worse off than their subordinate graduates.
- 6.2 The exercise of salary adjustment for this category of employees where applicable in Ministries/Departments and Agencies will be handled centrally by the Department of Public Administration based on information drawn from the payroll data base.
- 6.3 Organizations should also conduct a screening exercise and bring up any case of anomalies where subordinates earn more than their heads due to housing allowance consolidation.

7.0 Budget considerations

- 7.1 The Ministry of Finance has provided funds to each Ministry, Department and Agency for salary adjustment where applicable.

8.0 Guidance and Support

- 8.1 Public Bodies that have received extended Delegated Authority to handle human resource matters from SB6 to SB10 are advised to seek guidance

from the Department of Public Administration when dealing with housing allowance consolidation in the base pay.

It must be emphasized that no employee will be disadvantaged as a result of the change in policy.

All applications for payment of the graduate allowance must be submitted to the Department of Public Administration for approval by completing the attached revised form **immediately** after a graduate has signed his/her letter of appointment.


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CHIEF SECRETARY
PUBLIC SERVICE