

MANAGEMENT AND PERSONNEL OFFICE

**MANUAL ON  
ALLOWANCES PAYABLE TO PUBLIC  
OFFICERS**

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## 1 PREFACE

Allowances are paid to cover abnormal situations or the provision of services not normally required from the employees in the particular grade.

Allowances take up a large chunk of government expenditure, and no effort should be spared to control the outlay in this sphere to rationalize and streamline allowances.

These guidelines outline in a user friendly format, the relevant policies on the management of allowances.

### 1.1. How to use this Handbook

The aim of this handbook is to provide guidance to Directors Corporate Services, Human Resources Managers and Staff in the HR Department in the processing and management of allowances.

This handbook provides useful information and helpful hints on what staff in the H.R. Department should consider when dealing with requests for the payment of allowances. This manual is also intended to serve as a guide to those public officers who are in receipt of an allowance or to those public officers who want to know more about the subject.

An important section of the manual is devoted to the Audit Mechanism on the payment of Allowances. This control mechanism is built on two major principles; (i) allowances are not meant to be paid throughout an officer's career and they should be withheld immediately if the conditions for the payment of the allowance are no longer applicable, (ii) allowances are also to be graded in terms of the degree of the disturbance, risk or skill involved.

The entitlements reproduced in this manual are the Interdepartmental Allowances, that is those allowances which are payable to officers in different departments and grades and which are not limited to a particular career stream. The manual does not include specific Departmental Allowances, or honoraria paid to Members of Government Boards and

Committees. It does not include allowances of a personal nature granted to particular officers for performance of specific duties.

This handbook will be updated every six months to include any new inter-departmental allowance or reflect any new policy or initiative in the management of allowances that comes into effect.

### 1.2. Definitions

In the interest of clarity and consistency, certain terms should be understood as follows throughout this Manual.

Allowance	Financial remuneration paid in addition to basic salary. It includes expenses for travel, rent, subsistence or for the performance of higher or dangerous duties, special functions or qualifications. Allowances are non-pensionable unless they are specifically stated to be pensionable.
Entitlement	The benefits and rights of a public officer which emanate from the Public Service Management Code.
Public Officer	The holder of any public office or a person appointed to act in any such office. The appointment of a public officer in a substantive post or contractual position is endorsed by the Public Service Commission.
On grounds of Public Policy	A period of time which counts as service in the grade for the purposes of promotion or progression.

**Stand-by at Home Allowance** The allowance paid to officers who are required to be on stand-by at home outside normal hours of work. Actual work performed during periods when an officer is on stand-by at home is remunerated at overtime rates. The term “on call” is no longer used, as it refers to those situations where officers report for work but are not on active duty.

## 2 PROCEDURES

## 2.1. When to pay an Allowance

As a general rule a public officer should only be paid an allowance in exceptional circumstances. It should only be paid when the work involves:

- (i) heavy extra attendance at hours which cannot be easily controlled and for which it would not be cost-effective to pay overtime e.g.

*Architects and Civil Engineers who are required to work regularly after office hours or undertake duties of an extraordinary nature beyond office hours are paid an allowance of up to 15% of their salary.*

- (ii) a strong element of disturbance, discomfort or risk e.g.

*The graded drainage allowance which is paid to employees at the Drainage Department.*

- (iii) the use of some special skill which the holder of a post is not expected to possess and for which it is preferable on grounds of economy to pay an allowance e.g.

*Clerk who has special I.T. skills.*

Allowances are not to be regarded as substantive remuneration. If the conditions under which they were granted have been changed, it is the responsibility of the Head of Department to withhold the allowance immediately e.g.

*A Clerk who used to work at the Agriculture Department and who has an MSc in Animal Husbandry is not entitled to retain the*

*qualification allowance if he has now been transferred to the Ministry of Foreign Affairs.*

A job which entails risk and danger is not to be compensated by an allowance. The Head of Department in consultation with the Health and Safety officer should first ensure that all the necessary Health and Safety measures are being taken (includes protective clothing and equipment). If the nature of the work still carries an element of danger or inconvenience an allowance should then be paid e.g.

*A heights allowance which is granted to officers who are performing duties which include abseiling.*

## 2.2. Steps to be followed for payment of allowance

- (i) Request for a new allowance or review of an existing allowance is made by a letter / e-mail addressed by the relevant Head of Department to the Management and Personnel Office and the Ministry of Finance; the former will examine it in terms of Government policy whilst the latter will analyse it from the financial aspect and whether funds are available. The letter should also be copied to the respective Director, Corporate Services.

a) Request for a new allowance should include:

- Amount of allowance to be paid; in determining the amount to be paid an allowance should not be tied to an officer's scale but to the actual situation for which the allowance is given.
- Justification for the need to pay an allowance.
- Estimated number of employees who will be receiving allowance, their grade and scale.

- b) Request for a review of allowance should include:
- Reasons why the allowance needs to be reviewed.
  - Estimated number of employees who will be benefiting from the revised allowance, indicating their grade and scale.

As a general rule, if the conditions remain the same, Management and Personnel Office and the Ministry of Finance do not approve a review of existing allowances before the expiration of five years from their approval.

- (ii) At the request of the relevant Head of Department, the Management and Personnel Office and the Ministry of Finance hold the necessary consultations and inform the Ministry making the claim that the allowance is approved or rejected, citing reasons.

The allowance may also be approved subject to a proviso. (e.g. an allowance for performance of higher duties is approved subject to the review in six months).

Prior to final approval the MPO and the Ministry of Finance may also feel the need to clarify certain points with the Ministry making the request.

### **2.2.1. Allowance for performance of higher duties**

It is not government policy to grant an allowance for performance of higher duties. However, if the Head feels that there is ample justification to make a case for payment of this allowance, he must confirm in writing that request is being made as a last resort after the Ministry has exhausted all possible avenues viz: re-deployment of staff, introduction of flexible arrangements, review of organizational set-ups and operational processes.

The Head of Department should also indicate what concrete action is being taken so that the position is filled, thereby doing away with the allowance.

### **2.3. Role of Head of Department**

- (i) the systematic and periodic review of allowances paid to their employees, to ensure that the original conditions for which an allowance has been granted still apply. If not it should be withheld.
- (ii) the reasonable grading of allowances in terms of the degree of the disturbance, risk or skill involved. Whenever an officer who is in receipt of these allowances is transferred on other duties, the Head of Department should decide whether the public officer should still receive the allowance. If the allowance in question is graded, the Head of Department should carry out a review of the grading.
- (iii) in the case of allowances which have been granted for a specific time period, subject to review, the Department should ensure that this review is carried out. If it results that there is justification to continue with the payment of the allowance the Head of Department should make a fresh submission to the MPO and Finance, three months prior to the expiration of the period of approval.

### **2.4. Role of Director, Corporate Services**

- (i) Ensure that a certificate is obtained from the relevant Head of Department in respect of each officer who receives an allowance. This certificate should certify that the conditions pertaining to the allowances are still applicable.

- (ii) Exercise the necessary control and ensure that these guidelines on payment of allowances are strictly adhered to before payment of allowances to the respective beneficiaries are made.
- (iii) Submit to the Ministry of Finance on behalf of all the Departments of their Ministry, twice yearly, a return on the payment of allowances in the respective departments correct as on 30<sup>th</sup> June and 31<sup>st</sup> December. The return for 31<sup>st</sup> December should be submitted only after the annual Management Audit mechanism is carried out. (vide Appendix A)

Internal Auditors and Finance will monitor and ensure that allowances are paid to the right persons and at the right levels.

## 2.5. Deduction of Allowances

Allowances are paid for actual work and they should be withheld when employees are not reporting for work.

All Allowances should stop immediately when an officer is on unpaid leave.

Allowances tied to payment for actual duration of particular work, (e.g. obnoxious duties, extra-duty allowance) should be withheld immediately when the work is not performed, whatever the reason.

For the other allowances, deduction of allowances will not be made for absences due to vacation leave, Public Holidays, 15 days of sick leave and the thirty (30) days special sick leave due to injury specifically attributable to duty in every calendar year. Payment of allowances are to be withheld for any other absences, whatever the reason, apart from the arrangements covered by the Reform Agreements. (Vide Appendix B)

Allowances are to be deducted on a daily basis on the under-mentioned formula for each day of absence.

**Annual allowance ÷ 365<sup>1</sup>**

### 2.4.1. Clarifications

- (i) Allowances should be deducted when public officers are on paid or unpaid leave on grounds of public policy.
- (ii) The qualification allowance should continue to be paid when officers are on paid leave on grounds of public policy. However the qualification allowance should be withheld when officers on paid leave on grounds of public policy are absent beyond the established limits set above. (viz vacation leave, Public Holidays, 15 days of sick leave and thirty (30) days special sick leave due to injury specifically attributable to duty in every calendar year).
- (iii) Allowances are to be withheld during pre-retirement leave. Officers on a performance agreement are not excluded from availing themselves of pre-retirement leave, but all allowances should be withheld while they are on pre-retirement leave. Allowances for officers on a performance agreement, include all supplementary payments and other benefits payable in terms of the Performance Agreement over and above the basic emoluments of the substantive grade.
- (iv) Allowances are not to be deducted during duty leave.

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<sup>1</sup> 366 in a leap year

### 3 INTER-DEPARTMENTAL ALLOWANCES

#### 3.1. Allowances for Acting Heads of Department

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##### Policy

Public officers who are performing acting duties of Heads of Department are paid an acting allowance. An acting allowance is only paid if the Headship position is by legislation required to have an office holder and the acting appointment is subsequently gazetted.

##### BENEFICIARIES

Officers appointed to a Headship position in an acting capacity:

- (a) Senior officers appointed by Prime Minister to perform the duties of acting head of department and not discharge those of their substantive office:
  - if their salary is higher than the minimum emoluments of the acting position.
  - if their salary is less than minimum salary of the acting position.
  - if they are acting for uninterrupted periods exceeding six (6) months.

##### LAST APPROVED RATES

Receive their substantive salary.

Receive half the initial salary of acting office + half salary of their substantive office + all increments earned in the substantive office + other personal allowances, provided that they do not exceed the minimum of the Acting Office.

Receive full salary of acting office, for the whole acting period but no salary in respect of substantive post.

- if they are acting for uninterrupted periods exceeding one (1) year. If salary of acting post is incremental, they are entitled to the normal increments.
2. Senior officers appointed by the Prime Minister to perform duties of acting head of department and continue also performance of duties of their substantive office.
- if the offices are distinct and separate in different departments: or Receive half salary of acting office + whole salary of his/her substantive office.
  - if the offices do not stand in any immediate relationship of superiority or subordination to one another. Receive half salary of acting office + whole salary of his/her substantive office.

**Approval Authority** Permanent Secretary

**Approval Documentation** OPM Circular No 23/79

### 3.2. Board and Lodging Rates for Public Officers proceeding on official business in Malta and Gozo

**Policy** Government pays a subsistence allowance for board and lodging when public officers proceed on official business to Gozo (or Malta in the case of public officers resident in Gozo)

**Beneficiaries** (i) Permanent Secretaries, Directors General and Directors and Members of the Judiciary

#### Last approved rates

	€	Lm
<b>Lunch</b> (departure in the morning & afternoon return)	<b>27.95</b>	<b>12.00</b>
<b>Bed &amp; Breakfast</b> (overnight stay & morning return)	<b>60.56</b>	<b>26.00</b>
<b>Half Board</b> (overnight stay & afternoon return)	<b>83.86</b>	<b>36.00</b>
<b>Full Board</b> (full day and overnight stay)	<b>107.15</b>	<b>46.00</b>

(ii) Other public officers

	Low Season November - March	Mid Season April - May	High Season June - October
Breakfast	€3.49 (Lm1.50)	€3.49 (Lm1.50)	€3.49 (Lm1.50)
Lunch	€8.15 (Lm3.50)	€8.15 (Lm3.50)	€8.15 (Lm3.50)
Bed & Breakfast	€13.98 (Lm6.00)	€21.55 (Lm9.25)	€29.70 (Lm12.75)
Half Board	€22.13 (Lm9.50)	€29.70 (Lm12.75)	€37.85 (Lm16.25)
Full Board	€31.45 (Lm13.50)	€39.02 (Lm16.75)	€47.17 (Lm20.25)

### Other conditions of payment

Officers required to travel from Malta to Gozo or vice-versa for a single day visit by taking the first morning trip and returning by an afternoon boat-trip are entitled to breakfast and lunch at the rates stipulated at (ii) (a) and (b) above.

Officers required to travel from Malta to Gozo or vice versa by an afternoon boat-trip and return on the following day will be entitled to half-board rates stipulated at (ii) (d) above. Full board at the rates stipulated at (ii) (e) above will apply if the officer is required to return to base by an afternoon boat trip the following day.

Officers required to travel from Malta to Gozo or vice versa for a stay which is longer than one night and day will be entitled to full board rates as at (e) for each complete night and day and to supplementary amounts for each uncompleted day of such a stay in accordance with (ii) (a), (b), (c) and (d).

The above rates are subject to the conditions enumerated below:

- all claims for reimbursement of expenses incurred must be supported by receipted bills;
- under no circumstances should the applicable rates stipulated respectively for “low”, “mid” and “high” season be exceeded during the applicable period;
- subject to the limit per season, no reimbursement of board and lodging expenses will be effected without a prior check on the grades of the hotel/establishment appearing on related bills and that the rate charged conforms to the maximum charges laid down for that particular category of hotel/restaurant. Reference to the Hotels and Catering Establishments Board should be made in case of any difficulty;
- the subsistence allowance mentioned above is allowed up to a maximum of 30 days. Reimbursement for a maximum period of 30

days may also be allowed for second and subsequent tours of duty provided that these duties are required in the interests of the department and should preferably be carried out by different officers.

When an officer is entitled to board and lodging expenses and he either elects to stay with relatives or friends or where no hotel accommodation need or can be provided, he shall be entitled to an allowance at the rate of €3.38 (Lm1.45) for each full day and night.

When an officer is required to travel on duty outside a radius of 5km from his normal place of work and when:

- (a) the period of the necessary absence from the normal place of work exceeds 5 hours; and
- (b) there are no facilities for quick and cheap transport,

subsistence allowance at the rate of €1.98 (85c) per day is payable.

Refund of actual board and lodging expenses, may be made to officers permanently resident in Malta or Gozo who are transferred or posted on first appointment to Gozo or Malta respectively, for a period of 30 days, or till they find accommodation, whichever occurs the earlier. Permanent residence is taken to mean continued residence in either island for a period of not less than one year before the appointment or transfer. This provision does not apply, (a) in the case of first appointment to a post the location of which is specifically advertised; and (b) in the case of a transfer at the request of the officer himself, on arrangement between officers or on disciplinary grounds.

**Approving Authority** The respective Permanent Secretary

**Approval Documentation** MF Circular 7/2001 dated 15<sup>th</sup> June 2001

Rates in respect of Judiciary and Headship positions established through Finance letter circular MF/195/62/2 dated 15<sup>th</sup> June 2001

**Clarification**

The respective Permanent Secretary may approve reimbursement of the board and lodging rates after ensuring that stays are as short as possible and that no unreasonable items of expense are incurred.

**3.3. Clothing Allowance**

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<b>Policy</b>	An allowance which is paid to officers for the wear and tear of their clothing on account of their work.
<b>Beneficiaries</b>	Employees involved in work which causes wear and tear of personal clothing
<b>Last approved rates</b>	€232.94 (Lm 100) per annum graded at 100%, 75%, 50% and 25% according to degree of wear and tear to which clothing is exposed because of official duties.

**Other conditions of payment**

1. It is not granted when employees who are normally required to wear a uniform are advised to wear civilian clothing.
2. Head of Department determines grade of payment based on under-mentioned criteria:
  - (a) degree of damage to clothing caused by the working environment.
  - (b) the number of pieces of clothing submitted to wear and tear.
  - (c) the frequency with which the employee has to attend in such a working environment.

**Approving Authority** Head of Department

**Approval Documentation** MFEA Circular No 4/2003

### Clarification

Employees performing duties that require their presence in an environment which causes wear and tear to their clothing, and who at present are already receiving an allowance which is higher than the amount which the Head of Department establishes for that office, will continue to receive such an amount on a personal basis, as long as they continue to perform the relevant duties.

### 3.4. Deputising Allowance

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#### 3.4.1 General

<b>Policy</b>	Public officers who in addition to their normal work are given the responsibility to carry out higher duties in key positions are paid a Deputising Allowance.
<b>Beneficiaries</b>	Officers of a certain rank who in addition to their normal day-to-day duties, are also charged with the carrying out of higher duties in key positions in Category A or B.
<b>Last approved rates</b>	The allowance payable will be the difference between the officer's present salary and the minimum of the next higher grade, to be not less than one increment in the higher scale. The deputising allowance will be augmented by one increment in the higher scale for every period of twelve months on deputising duties, provided the maximum of that higher scale is not exceeded.

#### Other conditions of payment

- (i) the position for which the allowance is to be paid is considered to be a key position within the department; (e.g. at least a Head of large section or branch, or of an area office or of a small department)
- (ii) an officer has been formally assigned in writing by the Head of Department to deputise in a senior position;

- (iii) the deputising is made for a period exceeding three months; (the payment of the allowance will start after the third month of deputising but will cover the whole period of deputising)
- (iv) the senior position has been declared vacant following the promotion, retirement, resignation of the former incumbent. Absence on long leave by the holder of the senior position does not qualify for payment of the allowance;
- (v) the officer in receipt of the allowance continues to perform his day-to-day duties in addition to carrying out the duties and assuming the full responsibility of the senior position.
- (vi) the payment of the acting allowance will be approved by the Head of Department but, before payment is made, the Directors of Corporate Services will seek the endorsement of the Management and Personnel Office (Department of Employee Relations). Evidence must be produced to show that the request satisfies the conditions made above.

<b>Approving Authority</b>	Head of Department
<b>Approval Documentation</b>	OPM Circular 19/2003 dated 7 <sup>th</sup> April 2003
<b>Clarification</b>	These new arrangements for Deputising Allowance came into effect on 1 <sup>st</sup> January 2003 and do not replace but complement the existing deputising provisions for Heads of Department and other deputising allowances provided for in Classification and Grading Agreements.

### **3.4.2. Deputising allowance in terms of a Collective Agreement**

<b>Beneficiaries</b>	Architects and Civil Engineers, Pharmacists, and Veterinary Officers who are assigned to perform duties of a higher grade
<b>Last approved rates</b>	Receive the difference between the salary of their present grade and the minimum of the higher grade.

#### **Other conditions of payment**

The allowance is to be not less than one increment of the higher scale. The allowance will be augmented by the amount of an increment of the higher salary scale for every period of twelve (12) months on deputising duties, provided that the maximum of that scale is not exceeded. The payment of allowance is on a temporary basis and is renewed every six (6) months subject to satisfactory performance.

#### **Approving Authority**

- |   |   |
|---|---|
| 1. Veterinary Officers                  | Director General, MPO                           |
| 2. Pharmacists                          | Director General, Health                        |
| 3. A&CE Mechanical/Electrical Engineers | Director General, or Permanent Secretary, Works |

#### **Approval Documentation**

1. Paragraph 4.3 of the Agreement on the Classification, Regrading & Assimilation of Architects & Civil Engineering Class.
2. Paragraph 4.2 of the Agreement on the Classification, Regrading & Assimilation of Engineering Class.
3. Paragraph 3 of the Agreement on the Classification, Regrading & Assimilation of the Pharmacist Class.
4. Paragraph 4 of the Agreement on the Classification, Regrading & Assimilation of the Veterinary Class.

### 3.5. Disturbance Allowance

<b>Policy</b>	Public officers who are required to work regularly after office hours / or undertake duties of an extraordinary nature beyond office hours are paid a disturbance allowance.
<b>Beneficiaries</b>	<ol style="list-style-type: none"> <li>1. Non-overtime officers in the following grades:                     <ol style="list-style-type: none"> <li>(i) Architects and Civil Engineers</li> <li>(ii) Engineering Grades</li> <li>(iii) Health Promotion Grades</li> <li>(iv) Legal Grades</li> <li>(v) Quantity Surveyors</li> <li>(vi) Scientific Grades</li> <li>(vii) Internal Auditing and Investigations Directorate (Scales 5 to 10)</li> </ol> </li> <li>2. Correctional Supervisors, Assistant Correctional Managers and Police Officers from Scale 9 to Scale 5 and officers in the Civil Protection Department on operational duties who are in a non-overtime salary scale.</li> </ol>
<b>Last approved rates</b>	<ol style="list-style-type: none"> <li>1. Receive an allowance of up to 15% of the officer's salary.</li> <li>2. Receive an allowance ranging from €279.52 (Lm120) to €559.05 (Lm240) annually.</li> </ol>

<b>BENEFICIARIES</b>	<b>APPROVING AUTHORITY</b>
1. Officers in grades (i), (ii), (iii), (v) and (vi) above	Director General of the department concerned.
2. Legal Class	Attorney General
3. Correctional Services Class	Correctional Manager
4. Police	Superintendent (in respect of Inspectors and Sergeant Majors) or Assistant Commissioner of Police (in respect of Superintendents).
5. Internal Auditing and Investigations Directorate	Director (Internal Audit). For rates above 15% up to a maximum of 25%, the clearance of the Secretary to the Cabinet is required prior to approval by Director (Internal Audit).

#### **Approval Documentation**

1. Paragraph 4 of the Architects and Civil Engineers Class.
2. Paragraph 4.4 of the Engineering Class.
3. Paragraph 6 of the Health Promotion Grades.
4. Addendum to Agreement of Legal Class.
5. Paragraph 5 of the Quantity Surveyors Class.
6. Paragraph 6 of the Scientific Class.
7. Paragraph 8 of the Internal Auditing and Investigations Directorate.
8. Paragraph 5.3 of the Correctional Services Class.

9. Paragraph 4.3 of the Conditions of Service for Police Staff.

**Clarification**

In exceptional circumstances and where extra attendance is heavily required for a definite period of time connected with a particular project or assignment and with prior clearance of the competent Head of Department the maximum percentage payable may be extended up to twenty-five per cent of the officer's salary pro-rata to the period of extraordinary work.

**3.6. Allowance to Drivers of Heads of Department**

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<b>Policy</b>	Drivers of Heads of Department are paid an allowance in lieu of overtime, on account of the extra hours worked.
<b>Beneficiaries</b>	<ol style="list-style-type: none"> <li>1. Personal driver of Principal Permanent Secretary</li> <li>2. Personal driver of Permanent Secretary, Finance, Ministry of Foreign Affairs and Cabinet Secretary</li> <li>3. Personal drivers of Permanent Secretaries</li> <li>4. Personal driver of Director General, MPO</li> <li>5. Personal driver of Head of Department</li> </ol>
<b>Last approved rates</b>	<ol style="list-style-type: none"> <li>1. €2795.25 (Lm 1200) per annum <sup>1</sup></li> <li>2. €2096.44 (Lm 900) per annum</li> <li>3. €1397.62 (Lm 600) per annum</li> <li>4. €978.34 (Lm 420) per annum</li> <li>5. €698.81 (Lm 300) per annum</li> </ol>
<b>Approving Authority</b>	MPO and Finance
<b>Approval Documentation</b>	OPM File 93/96 and MPO File 53/93

(1) Effective date is 1<sup>st</sup> January 2006.

### 3.7. Expense Allowance to Heads of Department

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**Beneficiaries** Heads of Department with the following salary scales:

1	€3494.06 (Lm1500)
2	€2795.25 (Lm1200)
3	€2096.44 (Lm900)
4	€1630.56 (Lm700)

#### Other conditions of payment

The Heads of Department must be on a Performance Agreement.

<b>BENEFICIARIES</b>	<b>APPROVING AUTHORITY</b>
Directors Directors, Corporate Services and Directors General Permanent Secretaries (except Permanent Secretary, OPM) Permanent Secretary, OPM Principal Permanent Secretary	Director General Relevant Permanent Secretary  Permanent Secretary, OPM  Principal Permanent Secretary Prime Minister
<b>Approval documentation</b>	MPO File 121/2001

### 3.8. Internal Audit Allowance

**Policy:** Public officers who perform Internal Audit duties are paid an Internal Audit Allowance.

**Beneficiaries** Public Officers in the grade of Principal (Scale 7 to 10) who have successfully completed the internal audit training programme by the Ministry of Finance; the allowance is paid as follows:

- |      |  |                            |
|------|--|----------------------------|
| (i)  | Senior Internal Auditor in each Ministry | €1397.62 (Lm 600) per year |
| (ii) | Other Internal Auditors                  | €931.75 (Lm 400) per year  |

Certified Public Accountants carrying out duties at IAID **who hold a practicing certificate** to act as auditors will be paid an IAID allowance of €3500 per annum with effect from 1<sup>st</sup> January 2008.

#### Other conditions of payment

This allowance will be paid provided that these personnel continue to carry out internal audit assigned to them in the respective Ministries.

**Approving authority** Director (Internal Audit). For rates above 15% up to a maximum of 25% the clearance of the Secretary to the Cabinet is required prior to approval by Director (Internal Audit).

**Approval documentation** MPO File 256/91  
MPO Circular BII No. 39/95  
MF File 118/91/2

### 3.9. Allowance for obnoxious & Hazardous Duties

**Policy:** Public officers who perform obnoxious duties or carry out work which entail an element of risk are paid an allowance in compensation for this discomfort.

#### BENEFICIARIES

#### LAST APPROVED RATES

- |    |  |  |
|----|--|--|
| 1. | Employees at Drainage Department working:  | An hourly allowance based on the minimum of the pay scale applicable to the employees: |
|    | i) in sewage contaminated areas.   | i) 5% of hourly rate.  |
|    | ii) in contaminated areas and in contact with sewage.  | ii) 10% of hourly rate.  |
|    | iii) at lower levels, through inspection manholes, into sumps, retention basins and inspection chambers.   | iii) 20% of hourly rate.   |
|    | iv) at lower levels into galleries.  | iv) 38% of hourly rate.  |
| 2. | Employees at the Courts of Laws in the Courts Exhibits Section who are involved in the handling of unpleasant items kept in the stores of the Courts of Law. | €0.09c (4c) per hour or fraction thereof.  |
| 3. | Employees at the Roads Department who are engaged in the production of lime and tarmac.  | €0.12c (5c) per hour or part thereof.  |
| 4. | Employees at the Environment Department for the actual duration  | €1164.69 (Lm500) p.a. graded at 100%, 75%, 50%   |



### 3.10. Stand-by Allowance

**Beneficiaries** Officers who are required to be stand by at home outside normal hours of work are eligible for payment of a stand-by allowance at the rates stipulated below:

#### Last approved rates

Stand-by Allowance	Monday to Friday	Saturday	Public holidays	Sunday
Winter	€1.69 (72c.5) for a stand-by period of 14½ hours	€2.80 (Lm1.20c) for a Stand-by period of 24 hours	€4.19 (Lm1.80c) for a Stand-by period of 24 hours	1 day's pay plus €3.38 (Lm1.45c) for a Stand-by period of 24 hours
Summer	€2.10 (90c) for a Stand-by period of 18 hours	€2.80 (Lm1.20c) for a Stand-by period of 24 hours	€4.19 (Lm1.80c) for a Stand-by period of 24 hours	1 day's pay plus €4.19 (Lm1.80c) for a Stand-by period of 24 hours

#### Other conditions of payment

Actual work performed during periods when an officer is on stand-by is remunerated at normal overtime rates. If the overtime is performed on a Public Holiday or on a Sunday, the standard arrangements for overtime compensation apply also in this case.

The above rates are to be paid by those departments where an approved "Stand-by" system is operational. Other departments have to seek prior approval from MPO and Finance before introducing this system.

**Approving authority** The relevant Head of Department

### 3.11. Allowances payable to public officers undergoing Government Sponsored Courses Abroad

#### BENEFICIARIES

Public Officers on a full-time basis sent by government for training abroad.

Persons who undergo a course of training which is a pre-requisite of appointment and who are not employed in the Service on regular, full-basis or visiting basis on the date on which the notice calling for applications was issued.

#### LAST APPROVED RATES

- (a) full salary.
- (b) registration and tuition fees.
- (c) subsistence allowance.
- (d) book and equipment allowance.
- (e) return air passage.
- (f) personal insurance

In addition to (c), (d) and (e) above, they also receive a Dependant's Allowance on the following scale:

Spouse: €1851.55 (Lm795 p.a.)}  
 Child: €617.19 (Lm265 per child per annum)} up to a max €3703.70 (Lm1590) p.a.

#### Approving authority

Permanent Secretary of the Ministry concerned for course of study up to one academic year or one calendar year, courses of longer duration to obtain SDO approval.

#### Approval documentation

Manual on Staff Development in the Public Service

**3.12. Allowances payable to public officers undergoing local Government Sponsored Courses**

BENEFICIARIES	LAST APPROVED RATES
1. Serving officers who are selected by the Government to undergo local courses for specific needs identified by the Government.	(a) full salary. (b) a book and equipment allowance as specified in the relative call for application. (c) payment of course, if any
2. Persons on courses of training locally which are a pre-requisite for appointment and who were not employed in the Service on regular, full-time basis or were employed on a part-time or temporary basis on the date on which the notice calling for applications was issued are entitled to.	<ul style="list-style-type: none"> <li>▪ (b) above</li> <li>▪ a personal allowance of €139.74 (Lm60) per month</li> <li>▪ payment of course fees, if any</li> <li>▪ if applicable, they are paid a Dependants Allowance on the following scale:</li> </ul> <p>Spouse: €1851.55 (Lm795) pa                      Child: €617.19 (Lm265) per child per annum up to a maximum of €3703.11 (Lm1590) per annum.</p>

**Other conditions of payment**

1. The book and equipment allowance is payable at the beginning of each academic year.

2. A Scholarship holder may not engage in any paid employment without the permission of the Head of the respective Department. Where such permission is given, the personal allowance is to be reduced by an amount equal to the remuneration received in respect of such employment.

**Approving Authority:** Permanent Secretary of the Ministry concerned if duration of course of study is up to one academic year or one calendar year, courses of longer duration to obtain additional SDO approval should be obtained.

**Approval Documentation** Manual on Staff Development in the Public Service

### 3.13. Allowances payable to public officers seconded as National Experts to European Institutions

**Beneficiaries** Serving officers who are nominated by Government and selected by the Commission of the European Communities from amongst other nominations from other Member States.

**Last approved rates** Full salary paid by the government of Malta. Salary includes any National Insurance and superannuation contributions.

All allowances are paid by the Commission of the European Communities and not by the Malta Government (see below).

#### Other conditions of payment

Full conditions of payment by the Commission of the European Union are contained in the Rules on the Secondment of National Experts to the Commission issued by the Commission of the European Communities.

#### Approving Authority

Permanent Secretary of the Ministry concerned approves the secondment once the Commission of the European Communities confirms the selection of the candidate nominated by the Ministry concerned.

Such secondment may not be less than six months nor more than two years and it may be renewed once or more, up to a total period not exceeding four years.

Each time the secondment is due to be renewed for a further period, in terms of the above-mentioned Rules on the Secondment of National Experts to the Commission, the Commission requests the concurrence of the Ministry concerned and consequently of the Principal Permanent Secretary in accordance with standard procedure. The request by the Commission for approval of extension by the Ministry concerned is made through the Permanent Representation of Malta to the EU.

**Approval Documentation** The current Rules on the Secondment of National Experts to the Commission issued by the Commission of the European Communities as amended from time to time.

#### Other relevant information:

##### 1. The European Commission pays:

- i. A standard tax free daily allowance of €117.04 (Lm 50.25) (approx. €3500 monthly) [Lm1502.55] to meet the additional expenses of living outside Malta;
- ii. A standard monthly allowance of €664.37 (Lm 285.21) [on the basis that the expert does not receive removal expenses from any source]; and
- iii. Travel Expenses:  
A Seconded National expert whose place of residence is more than 150 Kilometres from place of secondment would be entitled to reimbursement of travel expenses in accordance with Article 21 of the Rules of the Secondment of National experts to the Commission C (2006) 2033 of 1 June 2006.

### 3.14. Allowance to Members of Private Secretariats

Staff Engaged on a full-time basis in the Private Secretariat of the Prime Minister, Ministers and Parliamentary Secretaries are entitled to the payment of the following allowances in lieu of overtime:

Given that staff in Secretariats is invariably working under pressure, all staff are entitled to a secretariat allowance in lieu of overtime.

These allowances differentiate between five categories of Secretariat staff and are calculated on the basis of each category's level of responsibility within the Secretariat structure, as well as the amount of overtime officers in that category are routinely required to perform. As specified in the table below, allowances are fixed as a percentage of the General Service salary scale that is most representative of the Secretariat posts falling within a given category. The allowance will be automatically adjusted in line with any increases to the salary scale referred to below.

BENEFICIARIES	ALLOWANCE IN LIEU OF OVERTIME	OTHER BENEFITS
Head of the Prime Minister's Secretariat	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone and scale allowance.
Deputy Head of Prime Minister's Secretariat	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone and scale allowance.

Private Secretary to the Prime Minister	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone and scale allowance.
Personal Secretary to the Prime Minister	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone and scale allowance.
Communication and Press Secretary to the Prime Minister	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone and scale allowance.
Head of the Minister's / Parliamentary Secretary's Secretariat	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone and scale allowance.
Private Secretary to Minister Parliamentary Secretary	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone.
Assistant Private Secretary to the Minister	25% of Salary Scale 7	Full use of office car or transport allowance of €4658.75 (Lm2,000), free telephone.
OPM Policy Coordinator	20% of Salary Scale 7	Car allowance of €4658.75 (Lm2,000) and free telephone.
OPM Diplomatic Coordinator	20% of Salary Scale 7	Car allowance of €4658.75 (Lm2,000) and free telephone.

Communications Coordinator	20% of Salary Scale 7	Car allowance of €4658.75 (Lm2,000) and free telephone.
Policy Coordinator	20% of Salary Scale 7	Car allowance of €4658.75 (Lm2,000) and a telephone allowance of €1164.69 (Lm500).
OPM Coordinator (Projects, Office, Logistics)	20% of Salary Scale 7	Car allowance of €1863.50 (Lm800) and a telephone allowance of €1164.69 (Lm500).
Ministry Coordinator	20% of Salary Scale 7	Car allowance of €1863.50 (Lm800) and a telephone allowance of €524.11 (Lm225).
OPM Secretariat Officer	20% of Salary Scale 10	-
Secretariat Officer	20% of Salary Scale 10	-
Secretariat Pool	20% of Salary Scale 14	-
OPM Senior Secretariat Messenger	20% of Salary Scale 14	-
Secretariat Messenger/Charwoman	20% of Salary Scale 14	-
Personal Driver/Security Officer	35% of Salary Scale 14	-

### Other conditions of payment

1. The Secretariat Allowance is paid in lieu of overtime for the period the officer is attached to the Private Secretariat.
2. The following positions are also entitled to a bonus of up to €116.50 (Lm50) for overtime worked in excess of 23 up to 46 hours per four week pay period:
  - Secretariat Officer
  - Secretariat Pool
  - OPM Senior Secretariat Messenger
  - Secretariat Messenger
  - Charwoman
3. The bonus shall be payable as follows:
  - Overtime in excess of twenty-three hours but which does not exceed forty-six hours €58.25 (Lm25)
  - Excess overtime beyond forty-six hours €58.25 (Lm25)
  - The number of overtime hours worked in excess of the twenty-three (23) and forty-six (46) hours in any four weekly pay period should be carried forward (for up to one year) and added to the hours of overtime worked in subsequent pay periods.
4. Since Drivers/Security Officers will not be receiving this overtime bonus and given that their work necessarily extends well beyond normal working hours/days, it is assumed that they will usually be working on a one day on and one day off basis.
5. The Prime Minister's Secretariat requires more messengerial support outside normal working hours than other Secretariats. This results in messengers in this Secretariat routinely performing overtime in excess of forty-six hours every four-weekly pay period. Given this situation, in addition to the allowances in lieu of overtime and the bonus of €116.50

(Lm50) if they work up to forty-six hours in any one pay-period, messengers in the Prime Minister's Secretariat will be reimbursed for any overtime worked in excess of forty-six hours in any one pay-period at their standard overtime rate calculated as per their substantive grade.

As a result, unlike messengers in other Secretariats, messengers in the Prime Minister's Secretariat are not entitled to carry forward overtime worked in excess of forty-six hours from one pay-period to the next.

<b>Approving authority</b>	Permanent Secretary of the relevant Ministry.
<b>Approval documentation</b>	Manual on the Engagement of Staff with Private Secretariats, dated October 2007.

### 3.15. Qualification Allowance

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**Beneficiaries** Public officers who hold an academic qualification which is both recognized and relevant to the duties pertaining to their grade.

#### Last approved rates

Postgraduate Doctorate Degree	€931.75 (Lm400) p.a.
Master's Degree	€698.81 (Lm300) p.a.
First Degree	€465.87 (Lm200) p.a.
Diploma	€349.41 (Lm150) p.a.

**Approving Authority:** Director, Corporate Services of the department concerned.

**Approval Documentation** MPO Circular 33/1997 dated 9<sup>th</sup> May 1997.

### 3.16. Shift Allowance

**Beneficiaries** Government employees who work on a roster basis benefit from the payment of a shift allowance.

#### Last approved rates

TYPE OF SHIFT	WEEKLY RATE
Monday to Saturday (without night shift)	€2.56 (Lm1.10)
Monday to Saturday (with night shift)	€3.84 (Lm 1.65)
Monday to Sunday (without night shift)	€5.82 (Lm2.50)
Monday to Sunday (with night shift)	€9.08 (Lm3.90)

#### Other conditions of payment

The shift allowance does not apply to the following employees:

- Nurses entitled to a "Nursing Premium"
- Members of the Police Force
- Members of the Armed Forces of Malta
- Employees on 'Watchman' duties
- Students, apprentices and trainees

**Approving Authority:** The relevant head of department

**Approval Documentation** OPM Circular 105/93 and MFEA No 4/2003

#### Other relevant information

Night shift means a shift involving at least 4.5 hrs of work between 20.00 hours and 06.00 hours of the following day.

### 3.17. Allowance for Duty Travel Overseas

**Beneficiaries** Allowance for official travelling abroad. Official travelling incorporates all travel abroad, on official duty such as conferences. Conferences include also congress meetings of experts and symposia organized by international and national bodies.

**Last approved rates** The applicable per diem allowances are those quoted in circulars issued from time to time by the Ministry of Finance. Finance shall monitor the movement of EU subsistence rates and shall periodically re-align the local rates as and when appropriate.

#### Other conditions of payment

- (i) Officials travelling abroad are to be made aware of their entitlements; this will avoid difficulties when accounting for the advance.
- (ii) Public officers who are members of Ministerial delegations are allowed to opt for 40% of the normal subsistence allowance. The appropriate deductions as provided for in vii (b) below should be made for official lunches and dinners.
- (iii) The rates of allowances are to be paid in respect of periods of duty abroad not exceeding 3 months. Where it is known at the outset that an officer will remain at a place abroad for more than 3 months, Departments should seek the approval of MPO and the Ministry of Finance for the payment of an appropriate rate of expatriation allowance.

- (iv) Officers are obliged to avail themselves of any facilities being provided free.
- (v) The standard daily rates of subsistence allowances (per diem allowances) are calculated to cover complete periods of 24 hours and are fixed for countries to which public officers may be sent for duty visits. The per diem allowance covers accommodation costs and subsistence allowance in respect of breakfast and two main meals, local travel, telecommunications and all other incidental and sundry expenses. Per diem allowances payable to Category B officers are equivalent to 75% of the relative amount payable at Category A level. The applicable per diem allowances are those quoted in circulars issued from time to time by the Ministry of Finance. Finance shall monitor the movement of EU subsistence rates and shall periodically re-align the local rates as and when appropriate.
- (vi) The per diem allowance shall be taken to cover all expenses, incidental or otherwise, except:
  - a) Hospitality expenses; and
  - b) Expenses relating to hotel/airport transfers and local transportation to/from airport, although, in such cases use of taxis should be justified and, where practical, no effort should be spared to utilize the most economic means of transportation available.
- (vii) The relative components of the allowance are accommodation inclusive of breakfast (60%), two meals (30%) and sundry expenses (10%).
- (viii) The total per diem allowance entitlement for travel abroad is calculated on the number of nights spent abroad multiplied by the per diem allowance, irrespective of the time of departure from Malta. However, an additional portion of the per diem allowance in respect of extra meal/s taken on the last day due to a late arrival in Malta may be allowed, taking into consideration that such claim can be

- counterbalanced by the meal/s that the delegate was only notionally entitled to on the day of departure due to a late departure from Malta. Thus an additional 15% of the per diem allowance (i.e. equivalent to an extra meal) is allowed when, by way of example, time of departure from Malta is very early in the morning say 8.00am and time of arrival in Malta is late in the evening say after 6.00pm.
- (ix) Hospitality expenses may be incurred by Ministers, Parliamentary Secretaries and Officers in Grades 1 to 4. The details justifying the expenditure are to be provided. These expenses shall be considered for reimbursement subject to standard eligibility requirements applicable to hospitality expenses being duly met.
  - (x) Contingency money may be granted largely to cover expenses related to airport/hotel transfers and local transportation to and from the airport. When granted, contingency money should not exceed 20% of the full allowance due and should in any case not exceed €230. Expenses must be justified and supported by original receipts.
    - a) When accommodation and breakfast are provided free, the per diem allowance shall be reduced by 60%, provided that, if breakfast is against payment, the reduction shall be 50%.
    - b) A reduction of 15% shall be made in respect of every meal provided: free of charge, as part of a participation fee, or claimed as hospitality.

**Approving Authority:** MF Circular 1/2008 dated January 2008.

**Approval Documentation** Permanent Secretary of the Ministry concerned.

### 3.18. Subsistence Allowance to Overseas Scholarship Holders

BENEFICIARIES	LAST APPROVED RATES
Public Officers sent by government for training abroad.	
1. who spend the first sixty (60) nights spent in each country, regardless of the nature of the training programme.	Travel Rate*
2. who spend <u>more</u> than sixty (60) nights in a single location.	Resident Rate*
* These rates are issued from time to time by Finance	
<b>Approving Authority:</b>	Permanent Secretary of the Ministry responsible if duration of course of study is up to one academic year or one calendar year. For courses of longer duration, SDO approval should be obtained.
<b>Approval Documentation</b>	Manual on Staff Development in the Public Service.

### 3.19. Use of Private Cars

<b>Policy</b>	Public officers should use the cheapest means of transport. In cases where frequent visits or inspection or other trips are necessary, special departmental arrangements should be made after a call for tenders. There may be cases where the Head of Department deems that it is more viable and cost-effective for officers to use their own means of transport for travelling on official business.
<b>Beneficiaries</b>	Public Officers authorized to use their own means of transport for travelling on official business.
<b>Last approved rates</b>	Cars: €0.23 (10c) per km - €0.37 (16c) per mile
<b>Other conditions of payment</b>	
Heads of Department in conjunction with the officers concerned should establish a maximum allotment of mileage to each officer for a given period having regard to the duties assigned to the officer.	
A log-book is to be kept by each officer and each journey performed is to be recorded therein. In order to maintain as strict a check as possible on journeys performed, log-books are to be inspected and countersigned monthly by a senior officer not below the grade of Principal.	
Periodic reviews of all concessions for the use of private cars should be carried out with a view to eliminating any concessions which are considered	

superfluous or which could be replaced by using existing Departmental transport.

Heads of Department should personally scrutinize the vouchers for payment submitted from time to time so as to ensure that the allotted mileage allowance is not exceeded. If it appears that officers are exceeding their allotment without sufficient cause, permission to use the private car should be withheld and disciplinary action should be taken if necessary.

**Approving Authority:** Heads of Department.

**Approval Documentation** MF Circular 6/2000 and MPO 103/1999 and MPO Circular 72/2006 MF/20/77/3 dated 15<sup>th</sup> March 1993 in MPO/272/1966

**Other relevant information**

Officers temporarily transferred to perform the duties of staff on leave or those of a vacant post may have all transport expenses in excess of those which they normally have to incur, refunded.

Officers required to reside in any particular locality by virtue of their office are allowed the expenses incurred in the transfer of their households.

The provisions for refund do not apply when the transfer or posting is made:

- (a) at the request of the officer;
- (b) following an arrangement between officers to change posts; or
- (c) as a result of the officer's misconduct.

**Green Travel Plans.** Moreover, Heads of Department should pursue, wherever possible, Green Travel Plans, such as pooling of resources to promote environment-friendly initiatives.

4 F A Q S

**Is Sunday pay to be considered as an allowance and how is it to be deducted?**

The remuneration received for attendance on Sunday by a shift worker is payment for actual work carried out. Sunday attendance is not to be regarded as an allowance but as an extra payment.

**After how many days sick leave should a public officer who is pensionable have his allowance deducted?**

The sick leave limit of fifteen days applicable for deduction of allowances is relevant to all categories of staff whether they are non-pensionable and entitled to 30 days sick leave on full pay and thirty days on half-pay per year or pensionable and entitled to 6 months sick leave on full pay in every twelve month period.

**What is the difference between stand-by allowance and disturbance allowance?**

A stand-by allowance is paid to officers who are required to be on stand-by at home, outside office hours. When officers on stand-by at home are called to report for work they are remunerated at over-time rates.

A disturbance allowance is paid in circumstances where public officers are required to work regularly after office hours/or undertake duties of an extraordinary nature beyond office hours. A disturbance allowance up to 15% of the officer's salary is only paid if it is sanctioned by a Collective Agreement.

**Are allowances payable to public officers, pensionable or non-pensionable?**

Allowances are not reckonable for pension purposes, unless it is specifically stated that they are pensionable.

**Can a public officer receive more than one allowance at the same time?**

A public officer may be paid more than one allowance at the same time provided that all the allowances paid, are paid on account of different circumstances and conditions. Eg. An Architect may be receiving a qualification allowance, work from height allowance and deputising allowance at the same time.

5 APPENDICES

Appendix A (2. 4.)

**Return of Allowances**

Department \_\_\_\_\_

Name of employee and grade	Nature of allowance	Rate	Incidence of charge	When last authorized	Recommendation for		Detailed reasons if recommended for retention
					Retention	Suppression	

Appendix B (2.5.)

**OPM Circular 27/2000 – Deductions in payment of Allowances for absences on paid or unpaid leave**

MPO/142/1981

**OPM CIRCULAR No 27/2000**

OFFICE OF THE PRIME MINISTER  
Auberge de Castille  
Valletta CMR 02

14<sup>th</sup> July, 2000

**To:** Permanent Secretaries  
Directors General  
Directors

**Deductions in Payment of Allowances for Absence on Paid or Unpaid Leave**

The attention of Heads of Department is drawn to the fact that allowances are paid for actual work, and the payment of allowances should be withheld when employees are not reporting for work.

The following arrangements should apply with immediate effect when officers are not reporting for duty:

- i All allowances should stop immediately when an officer is on leave without pay.
- ii Allowances tied to payment for the actual duration of particular work, e.g. obnoxious duties, should be withheld immediately when the work is not performed, whatever the reason.

Deductions of allowances will not be made for absences due to vacation leave, Public Holidays, first fifteen days sick leave, and the first thirty days

special sick leave due to injury specifically attributable to duty in every calendar year. Payment of allowances should be withheld for any other

absences, whatever the reason. All other arrangements for deduction of allowances other than the arrangements covered by the Reform Agreements, are superseded by this circular.

This Circular should be brought to the immediate attention of all employees. Directors of Corporate Services / Directors of Finance and Administration are to exercise the necessary control and ensure that these guidelines are strictly adhered to, before salary payments to the respective beneficiaries are made.

J R Grima  
Permanent Secretary, OPM

Appendix C (2.5.)

**OPM Circular 23/2002 – Allowances withheld during absences on leave**

MPO/142/81/II

**OPM CIRCULAR No 23/2002**

OFFICE OF THE PRIME MINISTER  
Auberge de Castille  
Valletta CMR 02

15<sup>th</sup> April, 2002

**To:** Permanent Secretaries  
Directors General  
Directors

**ALLOWNCES WITHHELD DURING ABSENCES ON LEAVE**

As already pointed out in previous circulars, allowances are paid for actual work, and the payment of allowances should be withheld when employees are not reporting for work or the related work is not carried out. By means of this circular the norms regarding the withholding of allowances are brought together under the following three points, for ease of reference.

**1. Withholding of Allowances**

Payment of all allowances should stop immediately when officers are on leave without pay. Moreover allowances tied to payment for the actual duration of particular work, e.g. obnoxious duties, should be withheld immediately when the work is not performed whatever the reason.

Allowances should also be withheld during pre-retirement leave. Officers on a performance agreement are not excluded from availing themselves of pre-retirement leave, but all allowances should be withheld while they are on pre-retirement leave. Allowances, for officers on a performance agreement, include all supplementary payments and other benefits payable in terms of the Performance Agreement, over and above the basic emoluments of the substantive grade.

**2. Circumstances when Allowances are not withheld**

Allowances, including the qualification allowance, should not be withheld for absences due to vacation leave, Public Holidays, first fifteen days sick leave and the first thirty days special sick leave due to injury specifically attributable to duty in every calendar year.

Furthermore the qualifications allowance, should continue to be paid when officers are on paid leave on grounds of public policy. However, the qualifications allowance should be withheld when officers on paid leave on grounds of public policy are absent beyond the limits set in the preceding paragraph.

**3. Formula for Deduction of Allowances**

Allowances are to be deducted on the under-mentioned formula, on a daily basis for each day of leave as follows:

$$\frac{\text{Annual allowance}}{12 \times \text{number of days in the month.}}$$

All other arrangements for deduction of allowances other than the arrangements covered by the Reform Agreements are superseded by this circular. The immediate attention of all employees should be brought to this circular. Directors, Corporate Services / Directors. Finance and Administration are to exercise the necessary control and ensure that these guidelines are strictly adhered to, before salary payments to the respective beneficiaries are made.

J R Grima  
Permanent Secretary, OPM