# Comments.

### **INTEGRITY COMMISSION**

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## Media Release

# <u>Integrity Commission Requisitions Public Bodies to Provide Particulars of</u> Contract Cost Overruns and Variations

**April 22, 2021** - The Integrity Commission has requisitioned all Jamaica Public Bodies to provide to it, by May 31, 2021, detailed particulars concerning Contract Cost Overruns and/or Variations (CCOVs) that were incurred by them during the period April 1, 2020 to March 31, 2021, for goods, works and services.

The Commission's initiative, which will be supported by a new web-based system, is geared towards ensuring enhanced regularity, compliance, value for money, accountability and transparency in the expenditure of taxpayer funds on the award and implementation of Government of Jamaica (GOJ) contracts. The data, which will be requisitioned annually, will also be tabled in Parliament and published.

The formal Requisition, which was issued under the hand of the Commission's Director of Investigation, Mr. Kevon Stephenson, requires all Permanent Secretaries and Heads of Procuring Public Bodies to provide the required information in respect of "all projects of value greater than \$500,000.00, for which monetary disbursements for Cost Overruns, Variations, and/or any other Price Adjustments were made during the financial year 2020/2021, irrespective of the date of contract award."

The GOJ's Handbook of Public Sector Procurement Procedures defines a Cost Overrun as "... an increase in the contract sum resulting from escalation in the price of labour and/ or material.", while a Variation is defined as "... a change to the deliverable(s) under a contract caused by an increase or decrease in the scope of work to be performed, amount/type of goods to be supplied or services to be provided, and must be directly related to the specific contract."

Permanent Secretaries and Heads of Procuring Public Bodies have been given detailed instructions on how the required data should be formulated and submitted.

The Commission's Requisitions have been formally copied to the Cabinet Secretary, the Financial Secretary, the Auditor General, the Chair of the Public Administration and Appropriations Committee of Parliament, and the Chair of the Public Accounts Committee of Parliament.

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