

CAYMAN ISLANDS



**Public Service Management Act
(2018 Revision)**

**PERSONNEL (AMENDMENT)
REGULATIONS, 2025**

(SL 71 of 2025)

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CAYMAN ISLANDS**Public Service Management Act
(2018 Revision)****PERSONNEL (AMENDMENT) REGULATIONS,
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In exercise of the powers conferred by section 67 of the Public Service Management Act (2018 Revision), the Cabinet makes the following Regulations —

Citation and commencement

1. (1) These Regulations may be cited as the Personnel (Amendment) Regulations, 2025.
(2) These Regulations come into force on 1st March, 2026.

Amendment of regulation 10 of the Personnel Regulations (2025 Revision) - dismissing Official Members for gross misconduct

2. The *Personnel Regulations (2025 Revision)*, in these Regulations referred to as the “principal Regulations”, are amended in regulation 10(4) by deleting the words “regulations 40 and 41” and substituting the words “these Regulations”.

Amendment of regulation 21 - dismissing chief officers for gross misconduct

3. The principal Regulations are amended in regulation 21(4) by deleting the words “regulations 40 and 41” and substituting the words “these Regulations”.

Repeal and substitution of regulation 29 - reappointment of staff at the end of a fixed-term employment agreement

4. The principal Regulations are amended by repealing regulation 29 and substituting the following regulation —

“Fixed-term employment agreements

- 29.** (1) Where an employment agreement is for a fixed term, the employment agreement shall terminate automatically and without notice upon the expiration of its fixed term.
- (2) A termination under paragraph (1) shall not be considered to be dismissal, unfair dismissal or termination by the employer.
- (3) Where an appointing officer has decided not to reappoint a staff member at the end of a fixed-term employment agreement, whether or not such decision has been communicated to the staff member, the employment agreement shall terminate automatically and paragraph (4) shall not apply.
- (4) If an appointing officer is minded to reappoint a staff member at the end of a fixed-term employment agreement, then before proceeding to reappoint under section 41(10) and (15) of the Act, the appointing officer shall —
- (a) undertake an open and fair employment process to determine whether there are any suitably qualified Caymanian candidates, unless exempted in writing by the Head of the Civil Service;
- (b) where two or more persons rank broadly at the same level in terms of qualifications, skills, knowledge and experience, give preference to Caymanians; and
- (c) have regard to any other factors the appointing officer thinks relevant, including the performance of the staff member to date and all applicable policies.
- (5) Where the requirements of paragraph (4) have been complied with, the appointing officer may —
- (a) offer the staff member a new fixed-term employment agreement on such terms and conditions as may be determined by the appointing officer acting in accordance with the requirements of this Part and all applicable policies;
- (b) where an offer made under subparagraph (a) is not accepted, declare the position vacant; or
- (c) decide not to offer the staff member a new fixed-term employment agreement and declare the position vacant.”.



Repeal and substitution of regulation 33 - transfer of staff in the public interest

5. The principal Regulations are amended by repealing regulation 33 and substituting the following regulation —

“Transfer of staff

- 33.** (1) Where the appointing officer has made a decision to transfer a staff member in accordance with section 41(14) of the Act, the staff member shall comply with that decision, and refusal by the staff member to comply with the decision to be transferred shall constitute misconduct and may result in dismissal in accordance with regulation 39.
- (2) A transfer under section 41(14A) of the Act shall be made only where the staff member being transferred is not the subject of an active disciplinary process pursuant to section 44 of the Act.”.

Repeal and substitution of regulation 35 - probationary appointments

6. The principal Regulations are amended by repealing regulation 35 and substituting the following regulation —

“Probationary arrangements

- 35.** (1) An employment agreement may provide that a prospective staff member or a staff member accepting a new position, shall be employed on probationary terms for an initial period not exceeding 6 months in duration.
- (2) At any point during or upon reaching the end of the initial probationary period, the appointing officer and the staff member may, by further written agreement, extend that period for additional terms, provided the total probationary period does not exceed twelve months.
- (3) During the staff member’s probationary period, the staff member shall receive reasonable training, as needed to perform the duties of the position.
- (4) At any time during the probationary period either party may terminate the employment relationship by giving the other party ten working days’ written notice.
- (5) Where notice is given pursuant to paragraph (4), the appointing officer may, in the appointing officer’s absolute discretion, discharge the staff member from the staff member’s duties at any time during the notice period, provided the staff member receives remuneration and benefits equivalent to those to which the staff member would

have been entitled if the staff member had worked throughout the notice period.

- (6) Where the employment of a staff member is confirmed following a probationary period, all benefits under Schedule 1 to these Regulations shall be deemed to have accrued from the date of commencement of the staff member's employment.”.

Repeal and substitution of regulation 38 - disciplining staff

7. The principal Regulations are amended by repealing regulation 38 and substituting the following regulation —

“Discipline or dismissal of staff

38. Subject to regulations 39 to 41, an appointing officer may discipline or dismiss a staff member.”.

Repeal and substitution of regulation 39 - dismissing staff for gross misconduct not involving criminal activity

8. The principal Regulations are amended by repealing regulation 39 and substituting the following regulation —

“Misconduct

39. (1) Before determining whether to discipline or dismiss a staff member for misconduct, the appointing officer shall —
 - (a) be in possession of evidence of the alleged breaches, actions or omissions of the staff member that are the subject of concern;
 - (b) advise the staff member of the concerns in writing, provide any evidence relating to the concerns and take reasonable steps to bring the written communication to the attention of the staff member;
 - (c) provide a reasonable time period within which the staff member may respond orally or in writing to the expressed concerns; and
 - (d) reassess the matter, on receipt of the staff member's response or on the expiry of the date specified for a response, whichever is earlier.
- (2) If, after the process specified in paragraph (1) has been completed, the appointing officer determines that there are no grounds to continue with a disciplinary process, the appointing officer shall close the matter, and so advise the staff member in writing.
- (3) If, after the process specified in paragraph (1) has been completed, the appointing officer determines that the misconduct is gross, the appointing officer shall dismiss the staff member in accordance with regulation 41.



- (4) If, after the process specified in paragraph (1) has been completed, the appointing officer determines that the misconduct is serious, the appointing officer shall issue a written warning describing the misconduct in respect of which the written warning is given, any steps the staff member is required to take, and the action the employer intends to take in the event of any further misconduct.
- (5) Where a staff member who has been given a written warning under paragraph (4), commits misconduct of any kind within twelve months following the receipt of the written warning, the appointing officer may dismiss the staff member in accordance with regulation 41, or take such other action as may have been specified in the written warning, without any further notice.
- (6) For the purposes of these Regulations, serious or gross misconduct includes circumstances where the staff member —
- (a) has committed a significant breach of the Public Servant’s Code of Conduct;
 - (b) has, in the reasonable belief of the appointing officer, been involved in alleged criminal activity either in the course of employment or otherwise;
 - (c) in the course of employment —
 - (i) is in possession of, consumes or distributes, any controlled drug or scheduled substance; or
 - (ii) is under the influence of any controlled drug or scheduled substance,and, for the purposes of this subparagraph —
“**consume**” includes eat, drink, smoke, sniff, inhale, absorb, suck, chew, inject, use and destroy;
“**controlled drug**” means a drug listed in Schedule 1 to the *Misuse of Drugs Act (2017 Revision)*; and
“**scheduled substance**” means a substance specified in Schedule 3 to the *Misuse of Drugs Act (2017 Revision)*;
 - (d) is under the influence of alcohol or a drug which has a deleterious effect on the staff member’s ability to carry out the staff member’s duties;
 - (e) is absent from work without approval from that staff member’s appointing officer;
 - (f) has refused to submit to a medical examination required pursuant to these Regulations; or

- (g) has conducted himself or herself in such a manner as clearly to demonstrate that the employment relationship cannot reasonably be expected to continue.”.

Repeal and substitution of regulation 40 - suspending and dismissing staff for gross misconduct involving criminal activity in the workplace

9. The principal Regulations are amended by repealing regulation 40 and substituting the following regulation —

“Discipline for inadequate performance

- 40.** (1) Where an appointing officer considers that a staff member is not performing the staff member’s duties in a satisfactory manner (compared to the staff member’s performance agreement), the following procedures apply —
- (a) prior to the issuance of any written warning, the appointing officer shall provide a statement to the staff member setting out the performance concerns and allow the staff member a reasonable period of time to respond to the concerns orally or in writing;
 - (b) if, after the process specified in subparagraph (a) has been completed, the appointing officer determines that there are no grounds to continue with a disciplinary process, the appointing officer shall close the matter, and so advise the staff member in writing;
 - (c) if, after the process specified in subparagraph (a) has been completed, the appointing officer determines that the performance of the staff member is unsatisfactory, the appointing officer may give the staff member a written warning specifying —
 - (i) the particulars of the unsatisfactory performance;
 - (ii) the action the staff member is expected to take to improve the staff member’s performance; and
 - (iii) the action that may be taken if the performance does not improve within a stated period of time not less than one month from the date of the written warning.
- (2) Where a staff member, having received a written warning under paragraph (1)(c), does not during the period specified in the written warning commence performing the staff member’s duties in compliance with the performance agreement, the appointing officer may —
- (a) issue a further warning to the staff member;



- (b) take such other action as is specified in the prior written warning; or
 - (c) dismiss the staff member in accordance with regulation 41(2) where the inadequate performance is significant.
- (3) For the purposes of these Regulations, significant inadequate performance includes —
- (a) inadequate performance continuing over an unreasonable period of time; or
 - (b) an act of inadequate performance that is so serious that a repetition cannot reasonably be tolerated.”.

Repeal and substitution of regulation 41 - suspending and dismissing staff for gross misconduct involving criminal activity outside the workplace

10. The principal Regulations are amended by repealing regulation 41 and substituting the following regulation —

“Dismissal

41. (1) Pursuant to regulation 39, an appointing officer may forthwith terminate the employment of a staff member where the staff member has committed an act of gross misconduct or a further act of misconduct, of any nature, within twelve months of receipt of a prior written warning for serious misconduct.
- (2) Pursuant to regulation 40, an appointing officer may forthwith terminate the employment of a staff member where the staff member has continued to demonstrate significant inadequate performance following receipt of one or more written warnings.
- (3) An appointing officer may forthwith terminate the employment of a staff member for some other substantial reason of any kind which would entitle a reasonable employer to dismiss a staff member holding the position which the employee held, including where the staff member could not continue to work in the position that the staff member held without contravention (on the part of either the staff member or the employer) of a requirement of this or any other law.”.

Repeal of regulation 42 - dismissing staff for serious misconduct or significant inadequate performance

11. The principal Regulations are amended by repealing regulation 42.

Amendment of regulation 51 - grievance procedures

12. The principal Regulations are amended in regulation 51(1) by deleting the chapeau and substituting the following chapeau —

“The Head of the Civil Service shall establish and publish procedures for addressing grievances across the Civil Service, and those procedures shall be based on the following —”.

Amendment of Schedule 1 - standard terms and conditions of employment

13. The principal Regulations are amended in Schedule 1 as follows —

- (a) in paragraph 1(1) by inserting after the words “this Schedule” the words “, as applicable”;
- (b) in paragraph 2 —
 - (i) by deleting the heading “**Attendance**” and substituting the heading “**Hours of Work and Attendance**”; and
 - (ii) by repealing subparagraph (5) and substituting the following subparagraph —

“(5) A staff member who is absent from work without approval from that staff member’s appointing officer shall not receive remuneration for the period of the unauthorized absence; and the period of unauthorized absence shall be deemed misconduct and may constitute serious or gross misconduct subject to discipline or dismissal pursuant to regulation 39.”;
- (c) in paragraph 5(1) —
 - (i) in subparagraph (e) by inserting after the words “position worked;” the word “and”;
 - (ii) in subparagraph (f) by deleting the words “the course; and” and substituting the words “the course.”; and
 - (iii) by repealing paragraph (g);
- (d) in paragraph 8 —
 - (i) by deleting the heading “**Discretionary leave**” and substituting the heading “**Discretionary Leave and Required Leave**”; and
 - (ii) by repealing subparagraph (2) and substituting the following subparagraph —

“(2) The appointing officer may require an employee to go on Required Leave for a period not exceeding 30 days, where the appointing officer considers it to be in the public interest for the employee to do so, or to facilitate an internal investigation, and that leave shall be leave on full pay; but, where the appointing officer determines that an employee should be required to go on Required Leave for a period exceeding 30 days, the additional days may only be granted with the approval of the Head of the Civil Service.”;



- (e) in paragraph 13 —
 - (i) by repealing subparagraph (1)(c) and substituting the following subparagraph —
 - “(c) submit to —
 - (i) a medical examination by a medical practitioner selected or approved by the Chief Medical Officer following the request of that employee’s appointing officer for the purpose of establishing that employee’s fitness for duty or to test for excessive blood alcohol or use of illicit drugs; and
 - (ii) random alcohol or drug testing at the request of that employee’s appointing officer.”; and
 - (ii) by repealing subparagraph (2) and substituting the following subparagraph —
 - “(2) Failure to comply with these conditions of employment shall be treated as misconduct and shall give rise to disciplinary action or dismissal pursuant to these Regulations.”;
 - (f) by repealing paragraph 17; and
 - (g) by repealing paragraph 20(3)(a) and (b) and substituting the following subparagraphs —
 - “(a) dismissal for gross misconduct under section 44(4) of the Act and these Regulations;
 - (b) serious misconduct or significant inadequate performance under section 44(4) of the Act and these Regulations;”.

Amendment of Schedule 3 - performance-related remuneration

- 14.** The principal Regulations are amended in paragraph (f) of Schedule 3 by deleting the words “and regulation 42” and substituting the words “and these Regulations”.

Transitional provision

15. Every disciplinary matter, process and proceeding commenced under a provision repealed or amended by the Personnel (Amendment) Regulations, 2025 and pending or in progress immediately before those Regulations came into force may be continued, completed and enforced as if the Personnel (Amendment) Regulations, 2025 had not come into force.

Made in Cabinet the 17th day of December, 2025.

Kim Bullings
Clerk of the Cabinet

