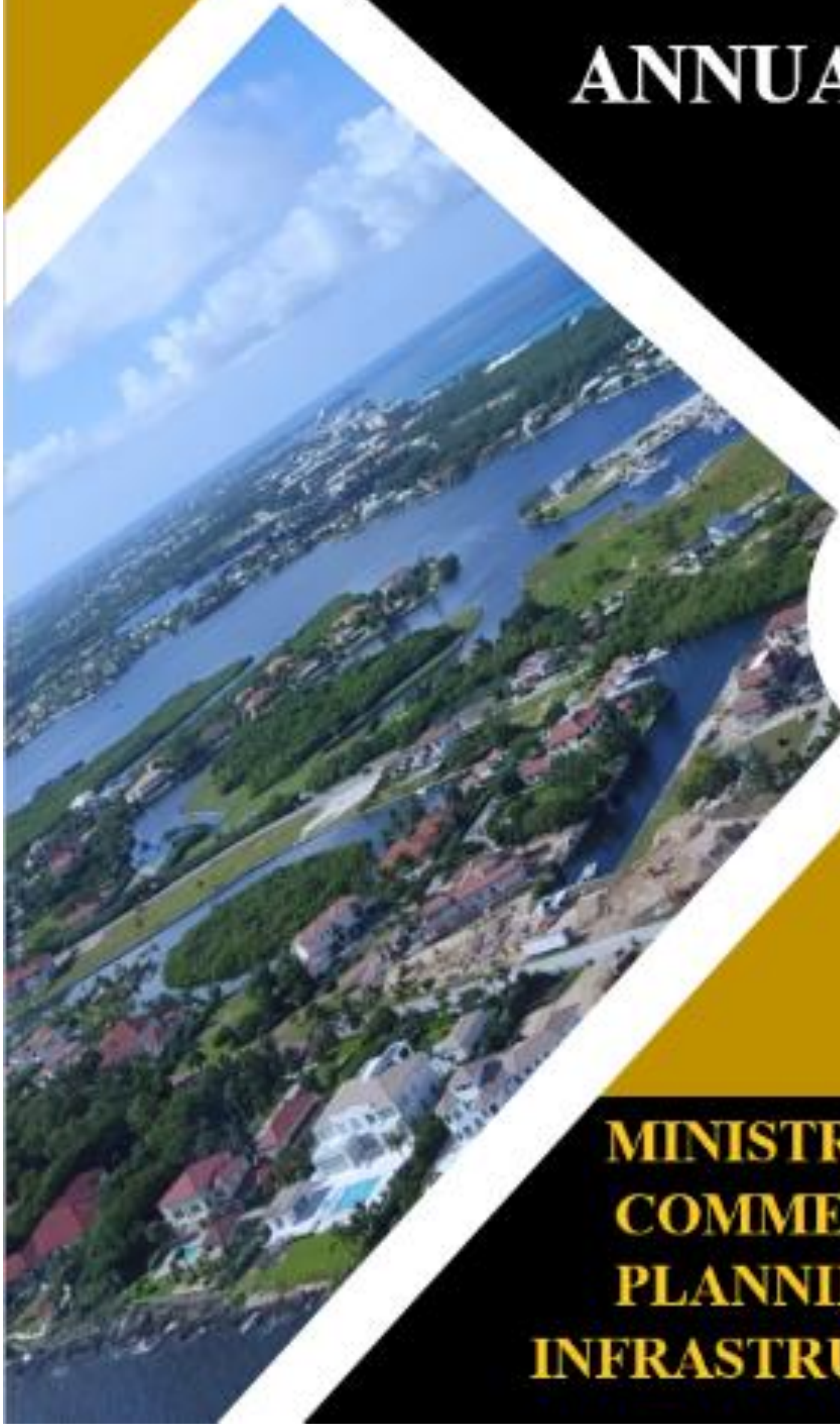
# 2016-17

# ANNUAL REPORT



INVESTING FOR THE FUTURE

## MINISTRY OF COMMERCE, PLANNING & INFRASTRUCTURE

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## Foreword

This Annual Report is for the Ministry of Commerce, Planning & Infrastructure (CPI). The report outlines the Ministry's performance during the period from July 1st, 2016 to December 31st, 2017 in comparison to that which was outlined in the Ministry's budget for the corresponding period.

The requirement for an Annual Report is prescribed under section 44 of the Public Management and Finance Law (2017 Revision) ("PMFL"). Section 44 states:

> *An annual report of a ministry or portfolio shall be presented to the Cabinet for review within four calendar months after the end of each financial year.*
>
> *(2) The annual report shall set out the performance of the ministry or portfolio and compare it with that set out in the budget statement (including any amendments thereto) for that financial year*

This annual report complies with the requirements of the PMFL and covers three main areas:

- Service Delivery;
- Financial performance; and
- Governance.

The service delivery section outlines the interventions carried out by the Ministry of CPI in furtherance of the Government's policy outcome goals. It also provides commentary which explains material variances in performance when compared to budget.

The financial performance section shows the financial resources the Ministry was afforded in the 2016-17 budget and the inputs purchased to provide services. The financial performance is presented in the form of financial statements prepared in accordance with International Public Sector Accounting Standards (IPSAS), and supporting notes to those financial statements.

The report also includes a section on Governance which outlines the Ministry's efforts in the areas of risk management, audit, freedom of information and answers to parliamentary questions.

# Table of Contents



## Report Guide

This report has been prepared in accordance with the requirements stipulated in the Public Management and Finance Law (2017 Revision) for Ministries and Portfolios.

## Overview

This chapter summarizes the Ministry's overall responsibilities, describes the functions and activities of the Ministry, and shows the Ministry's organisational structure.

## Achievements

The Ministry's accomplishments are grouped according to core segments, and detailed explanations on key objectives achieved over the period are provided.

## Human Resources Management

This section reports on key information and statistics relating to the Ministry's work force.

## Financial Statements

This section includes the Auditor General's report, a Management Discussion and analysis of the financial results for the Ministry over the period, and the corresponding statements of Financial Position, Performance and Net Worth.

## Appendices

This chapter summarizes major laws impacting the departments within the Ministry and other information regarding risk and requests under the Freedom of Information framework.

## Output Index

This section lists the Outputs for the Ministry, and the associated page reference.

## Glossary of Terms

This section provides definitions and explanations for abbreviations.

## Contact Information

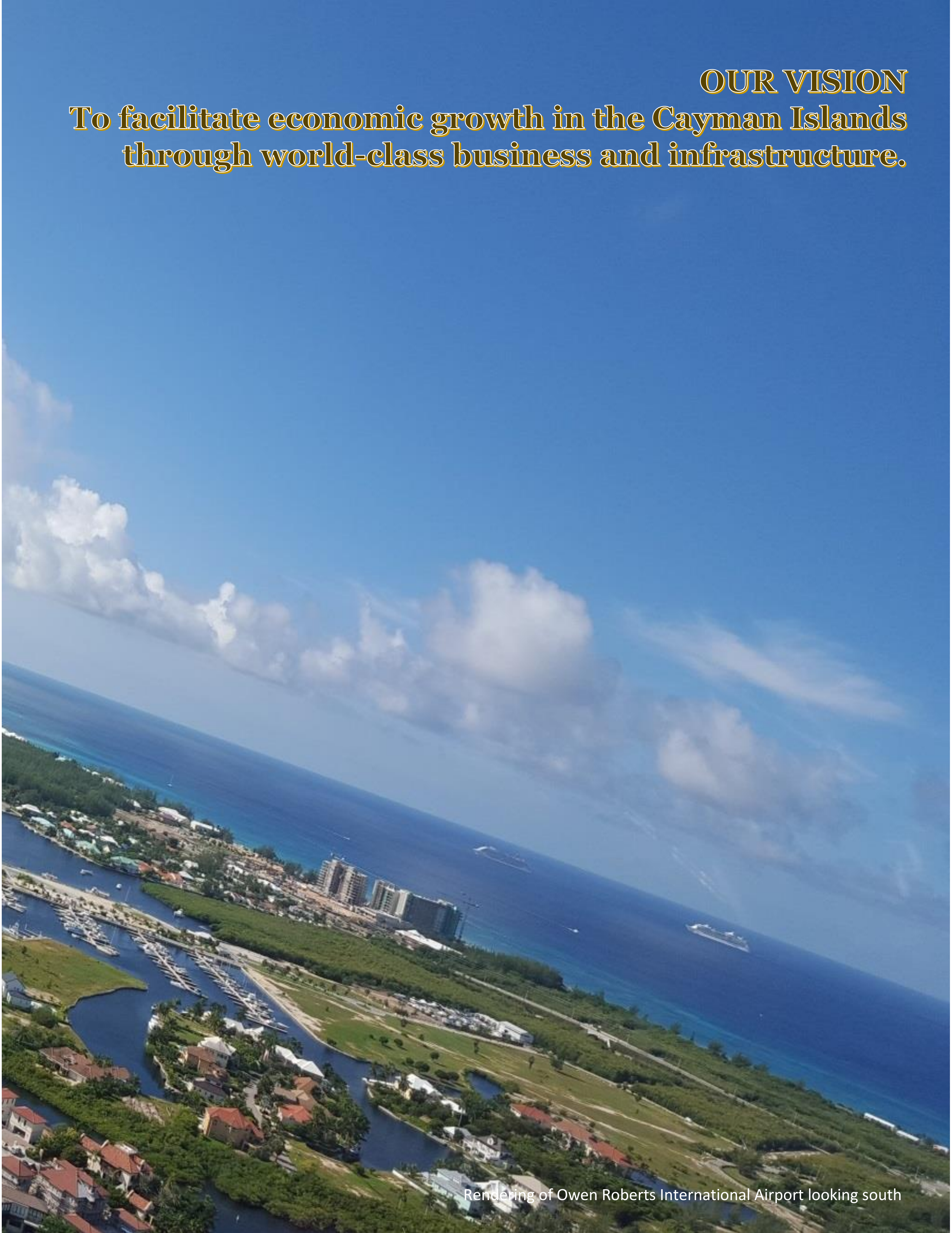
Telephone and website information is provided for each department under the Ministry.

# OUR PURPOSE

**To provide efficient and effective services relating to commerce, infrastructure and the management of information systems, on behalf of the Government.**

# OUR VISION

## To facilitate economic growth in the Cayman Islands through world-class business and infrastructure.



Rendering of Owen Roberts International Airport looking south

# Message from the Minister

***"The torch has now been passed to my generation; it is a responsibility I humbly accept as we work collectively to prepare our country and its infrastructure for the generation that follows."***

I am pleased to present the 2016-17 Annual Report for the Ministry of Commerce, Planning & Infrastructure. This year's report is themed "Investing for the Future", and it captures the essence of my Ministry's focus for the 18-month period ended December 31st, 2017.

Our modern conveniences, technology, infrastructure, commerce, and workforce were borne from the ideas, forward thinking, and investments of those who came before us. Through their actions, a strong foundation was built, from that foundation, we were able to build our economy and the way of life we enjoy today.

The torch has now been passed to my generation. It is a responsibility I humbly accept as we work collectively to prepare our country and its infrastructure for the generation that follows.

A strong infrastructure is the backbone of a healthy economy; it facilitates commerce, protects our Island from increasingly fierce natural disasters, creates opportunities, and connects us to the world, and to each other. Through its development, we are investing for the future by provisioning the requisite resources and tools to fuel economic growth.

The construction industry plays a vital role in our economy. The introduction of the Builders Law in 2017 will elevate industry standards and provide consumers with greater confidence when employing contractors. The law also levels the playing field for market players by ensuring compliance with regulatory requirements for insurance, retirement contributions, and competency.

In 2016-17, we also updated our local building codes to take advantage of advancements in building technologies, improve the resilience and safety of local construction, and modernize the specification for certain types of materials used in construction. These measures are a core component of the government's efforts to protect our citizens, ensure our economy can rebound effectively following the passage of a natural disaster, and facilitate commerce.

Through engagement and feedback from the construction industry, the Department of Planning have been working to elevate efficiency standards by accelerating planning review and approvals, the inspection process, and the overall way the public engages with the Department.

This increases industry productivity through faster decisions and fewer hours spent queuing at our various departments to access services. Consequently, in 2016-17, the Department granted approximately $864.4 million in planning permissions, performed over 14,900 inspections and conducted over 15,400 plan reviews. These efforts provide tremendous stimulus to the local economy by providing jobs and support for local businesses.

I've been particularly impressed by the transformation carried out in the management of major public-sector projects. These changes have improved overall value-for-money governance and the management of risks which have previously contributed to project failures, cost overruns and delays in largescale construction projects.

Our Major Projects Office (MPO) is presently managing government's investment in infrastructure projects that will enhance our tourism products through improvements at the Owen Roberts International Airport and the construction of a new berthing facility for cruise lines.

The MPO is also managing the construction of an Integrated Solid Waste Management System (ISWMS), a Long Term Residential Mental Health Facility, the Completion of the John Gray High School and several planned improvements to public facilities that will transform the landscape of the Cayman Islands.

Through e-Government initiatives, my Ministry is supporting governments' efforts to improve cyber-security, build infrastructure resilience and deliver faster more cost-efficient services to the public. These initiatives have transformed the way several of our agencies now do business and is a key strategy to mitigate the increasing demand for public services.

The licensing and regulatory regime for small businesses have seen several improvements in

2016-17. These stem from the government's pro-business policies which are designed to support small and medium-sized enterprises through the removal of barriers to entry for local entrepreneurs, conducive policies, and efficiency improvements at the Department of Commerce and Investments.

Looking ahead, I am positive and optimistic about the raft of service and product improvements that are slated for completion over the next fiscal year. In 2018 we will be completing the expansion to the Owen Roberts International Airport, bringing greater interoperability and efficiencies to the way government delivers services, and introducing new policies and initiatives to promote and support our business community.

The market is bullish. We are investing for the future and I would invite everyone to buy shares in Cayman Inc. as we continue to build our economy and our infrastructure for the benefit of present and future generations.

Sincerely

**Hon. Joseph Hew, MLA**
Minister of Commerce, Planning & Infrastructure

# Message from the Chief Officer

I am pleased to provide the 2016-17 annual report for the Ministry of Commerce Planning and Infrastructure for the fiscal period July 1st, 2016 to December 31st, 2017.

The report outlines the Ministry's efforts to invest in the future through the promotion of commerce, prudent planning, and infrastructure development. It also provides accountability for the financial resources afforded to the Ministry for the fiscal period covered.

The 18-month budget period covered by this report was a remarkable one for CPI. Our work was punctuated by a myriad of key accomplishments. Great emphasis was placed on meeting the Government's key objectives and there was considerable success in that regard.

I am therefore pleased to share the success stories in many of our subject areas where those efforts have borne fruit in 2016-17.

"Investing for the future" is a theme embraced in all areas of the Ministry's work. In the Department of Commerce and Investment, we have made significant gains to support business development by promoting consistent industry standards, improving the efficiency of our internal processes, and educating and supporting small businesses. We've also introduced an express component for many of our services, which will provide faster decisions for license grants and renewals.

The Department of Planning has also made significant investments to transition several services online, reduce inspection times, and support the development of the construction industry. Through the introduction and development of its first-class Online Planning System (OPS) the Department can now receive applications online, review those applications, collect fees and provide responses, all without the need for customers to physically visit our offices.

Significant efforts were also carried out in 2016-17 to support the introduction of the new Builders Law and Builders Board. Staff engaged with and supported the industry through training, press releases, and additional resources to answer questions and clarify concerns.

Our Public Works Department received a 98% customer approval rating from a widespread customer satisfaction survey. The Department's apprenticeship programme was also recognized by the Cayman Islands Society of Human Resources as the best apprenticeship programme on the island. This programme was delivered as a cross-agency collaboration without additional budgetary support, which is a testament to the hard work and dedication of all involved.

Through the work of our Major Projects Office, PWD was also able to address many of the concerns raised by the Office of the Auditor General in its 2015 report, which examined

*“Improvements in customer service standards by leveraging technology to deliver faster services while reducing manpower requirements have been a crucial component of the Ministry’s overall strategy.”*

government’s management of major public sector projects. The methodology the Department developed is now firmly embedded in our public sector by way of Cabinet directive, and is serving to support our partner agencies with the development and management of over half a billion dollars in construction projects.

Through the efforts of our e-Government Unit, 25% of requests for police clearance certificates are now processed online, and the number of persons engaging the Vehicle Licensing Department through its online portal has increased by over 50%.

Caymanian staff account for approximately 85% of the total complement in our Ministry. This ratio is significantly higher than the civil service average, and is expected to improve as we continue to develop and promote Caymanians through active succession planning and training.

The Ministry was fiscally prudent in 2016-17, and was able to deliver services within budget. Any savings identified were redirected into the provision of other key deliverables.

I am fortunate to work with a great team of inspired and dedicated individuals and I hereby offer sincere thanks to them all.

Yours sincerely,

**Alan Jones**
Chief Officer for the Ministry of Commerce, Planning & Infrastructure


# General Information

# Nature & Scope of Activities

## General Nature of Activities

The Ministry of Commerce, Planning and Infrastructure (CPI) funds, develops, and monitors the implementation of policy, legislation and services in the areas of commerce, management of information systems, and infrastructure.

## Scope of Activities

- Provision of Support of Infrastructure
- Commerce, e-Government and Information Technology
- Planning and Development
- Support Services for the Whole of Government

## Departments and Units that fall under the Ministry

- Ministry Administration
- Department of Planning
- Facilities Management
- Public Works Department
- Department of Vehicle & Drivers’ Licensing
- Department of Vehicle & Equipment Services
- Computer Services Department
- Department of Commerce & Investment
- E-Government Unit

## Authorities, Boards and Committees under the Ministry

- National Roads Authority
- Electrical Trade Licensing Board of Examiners
- Central Planning Authority
- Planning Appeals Tribunal
- Development Plan Tribunal
- e-Government Steering Committee
- Trade and Business Licensing Board
- Liquor Licensing Board
- Special Economic Zone Authority
- Builders Board
- Road Assessment Committee
- Film Control Board
- Trade and Business Appeal Tribunal

Our Highlights

# 2016-17

Best Training Program

**5** PWD employees received internationally recognized City & Guilds certifications.

**Anti-money laundering workshop** held by the Department of Commerce and Investment, for non-financial business such as jewelers and real estate companies.

Thanks to the E-Government Unit, **police clearance certificates** can now be requested online.

The Department of Planning granted planning permission for 1,582 projects during the period, valuing over **$860 million**, which is double the value of projects approved during the previous period.

Public Works Department awarded **'Best Training Programme in the Cayman Islands'** for 2017 by the Cayman Islands Society of Human Resource Professionals.

**98%** of customers surveyed by the Public Works Department in 2017 reported being satisfied or more than satisfied on maintenance service provision

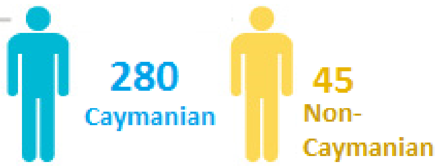
Department of Vehicle & Equipment Services **renovations underway**. Improvements to the garage will improve workplace conditions and efficiency.

Over **16,000** new Electronic vehicle license plates issued by the Department of Vehicle & Drivers' Licensing.

The Department of Commerce and Investment processed over **13,500** license grants and renewals for regulated entities.

The Computer Services Department's Service Desk raised and disseminated over **21,000 logs** and addressed over **52,000 telephone calls**.

## Staff Demographics

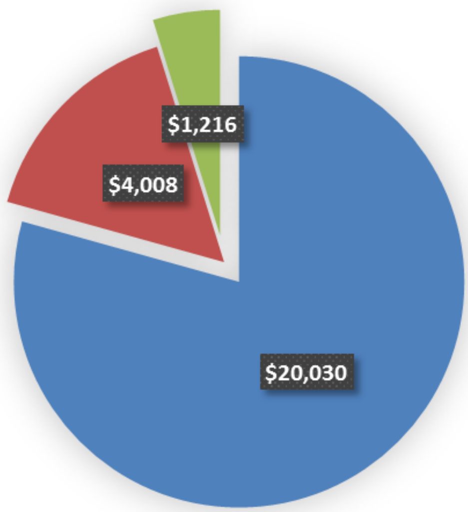



## Revenue

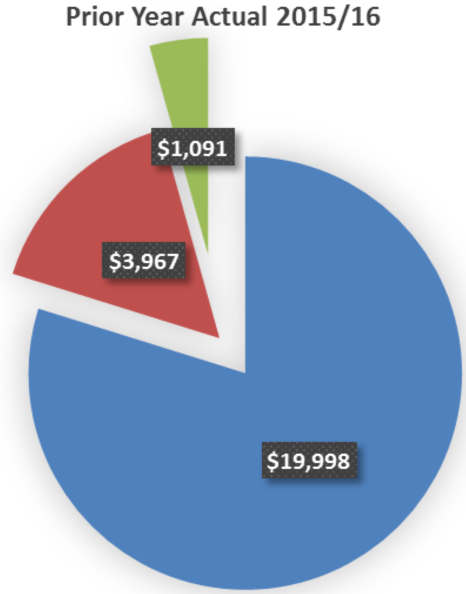

## Personnel Costs

(in thousands)

Twelve Months June 2017

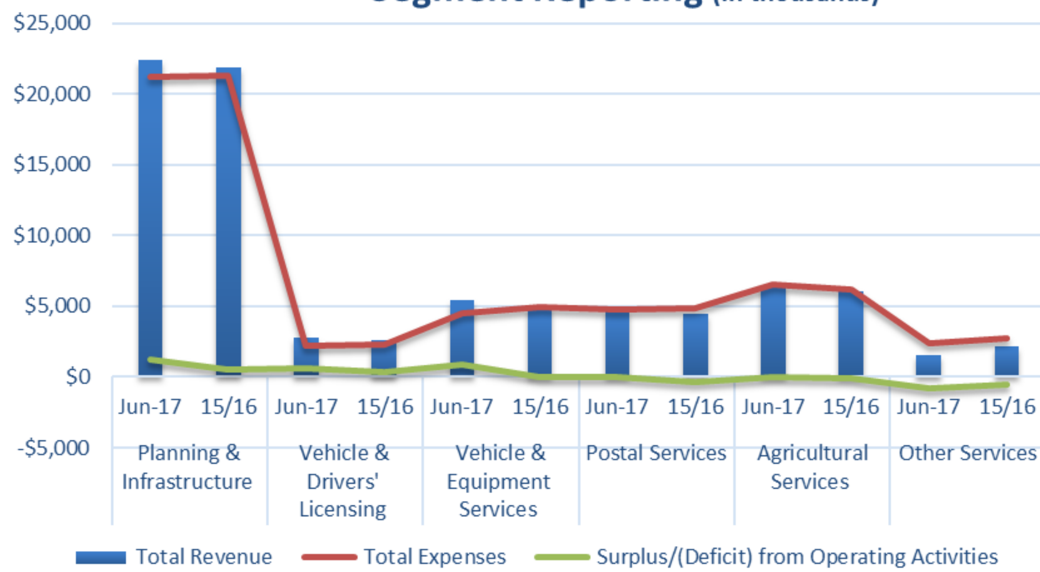



Prior Year Actual 2015/16

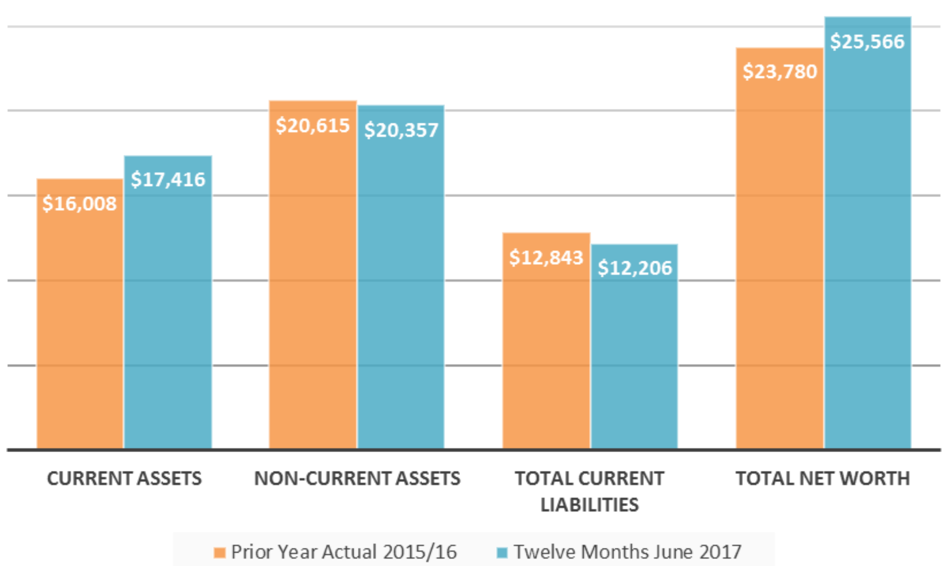



- Salaries, wages and allowances
- Health care
- Other personnel related costs

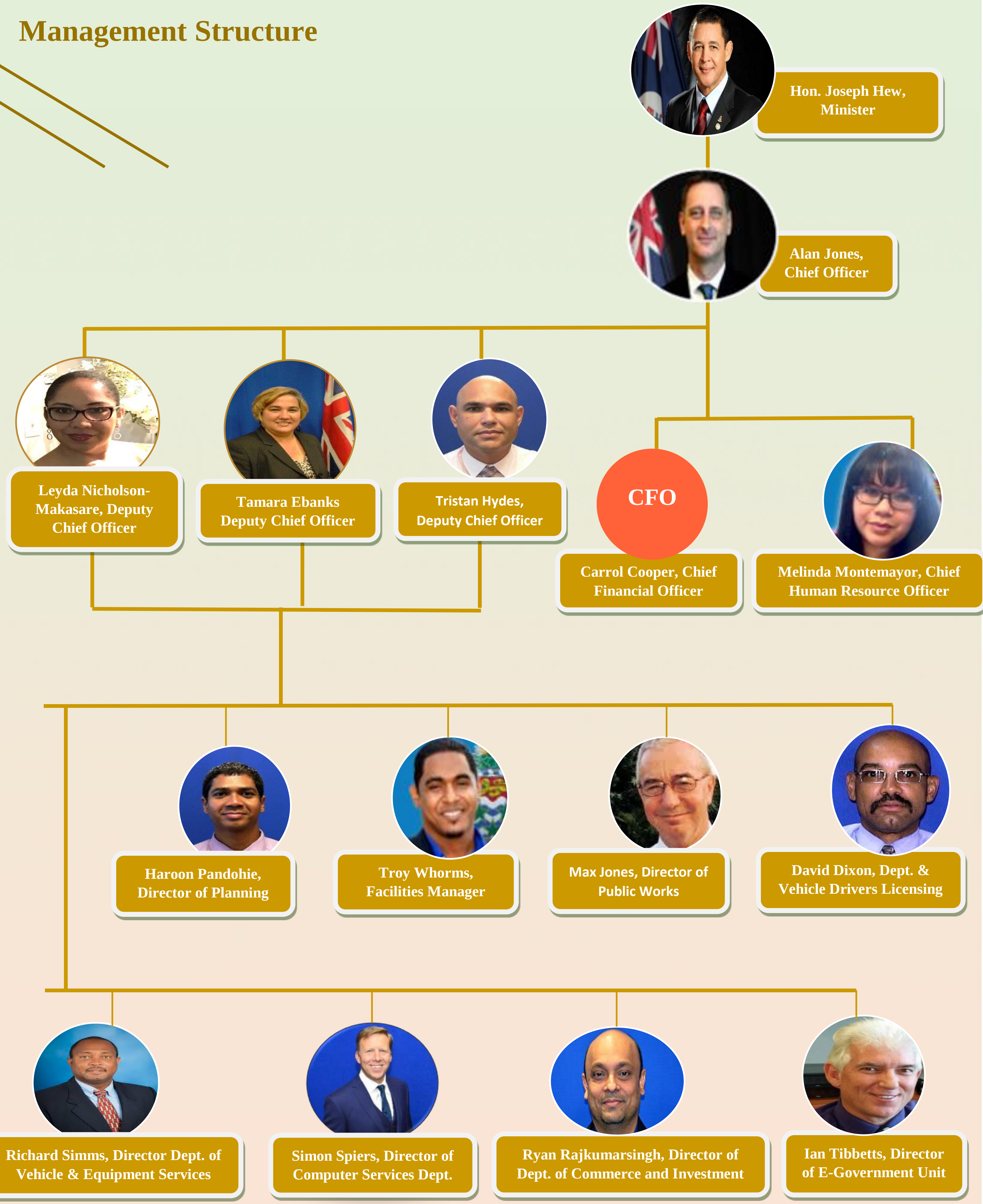
## Segment Reporting (in thousands)




## Analysis of Statement of Financial Position Prior Year Actual 2015/16 & Twelve Months June 2017 (in thousands)



# Management Structure



**‘The achievements of our Ministry are the results of the combined effort of every individual.’**

Possible future configuration of NJGHS Campus

# Strategic Overview

Following the May 2017 general elections, the Ministry has been working to support policy initiatives that support the following four broad outcome goals.

- A strong economy to help families and businesses
- Achieving full employment – jobs for all Caymanians
- Stronger communities and support for the most vulnerable
- Stable, effective, and accountable government

### A Strong Economy to Help Families and Businesses

Supporting a strong economy to help families and businesses touches on all areas of the Ministry's work. However, the principal portion of the work is carried out by our Departments of Commerce and Investment, which works most closely with the business community, and our Department of Planning, which supports and regulates the construction industry, a major pillar in the local economy.

Specific efforts by these agencies in 2016-17 include the introduction of electronic transacting capabilities for the renewal of business licenses, training and support for designated non-financial businesses and professions (DNFBPs), and the promotion of a "one-stop shop" concept which allows persons to apply for police clearance certificates through DCI, as well as the ability to utilize documents on file which have been submitted within the previous six months.

To maintain our position as a reputable jurisdiction in which to conduct business, DCI have also increased its compliance efforts through 514 site visits and the appointment of several key staff to the Department.

Department of Planning have also delivered several improvements which are aimed at strengthening the economy and assisting businesses. The Department issued 1,244 permits during the 1-month period, with a value of $478.2 million, and processed a further 2,145 permits with an estimated value of $355.5 million. The economic stimulus from these projects provided employment opportunities for local families, the sale of goods and services for local businesses, and improved infrastructure for our economy.

By modernizing the local building codes, the Department of Planning seeks to further strengthen our island's infrastructure and its ability to maintain business continuity in the event of a natural disaster. Contractors and professional trade workers were supported during the transition period through seminars and information sessions to share information and address concerns.

### Achieving Full Employment, Jobs for All Caymanians

The National Community Enhancement Project (NICE) and apprentice programmes facilitated by the Public Works Department and the e-Government Unit were key initiatives carried out in support of government's efforts to achieve full employment and jobs for all Caymanians.

The NICE project was managed through the Public Works Department and provided short-term employment opportunities over the Christmas period for unemployed Caymanians.

The programme was run for two weeks before Christmas and one week in January. This was done to provide work for as many participants as possible and to ensure persons were able to receive a financial boost at two of the most critical periods during the year.

The project also provides an opportunity for long-term employment, as seven participants from the 2016 programme were successful in securing jobs with the Department of Environment Health after participating in the project.

The 2017 programme was very successful and resulted in approximately 600 people being put to work for periods ranging from 1 to 3 weeks. Some 24,000 paid hours of work was provided on close to 70 individual projects across the 5 districts, in addition to general work enhancing the GT Landfill, public roadways, and beach accesses.

Heralded as the best **apprenticeship programme in 2017**, the PWD Apprenticeship Program resulted in five young Caymanians being awarded internationally recognized City & Guilds certificates in various construction trades in 2017.

Before this apprenticeship programme, Caymanians could not become certified locally in general construction vocational trades. This limits the opportunities for workers who aspire to enter these industries. The programme provides a structured environment for Caymanians to gain notable international certifications while also providing private sector contractors and PWD with much needed certified construction technicians and supervisors who can meet local construction industry needs.

In 2016-17, our e-Government Unit also supported the development of Caymanians toward full employment by utilizing interns who assisted the Unit with various projects, especially in the areas of cybersecurity awareness, business process reengineering, project management, and development of policies for various projects.

### Stronger Communities and Support for the Most Vulnerable

Through the work of our Major Projects Office, the Ministry is supporting government's efforts to build stronger community and offer support for our most vulnerable. In 2016-17, the Office provided project management services for the development of an integrated solid waste management system to address the sustainability of the island's waste programme and promote a healthier environment. The Office also worked on plans for the completion of the John Gray High School, which will provide badly needed modern, expanded classroom and sporting facilities.

The long-term residential mental health facility supports the government's effort to provide facilities for the most vulnerable and is currently being developed under the aegis of the MPO. When completed, the facility will provide cottage-style accommodations for 54 inpatients in a purposed facility, with the skills and expertise needed to provide appropriate care for the mentally ill.

### Stable, Effective, and Accountable Government

Through the efforts of our Computer Services Department (CSD) and our e-Government Unit, the way government delivers services is being transformed to improve agility, service standards, and efficiency.

CSD currently supports and maintains 41 in-house applications, 6 third-party applications, 71 websites, and core revenue-earning systems that collect approximately CI$650 million per year for the government.

The e-Government Unit worked on developing more synergistic payment solutions, which will serve multiple government agencies and can provide the requisite security and audit trail for payments without the Cayman Islands government recording the credit card details.

The Unit also championed the purchase and installation of a new high availability infrastructure for the core e-Government platforms. This will ensure the availability of appropriate computing infrastructure for future programmes.

To ensure stability, security, and effectiveness, the Unit worked on the development of a sector-wide cybersecurity improvement programme in 2016-17. Through cross-agency collaboration, a current state profile, risk register, a target state profile, and the first iteration of action plans were developed to improve the government's security posture based on the National Institute of Standards and Technology (NIST) cybersecurity framework.

For reporting purposes, the Ministry is divided into 6 key service areas.

1. **Commerce & Investment**

   **The Department of Commerce & Investment** is an economic development agency which focuses on the licensing and regulation of local businesses. The Department plays a key role in Government's policy relating to economic growth and diversification. Our mission is to ensure businesses are properly licensed and regulated through compliance with relevant laws and regulations while fostering an environment that supports teamwork and commitment.

2. **Planning & Infrastructure**

   **The Department of Planning** has responsibility for supporting the Central Planning Authority and the Developmental Control Board in regulating all forms of physical development in the Cayman Islands.

   **The Public Works Department** (PWD) is the Government's principal advisor on matters relating to public buildings and their facilities. The department provides project management, construction management, construction activities, architectural, quantity surveying and MEP consultancy services for building related projects, and also the provision of repair and maintenance services to Government properties as requested by Client Agencies.

   **Facilities Management** maintains all operations at the Government Administration Building including security, fit-outs, janitorial, maintenance and other aspects. The building houses over 800 Government workers including the Premier and members of Cabinet. In addition, Facilities Management oversees Civic Centers and Community Centers and is a key member of the Government's Continuity of Operations Subcommittee.

3. **Information Technology & e-Services**

   **The Computer Services Department** is the central IT department of CIG. Collectively, CSD provides IT business, security, and technical solutions that support the operations of a multitude of public service entities. The majority of CSD's customers are locally distributed across the three islands with additional customers located in the United Kingdom. CSD offers application and web development, enterprise IT infrastructure services, an IT service desk including a call center, IT procurement and desktop support services (including mobile services). Security and IT governance is layered across all the other services.

**The E-Government Unit s**erves to improve customers' experience, by reducing the time and costs of service delivery through the provision of online services for a suite of public sector agencies.

**4. Vehicle & Drivers' Licensing Service**

The **Department of Vehicle and Driver's Licensing** was established under the Traffic Law with overall responsibility to:

- inspect and test vehicles;
- register motor vehicles and maintain the register;
- issue licences in respect of motor vehicles and drivers;
- conduct driving tests; and
- perform such other functions as may, from time to time, be prescribed.

**5. Vehicle & Equipment Services**

The **Department of Vehicle & Equipment Services** (DVES) provides Fleet Management Services to the Cayman Islands Government's fleet of vehicles and equipment including:

- Preventative Maintenance and Repairs
- Acquisition and Disposal of Fleet
- Sale of Fuel
- Technical Advice on Vehicle related matters
- Maintenance of Transport, Generator and Vehicle repair capacity during emergencies

6. **Ministry Administrative Services**

The Ministry's Administration Department is the corporate arm of the Ministry with responsibility for legislative planning, research, policy development, strategic planning and ministerial servicing.

In addition to providing leadership functions in the core areas of HR and Finance, staff in the Ministry also represent central Government on the various Boards and Statutory Authorities that fall under the Ministry's remit.

Ministry Administration is also responsible for maintenance and administration of the temporary housing units and oversight of several special projects. These special projects include: The National Energy Policy, Future of Cayman, the Caribbean Week of Agriculture and the Utilities Commission Report.

# Commerce & Investment

# LEADERSHIP

**Ryan Rajkumarsingh, Director, Department of Commerce & Investment**

Investing for the future through the promotion of sustainable economic growth that creates jobs and opportunities for Caymanians.

## Overview of Key Achievements and Highlights during 2016/17

The Cayman Islands enjoy a well-regulated business community. The sector has grown exponentially in recent years following increased focus on the development of small businesses through incentive programmes. The primary role of the Department of Commerce and Investment (DCI) is to act as an economic development agency through the licensing and regulation of the business industry and the promotion of economic growth and diversification.

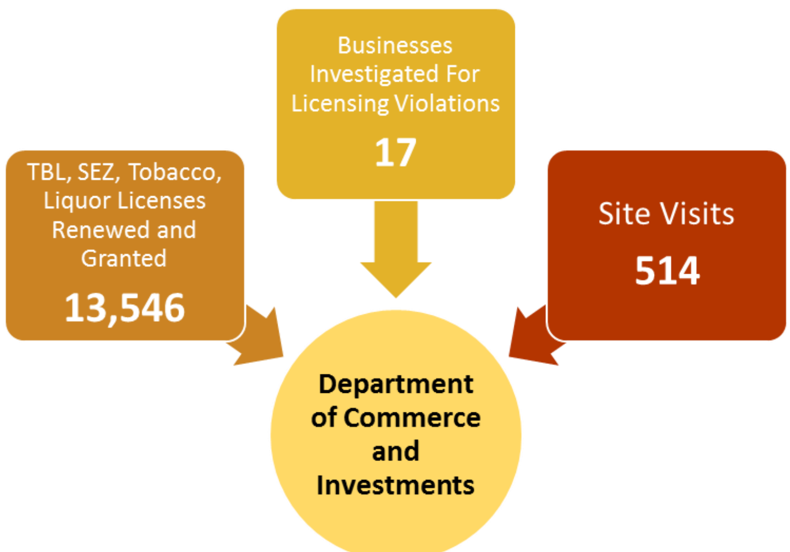
In 2016-17, focus was maintained on the use of technology as a driver to accelerate processes, improve customer service, and reduce consumables. During the 18-month period, the Department processed over 13,500 license grants and renewals for regulated entities.

Whilst continuous efforts are made to process in-person applications as efficiently as possible, the reality is, hundreds of hours of productivity are lost each year by customers who visit our offices to complete a transaction, and hundreds of hours of staff time are used to facilitate those transactions.

We have therefore been resolute in our efforts to promote and embrace e-Government initiatives by adding more services and information online.

Our efforts in 2016-17 have improved operations for our customers and our Department. As an example, processes for the application or renewal of a Trade and Business License, which previously took up to 3 months, have now been reduced to 2 to 3 weeks. Licenses and notices are now dispatched electronically, providing our customers with more timely information and removing the need to print and post licenses via the local mail.

DCI promotes the concept of a one-stop-shop; we've therefore taken steps to improve the convenience of our customers through our ability to facilitate the application for a police clearance certificate through our Department. We've also instituted processes which will allow customers who need to submit multiple applications to utilize the information they already hold (if it is within six months).




Another significant improvement during the fiscal period was the establishment of a Standard Operating Manual for licensed liquor premises. This manual clarifies operating parameters and the expectations of all licensees unless they are granted special dispensation.

In 2016-17, we also introduced an express service that guarantees a decision on certain applications within five business days. This has been welcomed by the business community and has generated over $100K in additional revenue for the Department.

Part of the Department's remit is to promote industry compliance with licensing requirements. DCI has enhanced its activities in this area by carrying out over 514 site visits during the 18-month period and has responded to every complaint received. At the close of the fiscal period, there were 17 active case files involving investigations for alleged license violations.

The Department has also worked to strengthen efforts to combat money laundering and terrorist financing. This entailed an education campaign for designated non-financial businesses and professions (DNFBPs). Our education programmes focused primarily on sharing information on industry requirements to meet the islands' standards for anti-money laundering and combatting the financing of terrorism.

To further build capacity in the compliance and enforcement area, the Department was pleased to welcome Mrs. Claudia Brady in March of 2016 as the new Head of Compliance and Enforcement. Her duties include managing investigations under commerce-related laws, such as the Trade and Business Licensing, Local Companies Control, Liquor Licensing, Music and Dance, and Film Exhibition Control Laws. Mrs. Brady will also monitor the activities of Designated Non-Financial Businesses and Professions.

The Department also welcomed Senior Compliance Officer Ms. Jessie Melbourne in 2016. Ms. Melbourne will work primarily to ensure DCI operates in line with the parameters of internal policies and regulatory requirements and confirm that proper due diligence is gathered on business owners.

To bring further clarity to the industry, the Department has expanded the classification of some 650 different types of businesses that were previously classified as "other". The expanded classification will aid policy decisions by providing an in-depth view of the various segments in the local business economy. This will enable the government to make targeted interventions to promote commerce and support businesses where necessary.

Looking ahead, the Department will be striving to further reduce the processing time for Trade and Business renewals. Through delegations from the board, renewals will now be administratively processed with an estimated turn-around of no more than seven business days.

More processes will be available online, including the ability to submit applications. Individuals will also be able to query the status of a company's license by simply searching our online database.

DCI has firmly supported the theme of this year's annual report through strategic investments to improve our services in support of future growth.

# Output Performance in 2016/17

## Department of Commerce & Investment

DCI 13: Licensing, Monitoring and Enforcement of Specific Business Types

| | | | | |
|---|---|---|---|---|
| **DCI 13** | **License, Monitor and Enforcement of Specified Business Types** | | | |
| **Description** | To allow for appropriate activity that meets specified minimum standards and to combat illegal activity | | | |
| **Measures** | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | **Actual** | **Budget** | **Variance** |
| **Quantity** | - Business Licences Issued | 11,961 | 6,500-7,500 | 4,461 |
| | - Film Exhibition Premises Licences Issued | 5 | 5-10 | - |
| | - Rating Certificates issued | - | 15-16 | (15) |
| | - Tobacco Permits Issued | 296 | 120-140 | 156 |
| | - SEZ Trade Licences Issued | 200 | 158-200 | - |
| | - Liquor Licences / Music and Dancing Licences Issued | 1,301 | 408-612 | 689 |
| | - Number of businesses investigated for licensing violations(case files) | 17 | 2 | 15 |
| | - Number of Site Visits | 514 | 310-370 | 144 |
| | - Number of DNFBP / SROs Monitored | - | 45-90 | (45) |
| **Cost** | | **$2,265,244** | **$2,265,244** | - |
| **Related Broad Outcome:** | A Strong Economy to Help Families and Businesses | | | |


U LICENCE YOUR BUSINESS,WE ALL WIN!


Coke
SAMONE
RENEE
LOLITA
DCI
DEPARTMENT OF COMMERCE & INVESTMENT
CURRENT LAWS & REGULATIONS

# Planning & Infrastructure

- DEPARTMENT OF PLANNING
- PUBLIC WORKS DEPARTMENT
- FACILITIES MANAGEMENT

# LEADERSHIP

**Haroon Pandohie, Director, Department of Planning**

Investing for the future by promoting world class standards for the construction and development of the Cayman Islands.

**Max Jones Director, Public Works**

Investing for the future through the management of infrastructure development, training, emergency response readiness and elevation of standards for the built environment.

**Troy Whorms Facilities Manager**

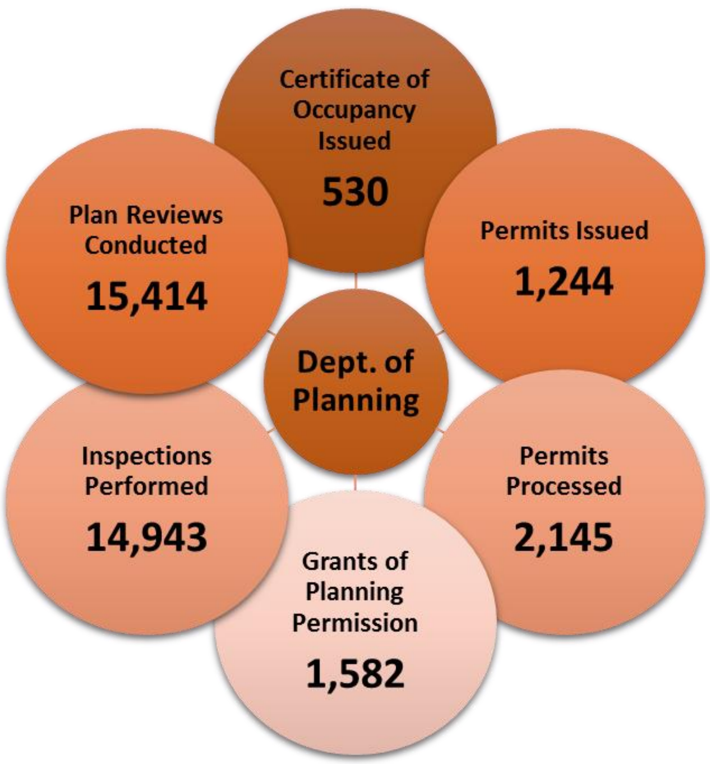
Investing for the future through the safe and efficient management of public facilities.

### Department of Planning

Several industry initiatives were outlined in the 2015-16 annual report for the Depart of Planning (DoP). Those initiatives were primarily to update existing building codes (which were over 17 years old), bring greater conveniences to our customers through online processes, enhance industry regulation through the Builders Board, and improve efficiencies through the deployment of multi-disciplined officers.

I am pleased to report that in 2016-17 those initiatives came to fruition, bringing many of the promised conveniences to our customers and the building industry.

In December of 2016 the new building codes were implemented, which moved the Cayman Islands from the old 1999 code to the 2009 building codes and the 2014 national electrical code. The building codes set minimum standards that structures must meet to be approved for occupancy.




The premise of the building code is to protect against threats to public health and safety that are caused by substandard construction. The codes require buildings to be structurally sound, wind- and pressure-resistant for up to category 3 hurricanes, and able to withstand seismic events (earthquakes) up to a certain threshold.

The codes require the buildings to be designed so that if there is a fire, occupants can get out in a timely manner.

To facilitate the transition to the new codes, the DoP engaged with professional groups such as the Cayman Society of Architects and Engineers, Electricians, and the Cayman Contractors Association. This helped to address concerns and clarify some of the requirements under the new code.

The expansion of our Online Planning System (OPS) was one of our headline achievements in 2016-17. It enables our customers to electronically submit plans and to apply and pay for permits online. Staff can now also electronically review plans and provide electronic feedback to customers. This reduces the requirement for contractors to leave their jobsites for the purpose of submitting and collecting planning documents.

A previous significant source of client frustration was the misplacement of their drawings or submitted documents. With our new electronic processes, lost documents are a thing of the past, and we can now measure and monitor the progress of applications as they traverse our internal processes.

Improved compliance is another benefit of the new electronic processes. Once a license expires, the system will automatically notify users that the party submitting the document no longer has a valid license. For ease of convenience, customers can also renew their licenses online to ensure their documents continue to be processed.

In 2016-17, the DoP granted planning permission for 1,582 projects, with a value of some $864.4 million. We also issued 1,244 permits, performed 14,943 inspections, and reviewed 15,414 plans. There were 530 Certificates of Occupancy issued, with an estimated value of $202.3 million.

As the industry grows and activities increase, so too does the need to ensure it is well regulated. In the absence of warranty programmes and consumer protection laws, steps are required to ensure consumers are protected against unscrupulous individuals and substandard workmanship.

In 2016-17, we saw the introduction of the Builders Law and the Builders Board. Both are intended to enhance the regulation of the building industry by offering protection for locally operating builders, as well as for consumers.

The regulations accompanying the new law set standards and guidelines that all businesses must meet to operate in our local construction industry. These measures provide additional comfort to local consumers by setting competency levels for various trades in the Industry and establishing requirements for licensing and insurance. This provides additional avenues to consumers in cases of substandard service from their contractors.

The DoP has also fully transitioned to the use of Combination Examiners. This means, for example, that a single staff member is trained and qualified to review the mechanical, electrical, and plumbing components of a building under construction. This saves the industry time and reduces the need to schedule multiple inspectors for the same job.

A new feature the industry really appreciates is the enhanced communication channels to advise our Department of changes to the work environment. For example, if a General Contractor wishes to change the subcontractors working on a project, they can now make that change online in real-time instead of visiting the Department to file paperwork.

The requirements of the DoP are sometimes viewed as an annoyance by the building industry. However, our building standards must meet requirements for hurricanes, earthquakes, floods, and other natural disasters. Many parts of the world only build to manage the risk for one or two of those types of disasters; in Cayman, we have to build for the potential that we could be hit by three or more.

The resiliency of our construction methods enables more reasonable insurance premiums and shortens the period of recovery following major disasters. Protection of life and property and the security of our community through high building standards is a responsibility all staff members of the DoP take very seriously. We invest today for the security of tomorrow.

In the next fiscal year, the Department will be moving toward the adoption of the 2018 building codes from the International Code Council. We expect these to be fully implemented in 2019. We will also be seeking to move additional services online to meet the evolving needs of our industry and our customers.

## Output Performance

PLN 24: Policy Advice to the Ministry

| PLN 24 | Policy Advice to the Ministry | | | |
|---|---|---|---|---|
| Description | Provide advice to the Minister of Planning Land, Agriculture, Housing and Infrastructure and the Central Planning Authority onpolicy issues related to planning and development throughout the three islands. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | Hours spent on briefings, papers and reports | 3,600 | 3,000-4,125 | - |
| Cost | | **$430,305** | **$430,305** | - |

**Related Broad Outcome:**

1. A Strong, Thriving and Increasingly Diverse Economy
3. A More Secure Community
5. Modern, Smart Infrastructure
8. A Culture of Good Governance
9. Sustainable Development in Cayman Brac and Little Cayman with Sensitivity to the Islands' Unique Characteristics
10. Conservation of our Biological Diversity and Ecologically Sustainable Development
11. A Robust Agriculture Sector Suited to the Needs and Resources of the Country

PLN 27: Process Development Applications. Compiling appeal Briefs for onward transmission to the Ministry of PLAH&I

| PLN 27 | Process Development Applications, Compiling Appeal Briefs for Onward Transmission to the Ministry of PLAH&I | | | |
|---|---|---|---|---|
| Description | The processing of development applications for planning permission. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | - Processing Development Applications Administratively - | 777 | 900-975 | -123 |
| | - Processing Development Applications for consideration by the CPA/DCB | 799 | 675-750 | 49 |
| | - Trade and Business letters | 1,175 | 225-300 | 875 |
| | - Zoning queries | 150 | 75-112 | 38 |
| | - Compiling Appeal Briefs | 12 | 15-19 | -3 |
| Cost | | **$1,214,036** | **$1,214,036** | - |

**Related Broad Outcome:**

1. A Strong, Thriving and Increasingly Diverse Economy
3. A More Secure Community
5. Modern, Smart Infrastructure
8. A Culture of Good Governance
9. Sustainable Development in Cayman Brac and Little Cayman with Sensitivity to the Islands' Unique Characteristics
10. Conservation of our Biological Diversity and Ecologically Sustainable Development
11. A Robust Agriculture Sector Suited to the Needs and Resources of the Country

PLN 28: Enforcement of Planning Laws and Regulations

| PLN 28 | Enforcement of Planning Laws and Regulations | | |
|---|---|---|---|
| Description | Enforcement of planning laws and regulations. | | |
| Measures | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | Actual | Budget | Variance |
| Quantity: Number of enforcement cases opened | 198 | 180-217 | - |
| Cost | **$349,523** | **$349,523** | - |

**Related Broad Outcome:**

1. A Strong, Thriving and Increasingly Diverse Economy
3. A More Secure Community
5. Modern, Smart Infrastructure
8. A Culture of Good Governance
9. Sustainable Development in Cayman Brac and Little Cayman with Sensitivity to the Islands' Unique Characteristics
10. Conservation of our Biological Diversity and Ecologically Sustainable Development
11. A Robust Agriculture Sector Suited to the Needs and Resources of the Country

PLN 30: Processing Building Applications

| PLN 30 | Processing Building Applications | | |
|---|---|---|---|
| Description | Reviewing development applications for compliance with the Building Code for the issuance of building permits and the carrying out of inspections to ensure the compliance with approved plans and certify buildings fit for occupancy. | | |
| Measures | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | Actual | Budget | Variance |
| Quantity: - Number of reviews | 8,467 | 7,500-8,250 | 217 |
| - Number of building permits issued | 1,287 | 1,350-1,425 | -63 |
| - Number of Inspections | 14,446 | 19,500-21,750 | -5,054 |
| - Number of Certificate of Occupancy (CO) issued | 556 | 337-525 | 31 |
| Cost | **$2,853,024** | **$2,853,024** | - |

**Related Broad Outcome:**

1. A Strong, Thriving and Increasingly Diverse Economy
3. A More Secure Community
5. Modern, Smart Infrastructure
8. A Culture of Good Governance
9. Sustainable Development in Cayman Brac and Little Cayman with Sensitivity to the Islands' Unique Characteristics
10. Conservation of our Biological Diversity and Ecologically Sustainable Development
11. A Robust Agriculture Sector Suited to the Needs and Resources of the Country

## PLN 33: Statistical Information

| PLN 33 | Statistical Information | | |
|---|---|---|---|
| Description | Preparation of statistical reports on the details of development applications for the economic analysis by the public and private sectors. | | |
| Measures | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | Actual | Budget | Variance |
| Quantity: Number of statistical information reports | 54 | 37-52 | 2 |
| Cost | **$98,521** | **$98,521** | - |

**Related Broad Outcome:**

1. A Strong, Thriving and Increasingly Diverse Economy
3. A More Secure Community
5. Modern, Smart Infrastructure
8. A Culture of Good Governance
9. Sustainable Development in Cayman Brac and Little Cayman with Sensitivity to the Islands' Unique Characteristics
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## PLN 34: Support to Boards and Committees

**PLN 34** — **Support to Boards and Committee**

**Description:** Provide administrative and technical support to the Central Planning Authority (CPA), Development Control Board (DCB),
Electrical Board of Examiners (EBE), Builders Board (BB) and Development Planning Law and Regulatory Review Committee
(DPL& RRC) to assist them in carrying out their mandates.

**Measures:** 2016/17 - 1 Jul 16 to 31 Dec. 2017

| Quantity | Actual | Budget | Variance |
|---|---|---|---|
| - Number of CPA meeting agendas | 39 | 42-46 | -3 |
| - Number of CPA minutes | 39 | 42-46 | -3 |
| - Number of CPA decision letters | 1,186 | 1,350-1,500 | -164 |
| - Number of DCB meeting agenda | 19 | 36-42 | -17 |
| - Number of DCB meeting minutes | 19 | 36-42 | -17 |
| - Number of DCB decision letters | 106 | 525-600 | -419 |
| - Number of EBE meeting agenda | 15 | 18-22 | -3 |
| - Number of EBE meeting minutes | 15 | 18-22 | -3 |
| - Number of EBE decision letters | 270 | 375-450 | -105 |
| - Number of BB meeting agendas | 25 | 42-46 | -17 |
| - Number of BB meeting minutes | 25 | 42-46 | -17 |
| - Number of BB decision letter/licences issued | 0 | 1,350-1,500 | -1,350 |
| Cost | **$187,877** | **$187,877** | - |

**Related Broad Outcome:**

1. A Strong, Thriving and Increasingly Diverse Economy
3. A More Secure Community
5. Modern, Smart Infrastructure
8. A Culture of Good Governance
9. Sustainable Development in Cayman Brac and Little Cayman with Sensitivity to the Islands' Unique Characteristics
10. Conservation of our Biological Diversity and Ecologically Sustainable Development
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## Public Works Department

In 2016-17, the Public Works Department (PWD) fully embraced the report's theme of investing for the future through targeted initiatives to elevate service standards, deliver additional programmes, develop the next generation of our workforce, and manage projects that will transform the landscape of Grand Cayman.

Resulting from these efforts, our Major Projects Office (MPO) (and the methodology for managing large-scale public sector projects) have now become firmly embedded throughout the Cayman Islands public sector; our customer survey showed a 98% satisfaction rating, and our training programme was voted number 1 by the Cayman Islands Society of Human Resource Professionals (CISHRP).

The following pages expand on some of our key programmes and the achievements of PWD for 2016-17.

> *"The government has improved its project management approach for major capital projects. It has established a centre of expertise, the Major Projects Office within the Public Works Department, and developed a new governance framework that is in line with good practise, to ensure a consistent approach to project management" – Auditor General of the Cayman Islands.*

**Our full-time apprenticeship programme** built on previous gains in this area and was successfully delivered without additional budgetary support. Under this programme, participants are offered full-time employment on a fixed-term contract and mentored through on the job training. They also have access to PWD-sponsored overseas training for the development of supervisory, construction, entrepreneurship, and other soft skills.

Three (3) employees commenced studies in September 2017 at HEART Trust/NTA in Jamaica as part of this programme. Two are in the level 3 Construction Programme and one is in the level 3 A/C Programme. The programme runs for 18 months.

**The part-time apprenticeship programme** is a partnership between the Cayman Islands Further Education Center (CIFEC) and PWD. It provides training opportunities for year 12 students and school leavers in construction trades through the provision of certification and foundation skills.

Under the programme, each trainee is assigned a mentor who coaches him/her in techniques of the trade while on the job. The theory instructor then facilities the trainee in the construction theory related to the skills being taught.

The programme is managed by an inter-department/ministry team and had eight learners in training during 2017. The learners spent three days on the job with mentors and two days studying theory. The course of study leading to certification is internationally recognized by City & Guilds, and participants receive a stipend based on attendance.

Of the 8 participants, 5 received internationally recognized City & Guilds construction vocational certifications in Carpentry, A/C, Electrical, and Plumbing.

By investing in a robust training and apprenticeship programme, PWD not only enhances its own future sustainability by creating a talent pool for future hires, it also provides greater comfort to employers in the private sector who can now be more assured on the technical qualification and skills of employees who graduate from the programme.

The National Community Enhancement Project (NICE) started two years ago with the dual aims of beautifying the physical environment across our three islands and providing short-term employment over the Christmas period for unemployed Caymanians.

The 2017 project was delivered by phasing the workers into tranches of approximately 200 per week to allow the Department of Environment Health, National Roads Authority, and Public Works Department to operate crew sizes that could be effectively managed.

Everyone who worked on the project was employed as temporary contractors and was therefore covered by public liability insurance. They were provided with basic safety training and an orientation on tool usage and working in various environments within a field crew.

The 2016-17 programme was a resounding success resulting in approximately 600 people being put to work for periods ranging from 1 to 3 weeks.

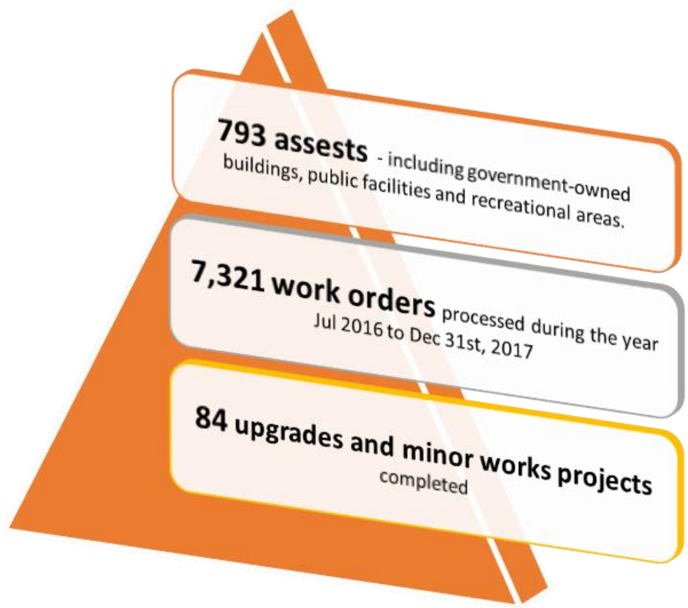
Close to 70 individual projects across the 5 districts resulted in 24,000 worker-hours. Enhancement works were also carried out at the George Town Landfill, public roadways, and beach accesses.

The year 2018 was the 30th anniversary of government's hurricane preparedness exercise. The first exercise was carried out in 1988, which was also the season the island experienced Hurricane Gilbert. Back in 1988, staff worked on a hurricane preparedness exercise for up to 16 hours and was still unable to complete the task. Many of the shutters did not fit, huge volumes of plywood were needed, and there was limited coordination.

Fast-forward 30 years, the exercise is now down to a science and can comfortably be completed in less than half the time. This is largely due to the increased use of impact-resistant windows, practice, and overall better coordination.

The Office of the Auditor General (OAG) raised several concerns regarding the management of government projects and made nine recommendations in reports issued in 2012 and 2015 to address identified weaknesses.

Of the nine recommendations made by the OAG, seven related fully or in part to the project management of major projects, including the absence of a **Major Projects Office** (MPO) with a defined methodology for managing major capital projects.




In response, a Major Projects Office was established under the aegis of PWD, and now manages all CIG major capital projects above $10 million in value.

The MPO is staffed with six senior project managers and a project administrator who manage external consultants and contractors in the delivery of a range of projects, with a value in excess of $500 million.

Current projects include the Owen Roberts International Airport terminal expansion; the integrated solid waste management PPP project; the new John Gray High School; the new cruise berthing facility PPP project; the new long-term residential health facility, as well as option studies for the police, courts, and prison service.

In 2016-17, the OAG reported that six of the seven recommendations relating to project management had been fully implemented and one partially implemented. The seventh is expected to be fully implemented by early 2018.

Over the last nine years, PWD staffing levels have reduced from approximately 170 to approximately 100 at the end of 2017 (this does not consider the transfer of the RCPS to PWD).

**98 facility inspections conducted – FY 16/17**

"Cost of Sales" (the budget line item which pays for materials and contractors for maintenance activities) has also reduced from approximately $2.3 to $1.4 million.

Whilst those budgetary reductions have been taking place, additional public facilities have come online, which increased the demand for services. This has forced PWD to become more innovative in its service delivery model and to find more efficient ways of meeting demands.

In 2016-17, we once again rose to the challenge to not only meet the requirements of today, but to also make strategic investments for the future of our Department and our community.

**Looking ahead,** PWD will be working to achieve official recognition as an approved City & Guilds training centre delivering Levels 1 through 3 Technical Vocational Education Training (TVET) programmes in construction. In September 2018 we will be delivering level 1, 2 and 3 courses with an estimated 30 learners as part of our next cohort of apprentices.

As we work to reduce costs and manage risks, the Department will also be seeking to recruit a mechanical, electrical, and plumbing engineer, as well as a structural engineer. This strategy is to mitigate the protracted periods required for procurement of those consultancy services and the scarcity of the skillset on the island.

**101 Capital Expenditure Recommendations – FY 16/17**

In January 2018, the Department will be issuing the tender for the cruise berthing facility; an award is anticipated for May 2018, with construction planned for 2019 to 2022.

Negotiations and contractor award for the ISWMS project are due for completion mid-2018, with contract completion due mid-2021.

Baggage claim and the airports authority's offices for phase 3 of the Owen Roberts International Airport will be completed in January 2018, with overall project completion expected in December 2018.

## Output Performance

PWD 1: Policy Advice on Government Facilities and Related Matters

| PWD 1 | Policy Advice on Government Facilities and Related Matters | | | |
|---|---|---|---|---|
| Description | Policy advice and services on government facilities and related matters to support the Minister of Planning, Lands, Agriculture, Housing and Infrastructure, involving:<br>- Preparation of reports and advice papers<br>- Attending meetings | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | - Number of meetings attended | 27 | 37-53 | (10) |
| | - Number of advice papers issued | 5 | 23-37 | (18) |
| | - Number of reports issued | - | 7-15 | (7) |
| Cost | | $37,478 | $37,478 | - |
| Related Broad Outcome: | 3. A More Secure Community<br>4. A More Efficient, Accessible and Affordable Public Service<br>5. Modern, Smart Infrastructure | | | |

PWD 2: Advice and Assistance on Government Facilities and Related Matters

| PWD 2 | Advice and Assistance on Government Facilities and Related Matters | | | |
|---|---|---|---|---|
| Description | Provision of advice and assistance to:<br>- Clients on programmes and non-project specific matters relating to buildings and their related facilities<br>- Government Committees and/or Boards of public or private sector organisations, when departmental staff are appointed by Government, in matters relating to buildings, their related facilities and on tendering procedures<br>- Statutory Authorities and Government owned companies on a reimbursable basis on project and non-project specific matters relating to buildings and their facilities | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | - Number of meetings attended | 52 | 120-180 | (68) |
| | - Number of advice papers issued | 17 | 45-60 | (28) |
| | - Number of reports issued | 7 | 3-9 | - |
| Cost | | $93,511 | $93,511 | - |
| Related Broad Outcome: | 3. A More Secure Community<br>4. A More Efficient, Accessible and Affordable Public Service<br>5. Modern, Smart Infrastructure | | | |

PWD 6: Public Parks and Cemeteries Maintenance and Management

| PWD 6 | Public Parks and Cemeteries Maintenance and Management | | | |
|---|---|---|---|---|
| Description | Maintain and manage public toilets, docks, ramps, cemeteries, beaches and parks. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | - Number of public toilets maintained | 16 | 14-16 | - |
| | - Number of docks/ramps maintained | 16 | 8-15 | 1 |
| | - Number cemeteries maintained | 12 | 12-15 | - |
| | - Number of beaches maintained | 13 | 12-15 | - |
| | - Number of beach accesses maintained | 46 | 15-25 | 21 |
| | - Number of parks and sites maintained | 18 | 10-17 | 1 |
| | - Number of streets/sidewalks maintained | 23 | 10-25 | - |
| | - Number of miles of road cleaned | 15 | 10-20 | - |
| Cost | | **$2,169,648** | **$2,169,648** | - |

**Related Broad Outcome:**

3. A More Secure Community
4. A More Efficient, Accessible and Affordable Public Service
5. Modern, Smart Infrastructure

PWD 8: Consulting Services for Government Building Projects

| PWD 8 | Consulting Services for Government Building Projects |
|---|---|
| Description | Provision for architectural, project management and quantity surveying services to provide the following:<br>• Pre-Design<br>o Project Definition Document (PDD)<br>o Feasibility Studies/Site Report/Code analysis<br>• Schematic Design<br>o Basic diagrammatic layout and adjacencies<br>• Design Development<br>o Preliminary Drawings<br>• Contraction Documents<br>o Final construction drawings<br>o Planning and Building control Submissions/Approvals<br>• Procurement/Bidding<br>o Tender documentation • Construction Contract Administration (Project Management)<br>o Certificate of payments<br>o Change orders<br>o Construction punch list<br>• Project Closeout<br>• Quantity Surveying<br>o Cost Estimates (at every phase)<br>o Final Accounts<br>• Project Management<br>o Consultant coordination<br>o Contract Administration<br>o Project handover<br>o Tender documentation • Construction Contract Administration (Project Management)<br>o Certificate of payments<br>o Change orders<br>o Construction punch list<br>• Project Closeout<br>• Quantity Surveying<br>o Cost Estimates (at every phase)<br>o Final Accounts<br>• Project Management<br>o Consultant coordination<br>o Contract Administration<br>o Project handover<br>Other major projects as identified |

| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
|---|---|---|---|---|
| | | Actual | Budget | Variance |
| Quantity | - Number of drawings/plans produced | 41 | 30-45 | - |
| | - Number of cost estimates produced | 34 | 30-45 | - |
| | - Number of Project Service Level Agreements (PSLA) signed | 28 | 45-60 | (17) |
| | - Number of projects managed | 24 | 45-60 | (21) |
| | - Number of major projects being managed | 7 | 15-30 | (8) |
| Cost | | $1,271,826 | $1,271,826 | - |

**Related Broad Outcome:**

3. A More Secure Community
4. A More Efficient, Accessible and Affordable Public Service
5. Modern, Smart Infrastructure

PWD 9: Maintenance, Renovations and Upgrades to Government Facilities

| PWD 9 | Maintenance, Renovations and Upgrades to Government Facilities | | |
|---|---|---|---|
| Description | Maintenance to and renovations and upgrades of government facilities including:<br><br>Execution of work orders for mechanical, electrical and plumbing services (this involves assessment and procurement of materials and identification of labour, etc.)<br>- Preparation of Facility Condition Reports<br>- Renovations and repairs to existing buildings<br>- Conduct energy efficiency audits for select facilities | | |
| Measures | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | Actual | Budget | Variance |
| Quantity: - Number of maintenance work orders completed | 7,321 | 7,500-9,500 | (179) |
| - Number of Facility Condition Reports prepared | 98 | 50 | 48 |
| - Number of Renovations and repairs to existing buildings | 84 | 40 | 44 |
| - Energy Audits | - | 18 | (18) |
| Cost | $11,274,585 | $11,274,585 | - |

Related Broad Outcome:

3. A More Secure Community
4. A More Efficient, Accessible and Affordable Public Service
5. Modern, Smart Infrastructure

PWD10: Disaster Preparedness

| PWD 10 | Disaster Preparedness | | |
|---|---|---|---|
| Description | Carry out disaster preparedness activities for hurricane, earthquake, and other natural and manmade disasters including:<br>- Executing an annual hurricane preparedness exercise | | |
| Measures | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | Actual | Budget | Variance |
| Quantity: - Number of hurricane preparedness exercises executed | 1 | 1 | - |
| - Number of buildings prepared / inspected | 120 | 97 | 23 |
| - Number of shelters and critical facility mechanical / electrical / plumbing systems inspected | 41 | 16 | 25 |
| - Updating PWD Hurricane Plans | 1 | 1 | - |
| Cost | 73,912 | $73,912 | - |

Related Broad Outcome:

3. A More Secure Community
4. A More Efficient, Accessible and Affordable Public Service
5. Modern, Smart Infrastructure

## Facilities Management

Facilities Management (FM) mainly focused on the maintenance of service continuity to our customers in 2016-17. In many respects, the years leading up to 2016-17 have been reactionary in terms of operations for the Department. With our limited capacity, we mainly focused on responding to issues as they arose to enable restoration and maintenance of basic services.

Due to staffing constraints, many of our key operations were staffed by a single individual. This resulted in a lack of redundancy in the event of loss or absence of that staff member.

With the support of our Ministry, we have now stabilized services in many areas, increased redundancies for key positions, and have begun investing for the future.

A key investment in 2016-17 was the implementation of our work order management system. The system allows our customers to communicate with us more efficiently through electronic means and allows the Department to better schedule our responses through strategic deployment of our resources.

With the Government Administration Building now fully occupied, this capability is critically important for us to optimally manage future service needs.

The Department has also focused on the upgrade of core mechanical support equipment, such as our chill water system. The system is responsible for cooling the entire Government Administration Building and depends on a strainer to carry out its work. The cost to upgrade the strainer is significant; however, its failure could be considerably more expensive when one considers that the staff housed in the building has an estimated hourly cost of $24,000.

Looking ahead, the Department will be conducting a strategic review of our building security services to ensure we maintain quality staffing and our procurement methods encourage the hiring of Caymanians for certain positions.

We will also be carrying out a refurbishment of the Computer Room air-conditioning system, which is essential for the cooling of servers and other critical equipment for the Computer Services Department.

The Department will also be looking to upgrade the heat exchangers, as these components are essential for ongoing building operations and procuring replacements can take up to six months.

Through our partners in the e-Government Unit, FM will be seeking to implement an online booking system for civic centres. This will allow our customers to reserve and pay for the rental of our facilities without the need to visit the Government Administration Building.

Managing risks is a key aspect of our operations. In the event of a fire, occupants of the Government Administration Building must be able to exit the facilities within three minutes. With the building now fully occupied, the ability to maintain that standard is a critical life safety matter. The Department will therefore be carrying out exercises in 2018 to ensure optimal evacuation in cases of emergency.

Through continued partnership with our public and private sector providers, Facilities Management will continue to support the achievement of government's policy objectives by maintaining the critical systems and facilities that support operations in the buildings we manage.

| MPA 4 | Facilities Management | | |
|---|---|---|---|
| Description | Provision of Facilities Management services for multi-user Government Buildings<br>• Government Administration Building (GAB)<br>• Cayman Islands' Environmental Centre (CIEC)<br>• Town Hall and Civic Centres | | |
| Measures | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | Actual | Budget | Variance |
| Quantity | | | |
| - Number of service calls actioned | 2,540 | 900-1,200 | 1,340 |
| - Number of inspections completed | 3,923 | 1450-2,050 | 1,873 |
| - Number of contracts managed | 100 | 75-105 | - |
| Cost | **$6,553,372** | **$6,553,372** | **-** |
| Related Broad Outcome: | 5. Modern, Smart Infrastructure | | |

Actuals for the 2016-17 period have increased significantly, since the department started capturing their work in the new work order management system.

# Information Technology & E-Services

## COMPUTER SERVICES

## E-GOVERNMENT UNIT


## LEADERSHIP

**Simon Spiers, Director, Computer Services Dept.**

Investing for the future by levering technology to explicitly support and enable business units to achieve business objectives while increasing levels of innovation.

**Ian Tibbetts, Director, E-Government Unit**

Investing for the future through the provision of robust technology, that accelerates service delivery through cost-efficient solutions.

## Computer Services Department

The Computer Services Department (CSD) leverages technology as part of its core strategy to explicitly support and enable business units to achieve business objectives while increasing levels of innovation. Our approach has focused on presenting CSD as the key stakeholder in all CIG Information Technology (IT) solutions, including those which are internally sourced and those facilitated by the private sector.

To achieve this transformation, CSD has initiated a number of specific strategic initiatives. These include strategy and governance, operational capabilities, human capital, and client services. There has also been an overarching focus on continuous improvement in the area of security across all facets of CIG. Recurring themes that underlie these projects include IT governance, innovation, and business intelligence/analysis.

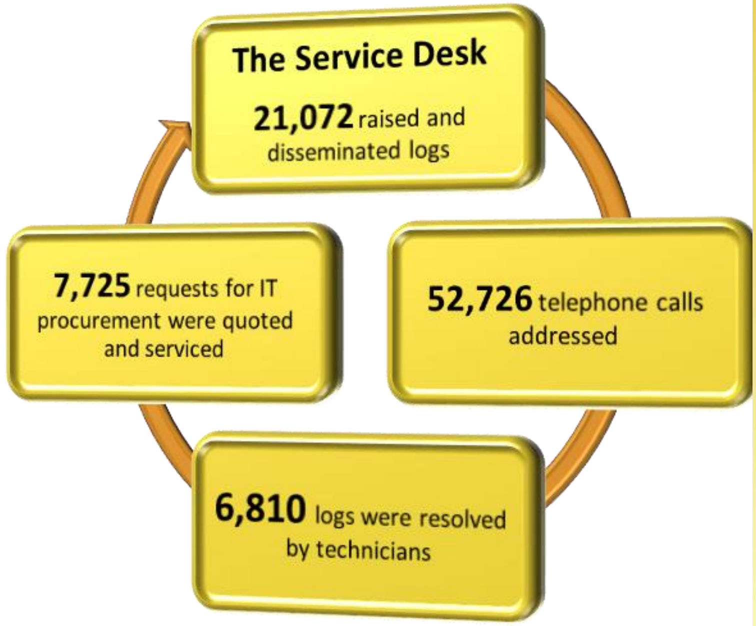
In pursuit of these objectives, CSD is rapidly moving forward as a business partner that provides comprehensive solutions. Key collaborative efforts include the e-Government initiative, where CSD is a key stakeholder providing and enabling broad solutions.

The department also partnered with the National Workforce Development Agency (NWDA) by assisting with the development of a clearinghouse system that connects Caymanians with local businesses and vice versa.

**Internet·Availability·¶**

- **New·Firewalls**·installed·March·2017¶
- **305**·days·uptime¶

More recently, the Customs Information Management System (CIMS) project used resources from a large cross-section of CSD to build and replace existing legacy systems. This project also drew heavily on external software

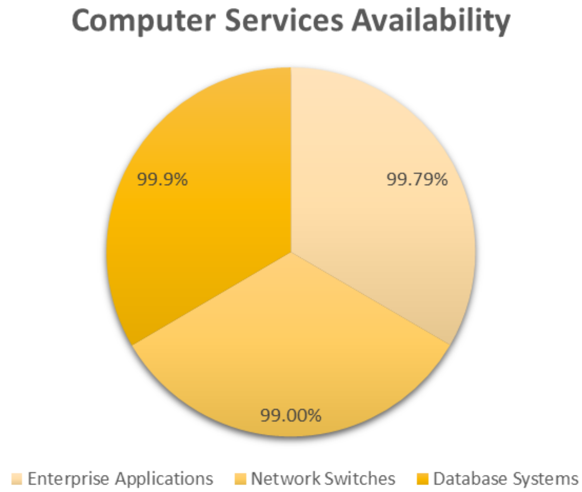



developers, demonstrating that a combination of in-source and out-sourcing is the way forward for holistic solutions.

CSD currently supports and maintains 41 in-house applications, 6 third-party applications, 71 websites, and core revenue-earning systems that bring in approximately CI$650 million per year.

CSD deployed the HEAT Service Desk System in January 2017 and it has increased efficiency and productivity. Throughout the period, the Service Desk raised and disseminated 21,072 logs and addressed 52,726 telephone calls distributed amongst the various units of the department. Of the total logs, 6,810 were resolved by technicians. The Department also provided quotes and serviced 7,725 requests for IT procurement while addressing numerous telephone calls related to procurement inquiries.

More applications went online this year for all departments (i.e., e-Payslips, Leave Tracking), along with more services available online through e-Services. It has increased IT support for internal and external users. Service Desk staff played a major role in projects, including the WIN 10 PC imaging and deployment along with supporting various projects, including coordinating the various deliverables of each project and supporting the desktop support staff. In 2016 and into early 2017, the Service Desk and Tech Support team took on additional roles of supporting RCIPS.




technologies with CIG business needs, strategy, and vision. These initiatives will also assist CIG in leveraging IT to increase productivity and efficiency. Other efforts include actively pursuing and deepening public-private partnerships, combining in-house, in-source, and out-source approaches to enhance services, promote efficiencies and save money while ensuring solutions are targeted to client needs.

**Looking ahead**

Moving forward, CSD is striving to embed a culture of innovation that empowers staff to take pioneering approaches and use available tools to create value for clients. With the introduction of Business Relationship Management (BRM), Business Process Reengineering (BPR), and Business Intelligence & Analytics teams and processes, CSD will also be better placed to engage senior leaders and align information and communication

Network and application integrity and security is the department's number one priority, and CSD is continuously improving the reliability and security of the government information network, which is vital to ensuring a stable and effective government.

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Melanie Carter from CSD receiving the Chief Officer's Award for July 2016.

## Output Performance

CSD 42: Technology Support Services

| CSD 42 | Technology Support Services |
|---|---|
| Description | The Department operates a 7.5-hours/working day manned Call in Support Answering Service (CSAS) to support Logs ("bug fixes", faults, service outages, password reset and basic requests for IT services) and dispatch these requests to IT staff for work assignment services for central Core agencies and limited SAGC's. Requests for significant sets of IT work to be done or additional/special IT costs are assigned as IT projects.<br>Provides IT infrastructure administration, management, and support (for datacentres, PC's, networks, servers, internet,backups/restores, security, emails, files access, mobile devices, remote access, storage, databases, and software). Also produces in-house software (applications, intranet, websites, and e-services) development/support along with 3rd party software packages support/assistance. |

| Measures | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
|---|---|---|---|
| | Actual | Budget | Variance |
| **Quantity** | | | |
| - Number of hours CSD Service Desk operates per fiscal year | 9,390.5 | 4,600-7,500 | 1,890.5 |
| - Number of dispatched Logs Service processed per month | 1,732 | 1,500-2000 | - |
| - Number of hours for Logs and IT Projects | 117,025 | 94,500-102,000 | - |
| - Number of Databases | 100 | 20-30 | 70 |
| - Number of PCs Supported | 2,700 | 2,500-3,000 | - |
| - Number of online Government services created/hosted/managed | 5 | 2-3 | 2 |
| - Number of Internet accesses granted-Basic/Low Video Streaming | 2,440 | 2,200-2,500 | - |
| - Number of Remote Services accesses granted-Forward Email/Token/Active Sync Devices | 2,564 | 1,500-2,000 | 564 |
| **Cost** | **$10,520,412** | **$10,520,412** | - |

**Related Broad Outcome:** Stable, Effective and Accountable Government

## E-Government Unit

The e-Government Unit exemplifies government's initiative to invest in the future. The idea was borne from the realization that our society and societal needs are rapidly changing, and future services to our customers will require solutions which are more advanced than the tools we presently use.

The Unit works to promote greater self-service capabilities for the public. This benefits the wider society by reducing the number of lost productive hours that are spent queuing in lines to access services.

Information and communications technologies are changing the way the public sector delivers services to residents, visitors, and businesses in the Cayman Islands. Our mandate is to develop e-Government solutions that improve the customers' experience, reduce costs, and increase efficiency.

One of our headline deliverables in 2016-17 was the online service for police clearance certificates and the back-office system to support it. This project has reduced the number of in-person encounters at the RCIPS Criminal Records Office, reduced costs, accelerated service delivery, improved the customer experience, and significantly improved working conditions for employees.

The system had an amazing reception from the public. Within four weeks of its launch, close to 25% of police clearance request transactions (including payment) were being done online. The public's uptake on e-Government services across the public sector has typically averaged approximately 15% for even mature systems; therefore, hitting a 25% utilization level within six weeks was a considerable milestone achievement for the Unit.

In the latter half of 2017, the unit also reviewed the online system for the Department of Vehicle and Drivers Licenses (DVDL). The statistics showed that it had a utilization rate of approximately 1.1% of the driver's and vehicle license renewal transactions the Department processed. Changes were implemented to improve the functionality of the system and it was relaunched on 19 December 2017. Within three weeks following a soft launch, the number of transactions being completed online increased by over 50%.

The next phase will be to provide solutions that will revamp the entire vehicle licensing process. Imagine a scenario where you have your vehicle inspected; if it passes, a unique code is sent to you electronically to enable the online registration of that vehicle. The customer does not have to worry about providing a copy of their insurance certificate, as their insurance company would have already updated the electronic database with the status of your insurance coverage. This is a very real scenario, and the e-Government Unit will be working to bring it to fruition.

To fully embed the concept of electronic services and provide the public with greater confidence, the Unit has also been focused on improving online security, both internal and external of the government.

One of our strategies was to ensure that new civil servants joining the organization were sensitized to the proper use of technology and our requirements of them when handling information. We have now instituted a policy whereby training on internal cybersecurity forms part of the overall orientation process for new hires. We have also implemented phishing simulation campaigns to reinforce certain behaviours and ensure compliance with our training programmes.

To further strengthen our work in this area, we've also hired a Senior Information Security Advisor, who joined the team in November 2017. As we continue to build internal capacity, our team has also been leading the development of a sector-wide cybersecurity improvement programme. Through cross-agency collaboration we developed a current state profile, risk register, a target state profile, and the first iteration of action plans to improve our security posture based on the National Institute of Standards and Technology (NIST) cybersecurity framework.

Knowledge transfer and the development of new talent has been a key component of our professional development strategy. In 2016-17 we utilized two interns to assist the Unit with various projects, especially in the areas of cybersecurity awareness, business process reengineering, project management, and development of policies for various projects.

The launch of eservices.gov.ky was also a milestone feature of 2016-17. The platform is not your typical website; instead, we refer to it as a service catalogue that allows you to access a multitude of government services which are available online.

Complimentary to the online services is the option to also settle payments online. The Unit has therefore been developing more synergistic payment solutions which will serve multiple agencies and can provide the requisite security and audit trail for payments without the Cayman Islands government recording the credit card details.

The Unit also championed for the purchase and installation of a new high-availability infrastructure for the core e-Government platforms. This will ensure the availability of appropriate computing infrastructure for future programmes.

Looking ahead to 2018, we will be commissioning the logical network on the infrastructure we bought and implementing the interoperability centre. The interoperability centre will facilitate secure transacting by providing increased evidence and support for online transactions.

The development environment for the interoperability centre has already been installed and testing is starting. The test and production environments are expected to be rolled out in March 2018.

Another significant future project for the Unit will be the work carried out to implement an identity and access management solution that will provide single sign-on capability and a "single view" of an individual. The capabilities developed with this system, in conjunction with the interoperability solution, will allow customers to transact with various government entities without the need to provide the same information repeatedly.

In the future, transactions that previously required documents from General Registry and others to be provided to another department can be securely exchanged between our internal systems with the appropriate access controls once the customer authorizes it. The system will also have significant applications for the new Human Resource Department, General Registry, Immigration, and other agencies.

This project supports the vision of the Deputy Governor for a world-class public service. The Unit has been given a mandate that by the end of 2019, no government entity should need to ask a customer to produce a piece of information that another government entity already has.

The e-Government Unit is proud to be supporting the efforts of the Ministry and the wider government to make present investments that will provide future service improvement benefits to our community.

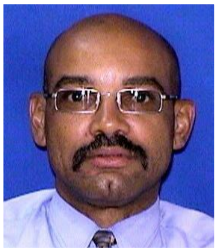
## Output Performance

EGU 1: Implementation of e-Government Program

| EGU 1 | Implementation of e-Government Program | | | |
|---|---|---|---|---|
| Description | - Administer e-Government (e-gov) program<br>- Establish e-gov platform infrastructure to support digitized services<br>- Promote the use of online services<br>- Oversight, development, and implementation of e-Government Program Framework<br>- Establish policy and framework to enhance CIG's cybersecurity posture | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | - Number of e-Government Steering Committee meetings held. | 0 | 5 | -5 |
| | - Number projects initiated to improve or digitize business processes. | 3 | 5 | -2 |
| | - Number of online transactions per month (online services developed, enhanced or promoted by e-Government unit) | 690 avg. (783 peak) | 710 | 73 |
| | - Number of cyber treat awareness campaigns conducted (phishing simulations, employee briefings and internal communications) | 3 | 6 | -3 |
| Cost | | **$858,312** | **$858,312** | - |
| Related Broad Outcome: | Stable, Effective and Accountable Government | | | |

# Vehicle & Drivers Licensing


## LEADERSHIP



**David Dixon, Director, Dept. of Vehicle Drivers Licensing**

Investing for the future by ensuring safe and efficient transportation through the licensing of individuals and motor vehicles.

## Vehicle and Drivers Licensing

The Department of Vehicle and Drivers Licensing continues to provide innovation and improvements to improve accessibility, efficiency, and safety to better serve our customers. Numerous initiatives were undertaken in 2016-17; some were completed before the end of the fiscal period, and others will come to fruition in 2018.

We understand that people lead busy, and sometimes hectic lives; we have therefore been focusing our efforts on seeking ways to lessen the requirement for the public to visit our facilities annually to register their vehicles.

One initiative to improve efficiency and better serve the public was the introduction of our new vehicle coupons. The new coupons have enhanced security features and will have a minimum life of five years. There will be no need to change out coupons for each and every transaction. This will work in tandem with our overall e-Government strategy by allowing customers to renew their vehicle registration online without physically visiting the DVDL.

Annual inspections for vehicles over a certain age will still be required as a matter of public safety; however, by partnering with the private sector, we've allowed that service to be provided by a number of private garages, which improves the convenience for our customers.

The public concerns regarding the Electronic Vehicle Registrations (EVR) have been noted; many of these concerns stem from misinformation about the intent of the system and how it will be used. Whilst the system has the potential to improve enforcement of our traffic laws, it will also deliver several other efficiency benefits. For example, the in-house production of the new license plates has been accruing savings to the DVDL and has also improved the security of the license plates issued.

Another benefit is the information the new system will provide. Motorists would have noted the consistent changes and improvements to the local road network. The changes underway are largely to improve traffic flow and enhance safety. With the EVR system, the DVDL will be able to provide greater assistance to the National Roads Authority by pinpointing the areas on our road network with the greatest traffic volumes, and the times of the day those volumes are most experienced. This information will aid the design of better, more efficient roads, and enable a more informed approach to transportation planning.

Increases in the population also mean increases in the demand for services at the DVDL. As of December 31, 2017, there were an estimated 46,734 vehicles on the roads of Grand Cayman and 55,173 active drivers' licenses. Our officers process an average of up to 50 customers per hour at the Vehicle Licensing Facility in George Town. To cope with the volume, we also have facilities in West Bay and in Breakers. Whilst the public have been receptive of these additional facilities and have been utilizing them, we have not experienced any reduction at the George Town facility due to the continued growth in the number of customers we are serving.

To cope with the increasing volumes, the DVDL has been extending hours on Wednesdays and Fridays from 4:00 p.m. to 7:00 p.m. and opening on alternate Saturdays to facilitate the exchange of license plates.

At times it is difficult for the public to appreciate the efficiency gains that are being made by the Department, as those gains are simply absorbed by an increase in volume.

Looking forward to 2018, the Department will be seeking to launch additional online services to increase service convenience for our customers. This will include the ability to make appointments online for driving exams (both written and road) and make payment for certain services. Through a combined strategy, we will be seeking to achieve a 25% reduction in the time required to apply for a written examination, undertake the practical exam, and receive a learner's license. Efforts will be made in 2018 to also increase our capacity to administer practical exams by at least 50%.

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## Output Performance

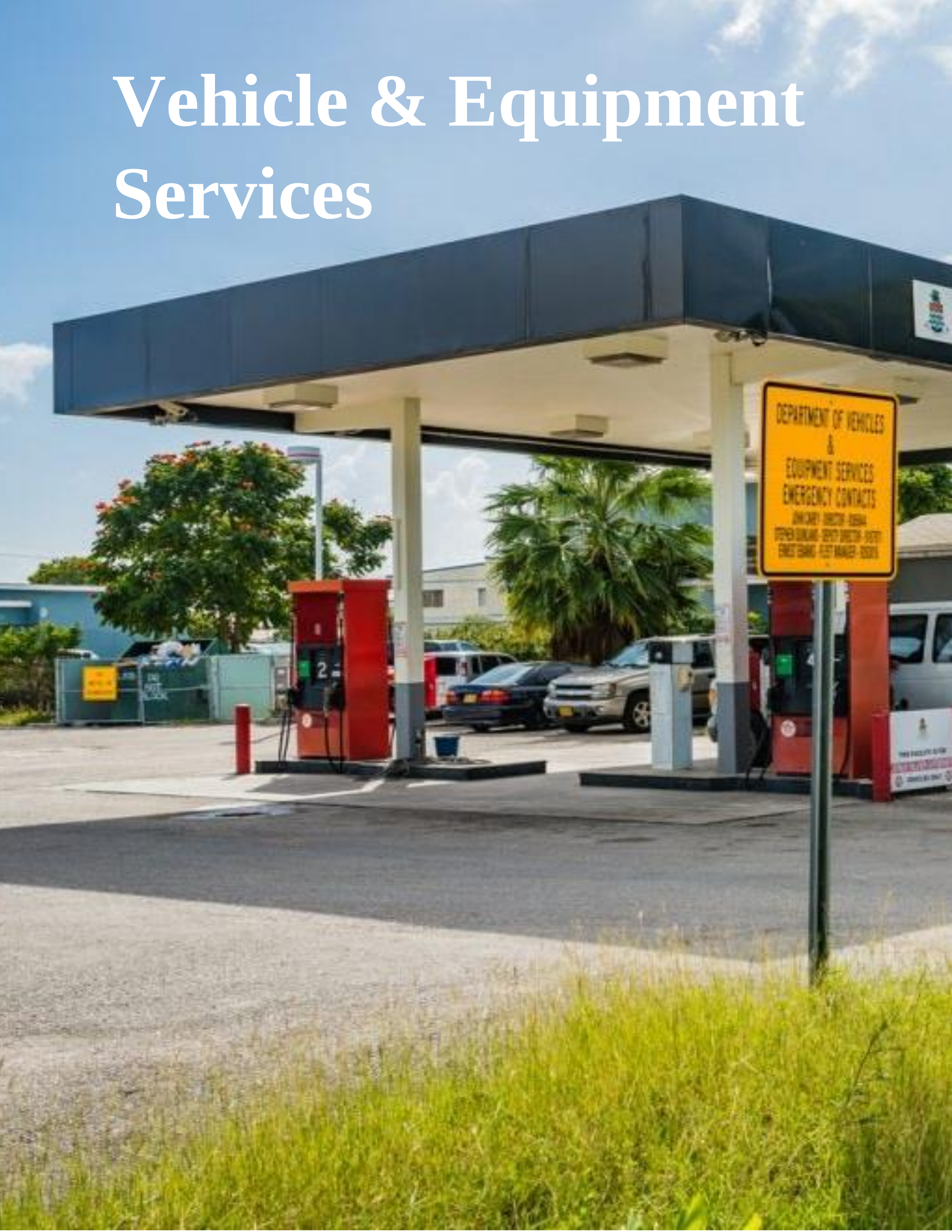
### VLT 9: Licensing of Drivers and Vehicles

| VLT 9 | Licensing of Drivers and Vehicles | | | |
|---|---|---|---|---|
| Description | Provision of services relating to the testing and licensing of vehicles and drivers. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | - Number of vehicle inspections | 56,970 | 49,500-57,000 | - |
| | - Number of vehicle licenced | 105,449 | 59,000-61,000 | 44,449 |
| | - Number of written tests | 11,586 | 6,000-8,250 | 3,336 |
| | - Number of road testing of drivers | 3,951 | 2,100-2,250 | 1,701 |
| | - Provisional and Full Drivers' Licences issued | 32,837 | 15,000-21,000 | 11,837 |
| | - Input of disqualifications/endorsements in Licensing Register | 2,055 | 800-930 | 1,125 |
| | - Extract of records of vehicles from Licensing Register | 1,098 | 870-1,000 | 98 |
| | - Extract of records of drivers from Licensing Register | 957 | 530-670 | 287 |
| Cost | | **$414,258** | **$414,258** | - |
| Related Broad Outcome: | 3. A More Secure Community | | | |

### VLT10: Policy Advice

| VLT 10 | Policy Advice | | | |
|---|---|---|---|---|
| Description | Policy advice provided to the Minister and Ministry of Planning, Lands, Agriculture, Housing and Infrastructure on all matters relating to vehicle and drivers' licensing. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | - Number of meetings attended | 110 | 60-105 | 5 |
| | - Research for Cabinet papers | - | 3-6 | (3) |
| | - Provision of technical advice to Ministry | 80 | 68-98 | - |
| | - Number of press releases | 15 | 6-11 | 3 |
| | - Number of monthly/quarterly/annual reports | 19 | 15-45 | - |
| | - Number of replies to written correspondence | 59 | 135-150 | (76) |
| Cost | | **$33,806** | **$33,806** | - |
| Related Broad Outcome: | 3. A More Secure Community | | | |

# Vehicle & Equipment Services




# LEADERSHIP

**Richard Simms, Director, Dept. of Vehicle & Equipment Services**

Investing for the future through innovation and technology that delivers transport solutions for public agencies.

## Vehicle and Equipment Services

The Department of Vehicle and Equipment Services embodies the concept of investing for the future. In 2016-17, many of our earlier investments bore fruit, which led to continued improvements in efficiency and service standards for our customers.

As we reported in the 2015-16 annual report, the Department invested in upgrades to our fuel management system and the standardization of CIG's vehicle procurement.

The improvements in the fuel management system facilitated greater accountability through enhanced security features and the provision of information which can be shared with managers to improve budget monitoring and ensure compliance.

Through the standardization of procurement, the quality of the fleet has been consistently improving and our procurement strategy of sharing risks with the vehicle suppliers through enhanced warranty packages have significantly assisted in reducing government's repair and maintenance costs.

In 2017, we focused on staff and plant development to enable DVES to meet the future service needs of our clients. This is borne from the recognition that technology is rapidly advancing and constant retraining, retooling, and upskilling will be necessary to keep pace. Twenty years ago, if a major piece of equipment broke, the mechanic would inspect it by listening for abnormal sounds, checking for leaks, belts, etc. With our modern fleet, quite often, you can now plug the vehicle into a computer and it will let you know what is wrong with it.

Through apprenticeship engagement with the Cayman Islands Further Education Centre (CIFEC) and constant engagement with our staff, we are preparing our human capital to be more effective in the digital age. This requires an evolvement from the mind-set of "Mechanic" to "Technician" who can be just as comfortable using a computer as they are using a wrench.

In 2017, we were proud to reap the rewards of past investment in a young Caymanian. The individual joined our team in a full-time position after completing the Superior Auto apprenticeship programme and subsequently travelling overseas for his professional certification. This is an example of how talent development can benefit both the needs of the government and the wider society.

The DVES of four years ago has evolved considerably to arrive at the operations we run today. I joined the organization following the issuance of a very critical audit report which identified several areas requiring improvements. We have steadily made those improvements over time and have seen significant benefits to the Department and those we serve.

Looking ahead to 2018, we are excited about the expansion of our existing plant facility and the conveniences and improved service that will bring for our customers.

Currently, our technicians battle weather elements as they work to repair and maintain the government's fleet outdoors. The Stores facility is cramped, and often reaches very high temperatures during the day. The Finance and Administration unit also faces inadequate storage and poor ventilation, as the area has no windows, high traffic, and leaks from the rain. These conditions impact productivity and efficiency, as well as staff morale.

The redevelopment includes an upgrade of the tanks and pumps at the fuel facility and an 8,732-square-foot, two-story administration building. Work is expected to start on the facility in January 2018 with a completion date of early April 2019.

When completed it will provide a modern, comfortable, and safer working environment, allowing for more efficient and effective service.

## Output Performance

### DVE 1: Acquisition of Fleet

| DVE 1 | Acquisition of Fleet | | | |
|---|---|---|---|---|
| Description | Provision of fleet acquisition services to the Government: Conduct and perform acquisition processes leading to the purchase of the most suitable fleet for its intended purpose(s). | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | Number of authorized fleet applications processed | 122 | 37-52 | 70 |
| Cost | | $223,155 | $223,155 | - |
| Related Broad Outcome: | 5. Modern, Smart Infrastructure | | | |

### DVE 2: Preventative Maintenance and Repairs

| DVE 2 | Preventative Maintenance and Repairs | | | |
|---|---|---|---|---|
| Description | Provide maintenance and repair services to Government fleet and equipment: - Ensure compliance with the Original Equipment Manufacturer (OEM) repair warranty standards and guidelines that the client can maximize return on fleet investments. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | Number of authorized maintenance work orders | 2,889 | 3,750-4,500 | -861 |
| Cost | | $3,914,579 | $3,779,579 | $135,000 |
| Related Broad Outcome: | 5. Modern, Smart Infrastructure | | | |

DVE 3: Disposal of Fleet

| DVE 3 | Disposal of Fleet | | | |
|---|---|---|---|---|
| Description | Disposal of obsolete and fully depreciated fleet that have no economic or useful value to the client. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | Number of units authorized for disposal | 172 | 90-120 | 52 |
| Cost | | $223,155 | $223,155 | - |
| Related Broad Outcome: | 5. Modern, Smart Infrastructure | | | |

DVE 4: Sale of Fuel

| DVE 4 | Sale of Fuel | | | |
|---|---|---|---|---|
| Description | Maintain a fuel capacity at the government's Refueling Facility that meets the needs of the client's fleet. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | Amount of imperial gallons of fuel disbursed | 597,136.73 | 525,000-600,000 | - |
| Cost | | $2,250,425 | $432,893 | $1,817,532 |
| Related Broad Outcome: | 5. Modern, Smart Infrastructure | | | |

DVE 5: Servicing of Emergency Equipment

| DVE 5 | Servicing of Emergency Equipment | | | |
|---|---|---|---|---|
| Description | Maintenance and repairs of stand-by generators in the event of a hurricane or any other natural emergency. | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | Number of hours of maintenance and inspection for 22 stand-by generators | 363.5 | 495-555 | -131.5 |
| Cost | | $316,687 | $316,687 | - |
| Related Broad Outcome: | 5. Modern, Smart Infrastructure | | | |

DVE 6: Policy and Technical Advice to the Minister on Fleet Related Matters

| DVE 6 | Policy and Technical Advice to the Minister on Fleet Related Matters | | | |
|---|---|---|---|---|
| Description | - Technical advice and guidance on maintenance practices and procedures<br>- Advice on the most efficient fleet management practices, policies and procedures to ensure an effective disposal and replacement plan for the fleet<br>- Fleet costs and activity reports | | | |
| Measures | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| | | Actual | Budget | Variance |
| Quantity | The number of reports, advice, discussions and recommendations relating to fleet | 294 | 105-165 | 129 |
| Cost | | $665,877 | $232,433 | $433,444 |
| Related Broad Outcome: | 5. Modern, Smart Infrastructure | | | |

# Ministry Administrative Services


DCI

Ministry Administration acts as the nucleus for works carried out by the various entities under Commerce, Planning and Infrastructure. Primarily, the Ministry is tasked with responsibility for legislative planning, research, policy development, strategic planning, governance and ministerial servicing. This work supports our customer facing agencies to ensure the provision of quality and timely service which are consistent with Government's policy priorities.

The Ministry's staff also provide administrative and advisory support on various statutory boards. Their presence ensures that the policies, strategies and goals of these bodies are formulated and executed with due regard for overarching Government outcome goals, and accord with the overall strategic objectives of the Government. It is also an avenue to keep the Minister abreast of material developments in the entities for which he has constitutional oversight.

**Investing for the future through critical infrastructure support for the maintenance of a strong viable economy.**

In the last annual report, much of our work in progress was indeed focused on making investments for the future. In 2016-17, many of those investments matured and are now functionally serving our community through the impacts they've made in their respective areas.

Work on the Utilities Commission report was one of the large projects the Ministry undertook in 2015-16. That work culminated in the establishment of the Utility Regulation and Competition Office (URCO) which began operations on January 16, 2017. The URCO is an amalgamation of the Information and Communications Technology Authority (ICTA), the Electricity Regulatory Authority (ERA), and the Petroleum Inspectorate, which hitherto had been a Department of the Government of the Cayman Islands.

The new entity created the opportunity for improved consistency and collaboration in the regulation of certain sectors, and improved utilization of skills and resources to improve service standards and encourage competition where appropriate and feasible. URCO will also champion sustainability and innovation across markets, while contributing to the economic and social goals of the Cayman Islands.

The Ministry expended considerable resources into the development of this Agency and we are happy to see it up and running for the future benefit of the Cayman Islands.

2015-16 also addressed work that was underway to develop a National Food and Nutrition Security Policy. This policy was required to address key agricultural issues in an integrated framework and incorporate other key areas such as health and lifestyle issues, non-communicable diseases, environmental health, environment, planning and tourism issues.

As a low-lying Island which is solely dependent on external resources, the Ministry's work to develop a National Energy Policy was an important aspect of an integrated strategy to improve future sustainability. As outlined in the previous report, our goal is to support initiatives that promote the use of clean energy in the Cayman Islands through policies, legislation and key partnerships.

In February 2017, the National Energy Policy 2017-2037 was unveiled. The policy was titled "Enhancing and embracing a sustainable lifestyle through responsible and innovative energy supply and consumption."

The policy provided tangible commitments for the Cayman Islands and our efforts to ensure sustainable development that will provide opportunities for Caymanians and help to sustain and grow our economy.

One of the more substantial investments for the Ministry, which continues to mature, is the overall programme to revitalize George Town.

During the period under review, work continued on the important funding through the provision and management of resources to Widen the Linford Pierson Highway, and carry out other improvements in and around our Capital.

Significant work was carried out in the latter part of 2017 to facilitate the restructuring of the Ministry following the May 2017 General Elections. Our finance and human resources team were particularly busy ensuring that records for Departments that were transferred out were properly handled, and implementing the governance systems, policies and procedures necessary to manage subjects that were moved in.

A key aspect of this work is to ensure that all Departments under the Ministry's purview have robust succession plans in place and are fiscally responsible in the delivery of services.

Looking ahead, the Ministry will continue to support efforts for the growth and development of our economy through policies and legislation that are conducive to the development of the small business sector. We believe we now have the correct formula for the management of largescale public-sector infrastructure projects and will be providing support to partner agencies for the delivery of the Cruise Berthing Facility, the Integrated Solid Waste Management System and improvements at the Owen Roberts International Airport.

Through our Computer Services and E-Government Units, the Ministry will also be supporting wider public-sector goals to improve efficiency, cyber-security and overall service standards by leveraging technology in key areas of operations.

## Ministry's Management Profile

**Name: Alan Jones**
**Title: Chief Officer**
**Qualifications Held: BSc Urban Estate Surveying, MRICS**
**Years with the Civil Service: 28**

**Name: Leyda Nicholson-Makasare**
**Title: Deputy Chief Officer**
**Qualificications Held: BSc. Business Administration**
**Years with the Civil Service: 19**

**Name: Tamara Ebanks**
**Title: Deputy Chief Officer**
**Qualificications Held: Master's of Science in Human Resource Mgmt., Master's in Social Work**
**Years with the Civil Service: 15**

**Name: Tristan Hydes**
**Title: Deputy Chief Officer**
**Qualifications Held: Bachelors Architecture, A.I.A**
**Years with the Civil Service: 20**

**Name: Melinda Montemayor**
**Title: Chief Human Resources Officer**
**Qualifications Held: BBA Human Resources**
**Years with the Civil Service: 10**

**Name: Carrol A. Cooper**
**Position Held: Chief Financial Officer**
**Qualifications Held: FCCA, CPA, CGA, MBA**
**Years with the Civil Service: 9**

## Output Performance

MPA 1: Ministerial Servicing and Policy Advice to the Ministry of Planning, Lands, Agriculture, Housing & Infrastructure

| | | | | |
|---|---|---|---|---|
| **MPA 1** | **Ministerial Servicing and Policy Advice to the Minister of Planning, Lands, Agriculture, Housing and Infrastructure** | | | |
| **Description** | Provision of ministerial services and policy advice to Minister on planning, lands, agriculture, housing, infrastructure and other matters, including: petroleum storage and handling, vehicle purchase and servicing, vehicle inspections and licensing, upkeep of parks and cemeteries and management of public buildings. | | | |
| | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| **Measures** | | **Actual** | **Budget** | **Variance** |
| **Quantity** | Number of hours spent providing policy advice and ministerial services | 10,000 | 6,000 - 9,000 | 1,000 |
| **Cost** | | **$2,812,146** | **$2,812,146** | - |
| **Related Broad Outcome:** | 5. Modern, Smart Infrastructure | | | |

MPA 3: Project Management

| | | | | |
|---|---|---|---|---|
| **MPA 3** | **Project Management** | | | |
| **Description** | Execution and monitoring of special projects for the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure covering attendance at meetings, and preparation of plans and reports. | | | |
| | | 2016/17 - 1 Jul 16 to 31 Dec. 2017 | | |
| **Measures** | | **Actual** | **Budget** | **Variance** |
| **Quantity** | Management and monitoring of special projects including the following:<br>- Agricultural Scholarship<br>- National Energy Policy<br>- Future of Cayman<br>- Caribbean Week of Agriculture | $4,000 | 1,875-4,000 | - |
| **Cost** | | **$889,623** | **$889,623** | - |
| **Related Broad Outcome:** | 5. Modern, Smart Infrastructure | | | |

MPA 5: Administration of Temporary Housing Initiative

| | | | | |
|---|---|---|---|---|
| **MPA 5** | **Administration of Temporary Housing Initiative** | | | |
| **Description** | Administering the operation of the temporary housing units owned by Government under the temporary housing initiative including:<br>- Organising the maintenance of the Government owned units<br>- Coordinating with tenants regarding relocation to permanent property solutions<br>- Coordinating relevant social programs for tenants | | | |
| | | 2016/17 - 1 Jul 16 to 28 Feb. 2017 | | |
| **Measures** | | **Actual** | **Budget** | **Variance** |
| **Quantity** | Number of temporary housing units administered and/or | 6 | 6 | - |
| **Cost** | | **$38,880** | **$38,880** | - |
| **Related Broad Outcome:** | 3. A More Secure Community | | | |

# Human Resource Management

Max Jones receiving 'Best Training Program" award on behalf of Public Works Department.

# Overview on Human Resource Achievements

**The Ministry** — **325** — *Total Employees*

**Caymanians** — **280** — *Total Caymanians in Departments.*

**Non-Caymanians** — **45** — *Total Non-Caymanians in Departments*

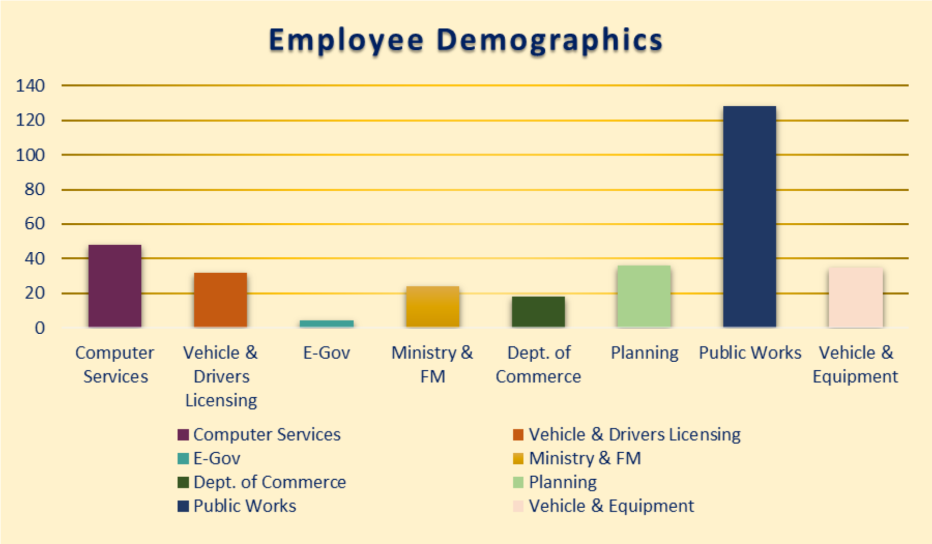
The Ministry employed a staff complement of 325 during the fiscal period. This comprised of 280 (86%) Caymanians and 45 (14%) Non-Caymanians. More than 50% of the Ministry's staff work in delivering Planning and Infrastructure services. Approximately 16% work in delivering Computer and e-Government Services, and 7% work in the Ministry's Administration Department.

The Department of Vehicle & Equipment Services employed 35 individuals during the period, 3 more than the 32 employed at the Department of Vehicle & Drivers Licensing. Both Departments account for 11% and 10% respectively of the Ministry's overall staffing complement.

The Public Works Department employs the highest number of staff among the Ministry's subject areas. The Department had several accomplishments and highlights in Human Resources during 2016-17. Among the highlights, Director Max Jones was voted top Head of Department for 2016-17 and Ms. Niasha Brady, became the First ever Caymanian Female Senior Project Manager at PWD.

The PWD also piloted innovative initiatives to institute a staff Group Life Insurance plan. The plan allows for 24hr worldwide coverage related to accidental injury, death or dismemberment whether work related or not. The plan was put in place starting February 1st, 2017 and is funded through the PWD staff Welfare Association. To date, 69 persons have signed up and now enjoy the additional insurance coverage for approximately $1 per day.

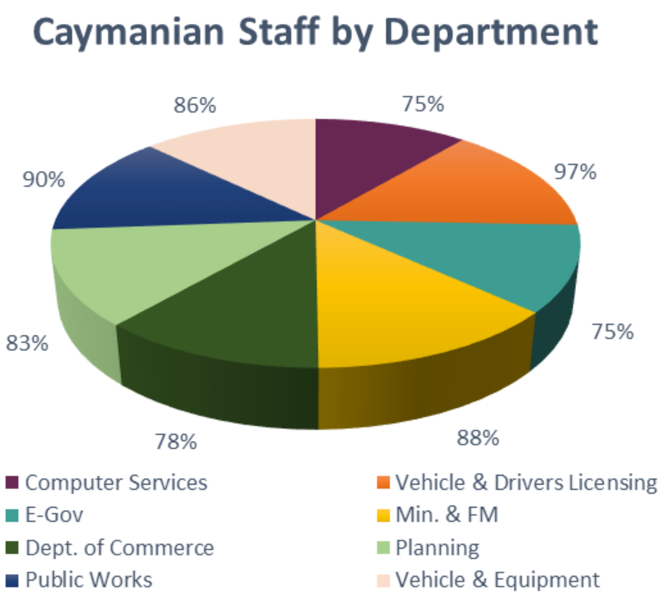
PWD staff was elated to receive the result of their 2017 customer satisfaction



survey. The survey ran between January and June 2017 and covered 444 maintenance work orders processed by the Department.

Over this 6-month period, 97% of clients responding to the customer satisfaction surveys reported being satisfied or very satisfied with PWD's service.

Other notable achievements in PWD include the completion of Associates Degrees by Ms. Tanisha Jones & Ms. Melissa Dilbert. Ms. Jones was subsequently promoted to HR Administrative Assistant. During the year, Mr. Barton Solomon was also promoted to Supervisor, Mr. Marlon




Minzett to Lead Facilities Attendant and Mr. Mark Bothwell was confirmed as Manager for the Recreation, Parks and Cemeteries Service.

Eleven employees completed and passed the City & Guilds Assessors' Examination and 37 employees attended training facilitated by Key Consulting.

In our Computer Services Department and E-Government segment, it was a busy year engaging staff through internship, training and team building exercises. The E-Government Unit provided internship opportunities to two

**Succession Planning**

*All departments have active succession plans in place, with an exception of those departments transferred post-election.*

promising young Caymanians. The interns assisted the Unit with various projects relating to cyber security awareness, business process reengineering, project management and the development of policies for various projects.

The Computer Services Department trained 6 employees in varying levels in Project Management. Additionally, 8 employees were sent to IT conferences this year. The Department has also been holding Town Hall style meetings for all employees since September 2017. This allows management to keep abreast of progress and challenges.

Other employee accolades received during the year include an award to Jon Japal who received the **Employee of the Year Honorary Mention Award** on 10th May 2017 for his contributions, particularly in the area of work completed in upgrading and maintaining the Department's new IT systems.

Ms. Elsi Amor-Miller, received the **Chief Officer's Choice Award** on 18th July 2017. This award was given for her excellent approach to Customer Service in the Department of Planning.

On the 09th August 2017, the Social Committee, for the Department of Planning, presented the John Gray High School with over 10 Desktop computers, more than 15 LCD Monitors and several Key boards. The equipment was presented to the ICT Manager, Mr. Steve Durksen and the Acting ICT Supporting Project Manager, Mr. Nicholas McLean.

Through succession planning, the Department of Planning transitioned 5 existing staff into new roles during the fiscal year and welcomed 5 others. Joining the planning team were:

- Mr. John Davis, Buiding Inspection Supervisor;
- Mr. James Vierra, Combination Inspector;
- Yuliet Rivero-Romulo, Compliance Officer;
- Mario Wood-Martinez, Clerical Officer; and
- Abbi-Gayle Phuran, Clerical Officer.

These staff will all be placed on career development paths through the Department's succession planning programme.

# Ministry Wide Training

- Advanced training
- Business Ethics Seminar
- Caribbean Renewable Energy Forum
- Caribbean Week of Agriculture matters
- CIIPA training
- CISPA Ethics Seminar
- CRCA Conference
- Cyber Security
- ECGL course UCCI
- EPM training
- ESRI World User Conference & National Security Public Safety
- EY Conference
- Falconbury Interpersonal & Influencing Skills, Lon and Smart City Expo
- GLEC UCCI
- Global training
- High Impact presentation
- Leadership Conference
- Leadership training
- OCT Energy Summit for Minister's
- Professional Development Week
- Policy Workshop
- Programme on Negotiation
- Protocol & Business Etiquette
- RICS, Marriott
- SBDC workshop
- SHRM Conference
- Smart City Expo
- Smart Nation
- World Class CS

# Performance Management Framework

As part of its overall performance management system to increase accountability and drive performance across all sectors, all staff in the Ministry of PLAHI signed a performance agreement for the 2016/17 Financial Year. This is the fourth successive year where performance agreements were in place for all employees ahead of the deadline established by the Deputy Governor.

The Ministry firmly supports Succession Planning in all segments of operations. All Departments had active succession plans in place during 2017 except for Departments transferred into the Ministry in the latter half of 2017. Succession plans for new agencies will be completed in early 2018.

# Upcoming Strategic Initiatives

The Ministry and its various subjects will be working on or supporting efforts to update several pieces of Legislation in 2018. These include legislation relating to Vehicle Licensing, Data Protection, and Trade and Business.

Additionally, the 1997 Development Plan is now over 20 years old. Its review will be a priority in the upcoming fiscal periods.

Additional funding will be made available in 2018 and 2019 to **support small and micro businesses**. Steps will also be taken to reduce the Government fees associated with that sector to further spur economic growth and encourage entrepreneurship.

Starting in January 2018, the **Department of Planning** will no longer accept paper-based applications. Individuals submitting applications to the Department will be required to submit them through the Online Planning System. This will improve review completion times, provide more secure custody of application documents, and allow the Department to better serve its customers.

The Airport Project is now 65% complete (timewise), and completion is scheduled for December 2018. Proposals for the Cruise Berthing facility will be issued in early 2018. The initial proposals will invite submissions for outline solutions as part of the Public Private Partnership (PPP) model for the project. Contract award is scheduled for the end of 2018 with a projected completion in 2022.

Another PPP is the Integrated Solid Waste Management system. This project is currently in negotiations with the preferred bidder. Award of contract is scheduled for September 2018, with project completion scheduled for 2021.

Designs are being finalized for the Long Term Residential Mental Health Facility. Contract award is scheduled for August 2018 and project completion is expected in 2019.

In 2018, the **Public Works Department** will be seeking accreditation as an approved City & Guilds or NCTVET Training Center, delivering Level 1 through 3 TVET programmes in construction. The Department also plans to begin the training of approximately 30 apprentices towards internationally recognized construction certifications in 2018.

The **Department of Planning** will begin introduction of the 2018 Building Codes from the International Code Council.

An expanded and more efficient facility will be built for the **Department of Vehicle and Equipment Services**. The planned improvements will provide a modern, comfortable and safer working environment that will allow the DVES staff to service their clients more efficiently and effectively.

The **Computer Services Department** will continue with the implementation of the National Institute of Standards and Technology (NIST) cyber security framework to standardize, stabilize and secure the Government IT environment.

The **E-Government Unit** will be commissioning the logical network and implementing the interoperability center. The interoperability center will facilitate secure transacting by providing increased evidence and support for online transactions. The development environment for the interoperability center has already been installed with the test and production environments expected to be rolled out in March 2018.

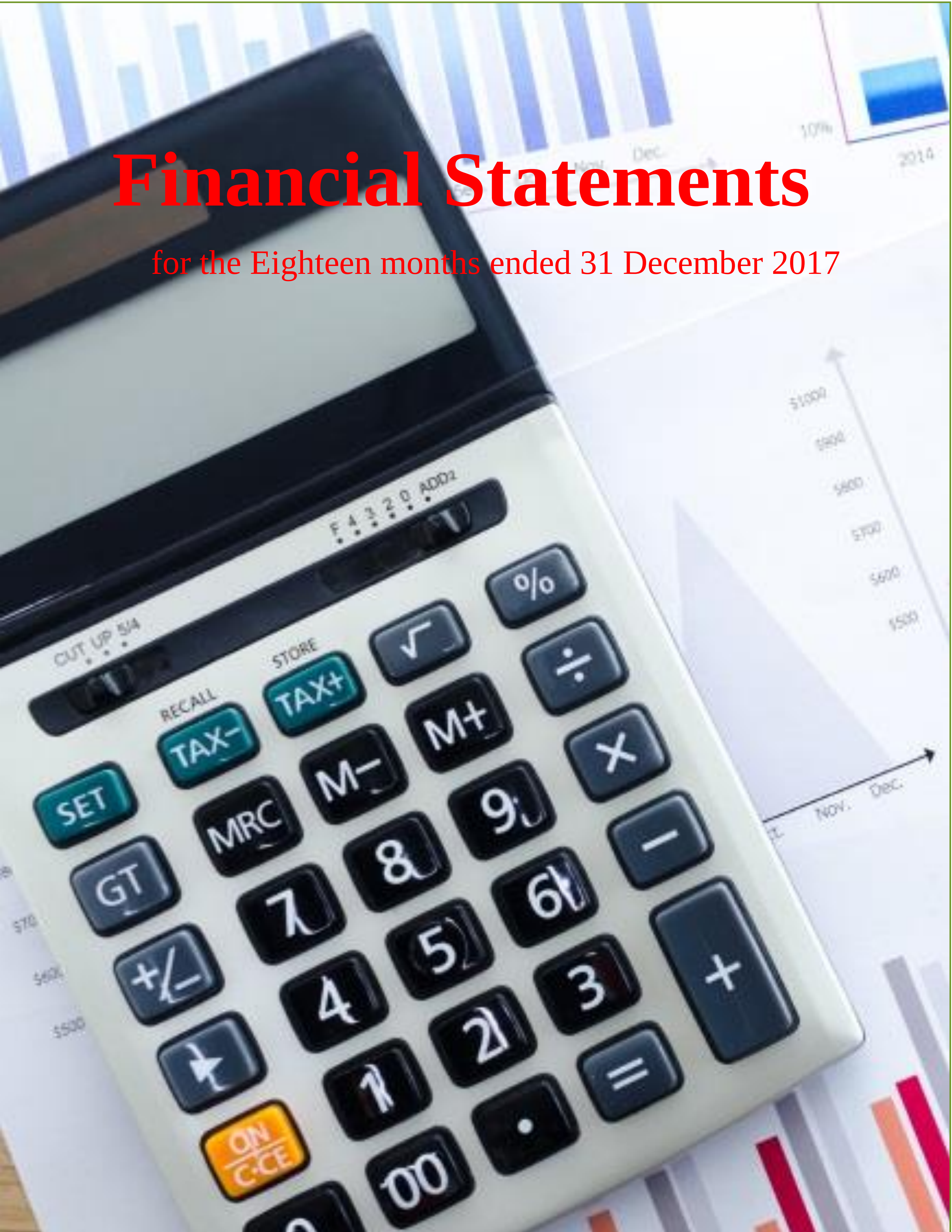
Another significant future project for the Unit will be the work carried out to implement an identity and access management solution that will provide single sign-on capability and a "single view" of an individual. The capabilities developed with this system, in conjunction with the interoperability solution, will allow customers to transact with various Government entities without the need to provide the same information repeatedly.

In the future, transactions that previously required documents from General Registry and others to be provided to another department, can be securely exchanged between our internal systems with the appropriate access controls, once the customer authorizes it. The system will also have significant applications for the new Human Resource Department, General Registry, Immigration and other agencies.

This project supports the vision of the Deputy Governor for a world-class Public Service. The Unit has been given a mandate that by the end of 2019, no Government entity should need to ask a customer to produce a piece of information that another Government entity already has.

# Financial Statements

for the Eighteen months ended 31 December 2017



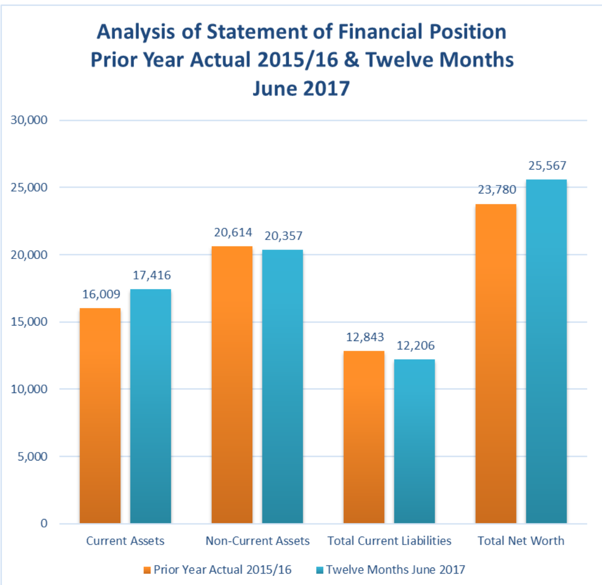

2015
2016
2017
2018
Jan.
Feb
Dec
34%
47%

# Management Discussion and Analysis on Financial Performance

Several material changes occurred during the fiscal period which requires notation to provide proper context to the financial statements that follow.

The Cayman Islands Government transitioned from a fiscal year that runs from July to June, to one that runs from January to December. The transitional arrangements to facilitate this change entailed an 18-month budget and an 18-month reporting period.

The Government also tabled legislation in October 2016 to create a multi-sector regulator (the Utility Regulation and Competition Office). As a result, in April 2017, the Petroleum Inspectorate was transferred from the then Ministry of Planning, Lands, Agriculture, Housing and Infrastructure (or "PLAHI") to the Utilities Regulation and Competition Office.




The Ministry was also restructured following the May 2017 General Elections. The changes resulted in a new Ministry referred to as the Ministry of Commerce, Planning and Infrastructure (or "CPI").

The new structure took effect July 1, 2017 and comprised the following departments: Ministry Administration, Department of Commerce and Investment, the Computer Services Department, the Department of Planning, the Department of Vehicle and Drivers' Licensing, Public Works Department, Vehicle and Equipment Services, E-Government Unit, and Facilities Management.

The Departments of Agriculture, Lands and Survey and Postal were transferred and no longer form a part of the Ministry.

For comparability purposes, the financials present a 12-month period ended June 2017 and a subsequent 6-month period ended December 2017.

**Operating Performance**

The Ministry recorded an operating surplus of \$1.23 million for the 18-month period ended December 31st, 2017. The operating results are broken into two distinct periods as follows:

The operating results for the **first 12-months** of 2016-17 show a surplus of \$1.88 million. This amount was due to higher than expected results from the Planning & Infrastructure group, Department of Vehicle & Drivers' License, and Vehicle and Equipment Services. Surpluses recorded in those segments were sufficiently high to compensate for deficits recorded in the other segments of operations.

Approximately 61% of the expenses incurred during the first 12 months were for personnel costs. 79% of personnel costs were expended as settlement for salaries, wages and allowance. The cost of providing healthcare amounted to 16% with pension, leave and other related personnel costs accounting for the balance.

Supplies and consumables account for 35% of total operating cost in the initial 12 months, the remaining 5% was recorded depreciation for the period.

The restructured Ministry recorded a net deficit of some $652K during the **last six months** of 2017. Whilst the Department of Vehicle & Drivers Licensing and the Department of Commerce & Investment recorded surpluses of $124K and $120k respectively, those performances were insufficient to cover losses in all other segments of the Ministry. These losses are largely due to timing and should normalize to a break-even position in the next fiscal year.

**Financial Position**

The Ministry recorded **cash and cash equivalents** of $6.9 million at the close of the fiscal period. This amount represents a decrease of approximately $1.0 million when compared to the closing cash position of $7.9 million in June of 2016.

The decline in cash is largely attributable to an increase in the amounts outstanding from Cabinet at the close of the fiscal period for Outputs delivered by the Ministry.

The amounts outstanding in **trade receivables** at the close of the period were $6.1 million higher than budgeted. This was largely due to a lag in the processing of information because of the Ministry restructuring which took place in the latter half of 2017.

The Ministry also had a receivable of $5.7 million representing funds not yet transferred to the Ministry under **Equity Injection** 71 as approved in the 2016-17 Budget.

These amounts are expected to be fully collected in 2018; as such, the Ministry has only provisioned $1.3 million in doubtful debts to reflect potentially uncollectible amounts from trades with 3rd parties.

Approximately $1.72 million was spent during the fiscal period for the acquisition of **Property Plant and Equipment**. After accounting for the effects of depreciation and assets transferred from the Ministry as part of the aforementioned restructuring, the closing **Property Plant and Equipment** value as at December 31st, 2017 was $12.03 million.

# Statement of Responsibility for the Financial Statements

## MINISTRY OF COMMERCE, PLANNING & INFRASTRUCTURE

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Ministry of Commerce, Planning and Infrastructure (the "Ministry") in accordance with the provisions of the *Public Management and Finance Law (2017 Revision)*.

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the *Public Management and Finance Law (2017 Revision)*.

As Chief Officer I am responsible for establishing; and have established and maintained a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Ministry.

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Ministry's financial statements, representation and judgements made in these statements.

To the best of our knowledge we represent that these financial statements:

(a) Completely and reliably reflect the financial transactions of the Ministry for the eighteen months ended 31 December 2017;

(b) Fairly reflect the financial position as at 31 December 2017 and performance for the eighteen months ended 31 December 2017;

(c) Comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

The Office of the Auditor General conducts an independent audit and expresses an opinion on the accompanying financial statements. The Office of the Auditor General has been provided access to all the information necessary to conduct an audit in accordance with International Standards on Auditing.

Alan Jones, MRICS, JP
Chief Officer
Date: 13/7/18

Carrol A. Cooper
Chief Financial Officer
Date: July 13, 2018

Office of the Auditor General
CAYMAN ISLANDS

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# Auditor General's Report

**To the Members of The Legislative Assembly and the Chief Officer of the Ministry of Commerce, Planning & Infrastructure**

## Opinion

I have audited the financial statements of the Ministry of Commerce, Planning & Infrastructure (the "Ministry"), which comprise the statement of financial position as at 31 December 2017 and the statement of financial performance, statement of changes in net worth and statement of cash flows for the 18-month period from 1 July 2016 to 31 December 2017, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 10 to 32.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Ministry as at 31 December 2017 and its financial performance and its cash flows for the 18-month period from 1 July 2016 to 31 December 2017 in accordance with International Public Sector Accounting Standards.

## Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Ministry in accordance with the International Standards Board for *Accountants' Code of Ethics for Professional Accountants (IESBA Code)*, together with the ethical requirements that are relevant to my audit of the financial statements in the Cayman Islands, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion,

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with International Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Ministry's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the assets or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Ministry's financial reporting process.

## AUDITOR GENERAL'S REPORT (continued)

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I have undertaken the audit in accordance with the provisions of Section 60(1)(a)(ii) of the *Public Management and Finance Law (2017 Revision)*. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Sue Winspear, CPFA
Auditor General

13 July 2018
Cayman Islands

**Explanation for Presentation of Financial Statements**

There were two key changes that impacted the presentation of these financial statements. Firstly, the 2016/17 budget was prepared and approved on the basis that the financial year-end would change from June 2017 to December 2017. Consequently, this resulted in an eighteen-month budget/reporting period. The second change resulted from the General Elections in May 2017. Following the elections, ministries and portfolios were restructured and reorganized with effect from July 1, 2017.

As this reorganization took place during the financial year, it meant that the eighteen-month period encompassed two separate structures. That is, the *Ministry of Planning, Lands, Agriculture, Housing and Infrastructure (PLAHI)* and the *Ministry of Commerce, Planning and Infrastructure (CPI).* See **Note 1** of the Financial Statements, Description and Principal Activities.

The Public Management and Finance Law (PMFL) (2017 Revision), s2 defines "ministry" as:…the whole of the division of government administration for the actions of which a minister is accountable to the Legislative Assembly. Consequently, in order to comply with the accountability and stewardship responsibilities stipulated in the International Public Sector Accounting Standards (IPSAS), and in particular, IPSAS 1 (Presentation of Financial Statements), the financial information for these financial statements is represented for the twelve months ended June 30, 2017 and the six months ended December 30, 2017. Thus separating the financial information for the Ministry of PLAHI (July 1, 2016 to June 30, 2017), and the Ministry of CPI (July 1, 2017 to December 31, 2017).

Both IPSAS and the PMFL stipulate that the financial statements shall present fairly the financial position, financial performance, and cash flows of an entity. The Standard suggests that fair representation requires the faithful representation of the effects of transactions, other events, and conditions.

To achieve fair presentation, IPSAS1 requires that the financial statements be presented to ensure comparability with the entity's financial statements of the preceding period. Given the substantial reorganization of this ministry, representing the financial statement for eighteen months collectively, would not offer any practical comparative to the preceding period, and would also be misleading to the users of these statements. In that, financial information relating to separate ministries with different ministers being held accountable, would amount to a concealment of critical information. Therefore, by representing the financial information to match the period of operation for each entity (PLAHI and CPI respectively), it is hoped, that this will result in greater transparency and effective disclosure for the users.

The presentation of these financial statements also ensures compliance with IPSAS 18 (Segment Reporting). This Standard requires that each segment be reported separately in the financial statements, for the purpose of (a) evaluating the entity's past performance, and (b) making decisions about the allocation of resources. The presentation of these statements facilitates this kind of disclosure to give users a more profound understanding (See Note 18 of the financial statements, Segment Reporting for the Ministry of PLAHI and Ministry of CPI).

Theses financial statements also comply with IPSAS 24, Presentation of Budget Information in Financial Statements. As the original eighteen-month budget is non-comparable to the eighteen-month actuals, this was amended to reflect the budgeted operating performance of each structure. That is, twelve months ended June 30, 2017 for PLAHI and six months ended December 31, 2017 for CPI. The budget information in the statement of financial position as at December 31, 2017 is based on the original budget.

# Statement of Financial Position

MINISTRY OF COMMERCE, PLANNING & INFRASTRUCTURE
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

| | Note | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget (December 2017)* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|---|
| | | *expressed in Cayman Islands Dollars and in thousands* | | | | |
| **Current Assets** | | | | | | |
| Cash and cash equivalents | 3 | 6,881 | 6,921 | 12,280 | 5,359 | 7,915 |
| Trade receivables | 4 | 8,243 | 8,761 | 2,626 | (6,135) | 4,048 |
| Other receivables | 4 | 850 | 5,695 | 1,396 | (4,299) | 2,803 |
| Inventories | 5 | 1,397 | 1,065 | 1,293 | 228 | 1,218 |
| Prepayments | 5b | 45 | 586 | 96 | (490) | 25 |
| **Total Current Assets** | | **17,416** | **23,028** | **17,691** | **(5,337)** | **16,009** |
| **Non-Current Assets** | | | | | | |
| Intangible Assets | 7 | 63 | 573 | 1,360 | 787 | 92 |
| Property, plant and equipment | 6 | 20,294 | 12,033 | 17,020 | 4,987 | 20,522 |
| **Total Non-Current Assets** | | **20,357** | **12,606** | **18,380** | **5,774** | **20,614** |
| **Total Assets** | | **37,773** | **35,634** | **36,071** | **437** | **36,623** |
| **Current Liabilities** | | | | | | |
| Trade payables | 8 | 731 | 1,229 | 100 | (1,129) | 691 |
| Other payables and accruals | 8 | 981 | 1,965 | 4,159 | 2,194 | 1,858 |
| Unearned revenue | 9 | 1,777 | 479 | 694 | 215 | 1,639 |
| Employee entitlements | 10 | 538 | 211 | 200 | (11) | 476 |
| Repayment of surplus | 11 | 8,179 | 9,079 | 8,828 | (251) | 8,179 |
| **Total Current Liabilities** | | **12,206** | **12,963** | **13,981** | **1,018** | **12,843** |
| **Total Liabilities** | | **12,206** | **12,963** | **13,981** | **1,018** | **12,843** |
| **Net Assets** | | **25,567** | **22,671** | **22,090** | **(581)** | **23,780** |
| **Net Worth** | | | | | | |
| Contributed capital | | 8,621 | 16,464 | 11,845 | (4,619) | 8,621 |
| Revaluation reserve | | 15,159 | 6,207 | 10,698 | 4,491 | 15,159 |
| Accumulated surpluses/(deficits) | | 1,787 | - | (453) | (453) | - |
| **Total Net Worth** | | **25,567** | **22,671** | **22,090** | **(581)** | **23,780** |

*The accounting policies and notes starting on page 88 form an integral part of these financial statements.*

# Statement of Financial Performance

MINISTRY OF COMMERCE, PLANNING & INFRASTRUCTURE
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE EIGHTEEN MONTHS ENDED 31 DECEMBER, 2017

| | Note | 12 Months Actual June 2017 (unaudited) | 6 Months Actual December 2017 (unaudited) | Current Actual (18 Months)* | Original Budget (18 Months) | Final Budget (18 Months)* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|---|---|---|
| | | | | *expressed in Cayman Islands Dollars and in thousands* | | | | |
| **Revenue** | | | | | | | | |
| Sales of goods and services | 13 | 43,475 | 17,517 | 60,992 | 66,667 | 63,731 | 2,739 | 42,082 |
| **Total Revenue** | | **43,475** | **17,517** | **60,992** | **66,667** | **63,731** | **2,739** | **42,082** |
| | | | | | | | | |
| **Expenses** | | | | | | | | |
| Personnel Costs | 14 | 25,253 | 10,390 | 35,643 | 41,303 | 38,793 | 3,150 | 25,055 |
| Supplies and consumables | 15 | 14,380 | 6,944 | 21,324 | 22,771 | 22,414 | 1,090 | 15,407 |
| Depreciation & Amortisation | 6 & 7 | 1,915 | 838 | 2,753 | 2,463 | 2,419 | (334) | 1,689 |
| Other expenses | | 53 | - | 53 | 128 | 103 | 50 | 41 |
| Other Gains and Losses | 16 | (8) | (3) | (11) | 3 | 2 | 13 | (18) |
| **Total Expenses** | | **41,593** | **18,169** | **59,762** | **66,668** | **63,731** | **3,969** | **42,174** |
| | | | | | | | | |
| **Surplus or (Deficit) for the period** | | **1,882** | **(652)** | **1,230** | **(1)** | **-** | **(1,230)** | **(92)** |

*The accounting policies and notes starting on page 88 form an integral part of these financial statements.*

# Statement of Changes in Net Worth

MINISTRY OF COMMERCE, PLANNING & INFRASTRUCTURE
STATEMENT OF CHANGES IN NET WORTH
FOR THE EIGHTEEN MONTHS ENDED 31 DECEMBER 2017

| | Contributed Capital | Revaluation Reserve | Accumulated Surplus/ (deficits) | Total | Budget | Budget Variance* |
|---|---|---|---|---|---|---|
| | *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| **Balance at 30 June 2015 brought forward** | 5,877 | 10,698 | - | 16,575 | 15,795 | (780) |
| **Changes in net worth for 204/15** | | | | - | | - |
| Prior Year Adjustments | (47) | - | (96) | (143) | - | 143 |
| **Restated balance** | **5,830** | **10,698** | **(96)** | **16,432** | **15,795** | **(637)** |
| | | | | | | |
| **Changes in net worth for 2015/16** | | | | | | |
| Gain/(loss) on property revaluation | - | 4,461 | - | 4,461 | - | (4,461) |
| CIG debt forgiveness | 1,308 | - | - | 1,308 | - | (1,308) |
| Equity Investment from Cabinet | 1,483 | - | - | 1,483 | 1,273 | (210) |
| Repayment of surplus/Dividends to Cabinet | - | - | 188 | 188 | - | (188) |
| **Net revenue / expenses recognised directly in net worth** | **2,791** | **4,461** | **188** | **7,440** | **1,273** | **(6,167)** |
| Surplus/(deficit) for the period 2015/16 | - | - | (92) | (92) | - | 92 |
| **Total recognised revenues and expenses for the period** | **2,791** | **4,461** | **96** | **7,348** | **1,273** | **(6,075)** |
| **Balance at 30 June 2016 brought forward** | 8,621 | 15,159 | - | 23,780 | 17,068 | **(6,712)** |
| Prior Year Adjustments | - | - | (95) | (95) | - | 95 |
| **Restated balance 30 June 2016** | **8,621** | **15,159** | **(95)** | **23,685** | **17,068** | **(6,617)** |
| **Changes in net worth for 2016/17** | | | | - | | |
| Surplus/(deficit) for the period July 2016 to June 2017 | - | - | 1,882 | 1,882 | - | (1,882) |
| **Total recognised revenues and expenses for the period** | **-** | **-** | **1,882** | **1,882** | **-** | **(1,882)** |
| **Balance at 30 June 2017 carried forward** | **8,621** | **15,159** | **1,787** | **25,567** | **17,068** | **(8,499)** |
| | **Contributed Capital** | **Revaluation Reserve** | **Accumulated Surplus/ (deficits)** | **Total** | **Total** | **Total** |
| **Balance at 30 June 2017 brought forward** | 8,621 | 15,159 | 1,787 | 25,567 | 17,068 | (8,499) |
| **Prior Year Adjustments** | | | | - | | |
| Prior Year Adjustments | 40 | - | (329) | (289) | - | 289 |
| **Restated balance 30 June 2017** | **8,661** | **15,159** | **1,458** | **25,278** | **17,068** | **(8,210)** |
| | | | | | | |
| **Changes in net worth for six months ending December 2017** | | | | | | |
| Gain/(loss) on property revaluation | - | (8,952) | - | (8,952) | - | 8,952 |
| Transfer of departments | 2,753 | - | - | 2,753 | - | (2,753) |
| Equity Investment from Cabinet | 5,050 | - | - | 5,050 | 5,022 | (28) |
| Repayment of surplus to Cabinet | - | - | (806) | (806) | - | 806 |
| **Net revenue / expenses recognised directly in net worth** | **7,803** | **(8,952)** | **(806)** | **(1,955)** | **5,022** | **6,977** |
| Surplus/(deficit) for the six months ending December 2017 | - | - | (652) | (652) | - | 652 |
| **Total recognised revenues and expenses for the period** | **7,803** | **(8,952)** | **(1,458)** | **(2,607)** | **5,022** | **7,629** |
| **Balance at 31 December 2017 carried forward** | **16,464** | **6,207** | **-** | **22,671** | **22,090** | **(581)** |

*The accounting policies and notes starting on page 88 form an integral part of these financial statements.*

# Statement of Cash Flows

MINISTRY OF COMMERCE, PLANNING & INFRASTRUCTURE
CASH FLOW STATEMENT
FOR THE EIGHTEEN MONTHS ENDED 31 DECEMBER 2017

| | 12 Months Actual June 2017 (unaudited) | 6 Months Actual December 2017 (unaudited) | Current Actual (18 Months)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|---|
| | | *expressed in Cayman Islands Dollars and in thousands* | | | | |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | | | |
| **Receipts** | | | | | | |
| Outputs to Cabinet | 27,963 | 14,777 | 42,740 | 51,122 | 8,382 | 29,789 |
| Outputs to other government agencies | 2,865 | 1,599 | 4,464 | 3,477 | (987) | 2,272 |
| Sale of goods and services - third party | 9,455 | 2,015 | 11,470 | 12,068 | 598 | 8,457 |
| ***Payments*** | | | | | | |
| Personnel costs | (14,545) | (6,528) | (21,073) | (41,303) | (20,230) | (25,098) |
| Supplies and consumables | (27,143) | (10,842) | (37,985) | (22,773) | 15,212 | (15,510) |
| Other payments | - | (2) | (2) | (128) | (126) | (6) |
| **Net cash flows (used in)/from operating activities** | **(1,405)** | **1,019** | **(386)** | **2,463** | **2,849** | **(96)** |
| | | | | | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | | | |
| Purchase of property, plant and equipment | (1,719) | (979) | (2,698) | (5,022) | (2,324) | (2,117) |
| Proceeds from sale of property, plant and equipment | - | - | - | | | 46 |
| **Net cash flows used in investing activities** | **(1,719)** | **(979)** | **(2,698)** | **(5,022)** | **(2,324)** | **(2,071)** |
| | | | | | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | | | | |
| Equity Investment from Org 40 | 2,090 | - | 2,090 | 5,022 | 2,932 | |
| **Net cash flows from financing activities** | **2,090** | **-** | **2,090** | **5,022** | **2,932** | **-** |
| | | | | | | |
| **Net increase/(decrease) in cash and cash equivalents** | **(1,034)** | **40** | **(994)** | **2,463** | **3,457** | **(2,167)** |
| Cash and cash equivalents at beginning of period | 7,915 | 6,881 | 7,915 | 9,817 | 1,902 | 10,082 |
| **Cash and cash equivalents at end of period** | **6,881** | **6,921** | **6,921** | **12,280** | **5,359** | **7,915** |

*The accounting policies and notes starting on page 88 form an integral part of these financial statements.*

## Note 1: Description and Principal Activities

The Ministry of Commerce, Planning & Infrastructure (formerly the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure), (the "Ministry") is a Government owned entity as defined by the *Public Management and Finance Law (2017 Revision)* and it is domiciled in the Cayman Islands.

The Ministry funds, develops and monitors the implementation of policy, legislation and services in the areas of planning, infrastructure, management of crown estates and public buildings, agriculture, postal and petroleum inspection.

During the year ended 30 June 2017, the Ministry comprised the following departments: Ministry Administration (MDA), Department of Agriculture (DOA), Petroleum Inspectorate, Department of Vehicle and Equipment Services (DVES), Department of Lands and Survey (LSU), Postal Services Department (POS), Public Works Department (PWD), Recreation, Parks and Cemeteries Unit (RPCU), Department of Vehicle and Drivers Licensing (DVDL), Department of Planning (PLN) and Facilities Management (FM).

The Government tabled legislation which was taken to the October (2016) sitting of the Legislative Assembly, the Utility Regulation and Competition Bill, which established a multi-sector regulator (the Utility Regulation and Competition Office). As a result, in April 2017, the Petroleum Inspectorate was transferred to the Utilities Regulation and Competition Office.

Following the General Elections and change in administration in May 2017, the Ministry was restructured, the new ministry being the Ministry of Commerce, Planning and Infrastructure (CPI). The new structure took effect July 1, 2017 and comprised the following departments: Ministry Administration, Commerce and Investment, Computer Services, Planning, Vehicle and Drivers' Licensing, Public Works, Vehicle and Equipment Services, E-Government Unit, and Facilities Management.

Consequently, the financial statements are presented to distinguish the former ministry (PLAHI), July 2016 to June 2017, and the new ministry (CPI), July 2017 to December 2017.

## Note 2: Significant Accounting Policies

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board are used.

There are no known accounting standards that have been adopted by the IPSAS Board for use in future years that will impact these financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### (a) Basis of Preparation

The financial statements are presented in Cayman Islands dollars and are prepared on the accrual basis of accounting, unless otherwise stated. The measurement base applied to these financial statements is the historical cost basis (Buildings are stated at fair value).

**Changes in Accounting Policies**

When presentation or classification of items in the financial statements is amended or accounting policies are changed, comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

The financial statements show comparison of actual amounts with amounts in the original and final budget. Explanations of material differences between original budget and actual amounts are provided as required by IPSAS 24.

### (b) Budget Amounts

The original budget amounts for the financial year are as presented in the 2016/2017 Annual Budget Statement and were approved by the Legislative Assembly 24 June 2016. The budget was prepared based on the accrual accounting concept and the going concern basis.

### (c) Judgments and Estimates

The preparation of financial statements in conformity with International Public Sector Accounting Standards requires judgments, estimates, and assumptions affecting the application of policies and reported amounts of assets and liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period and in any future periods that are affected by those revisions.

## Note 2: Significant Accounting Policies (continued)

**Changes in Accounting Estimates**

IPSAS 3 requires disclosure of any changes in accounting estimates and the nature, amount and the financial effect on present, past and/or future period. There were no changes in accounting estimates.

### (d) Revenue

Revenue is recognized in the accounting period in which it is earned. Revenue received but not yet earned at the end of the reporting period is recognized as a liability (unearned revenue).

Cabinet revenue is recognized at the monthly cost to produce the outputs agreed in the Annual Budget Statement for 2016/2017. Other revenues are recognized at the fair value of services provided.

### (e) Expenses

Expenses are recognized in the accounting period in which they are incurred.

### (f) Operating Leases

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, where this is representative of the pattern of benefits to be derived from the leased property. Lease payments under operating lease, net of lease incentives received, are recognized as expenses on a straight-line basis over the lease term. Lease incentives received are recognized evenly over the term of the lease as a reduction in rental expense.

### (g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in-transit and bank accounts with a maturity of no more than three months from the date of acquisition.

### (h) Prepayments

The portion of recognized expenditure paid in advance of receiving services has been recognized as a prepayment.

### (i) Inventories

Inventories held for distribution, or consumption in the provision of services, that are not issued on a commercial basis are measured at the lower of cost and net realizable value. Where inventories are acquired at no cost, or for nominal consideration, the amount reported is the current replacement cost at the date of acquisition.

The amount reported for inventory held for distribution reflects management's estimates for obsolescence or other impairments.

Inventories held for sale or use in the production of goods and services on a commercial basis are valued at the lower of cost and net realizable value. Costs are assigned to inventories using first-in first-out (FIFO) as appropriate.

**Note 2: Significant Accounting Policies (continued)**

**(j) Property, Plant and Equipment**

Property, plant and equipment, are stated at historical cost less accumulated depreciation except for buildings which are stated at fair value. Items of property, plant and equipment are initially recorded at cost. Where an asset is acquired for nil or nominal consideration, the asset is recognized initially at fair value, where fair value can be reliably determined, and as revenue in the Statement of Financial Performance in the year in which the asset is acquired.

In accordance with IPSAS 17, when buildings are revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

Depreciation is expensed on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment (other than land); less any estimated residual value, over its estimated useful life.

| ***Asset Type*** | ***Estimated Useful life*** |
|---|---|
| • Buildings | 40 – 60 years |
| • Motor vehicles | 4 – 12 years |
| • Furniture and fittings | 3 – 20 years |
| • Computer equipment and software | 3 – 10 years |
| • Office equipment | 3 – 20 years |
| • Other plant and equipment | 5 – 25 years |
| • Other assets | 3 – 25 years |

**Impairment**

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the period end. Assets that are subject to amortization are reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amounts. The recoverable amount is the higher of the asset's fair value less costs to sell and its value for use in service.

**Work in Progress**

Work in progress items are valued at cost. No depreciation is applied to work in progress items until such time as they are commissioned.

**Disposals**

Gains and losses on disposals of property, plant and equipment are determined by comparing the sale proceeds with the carrying amount of the asset. Gains and losses on disposals during the year are included in the Statement of Financial Performance.

**Note 2: Significant Accounting Policies (continued)**

**(k) Employee Entitlements**

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave and other similar benefits are recognized in the Statement of Financial Performance when they are earned by employees. Employee entitlements to be settled within one year following the year-end are reported as current liabilities at the amount expected to be paid.

Pension contributions for employees of the Ministry are paid to the Public Service Pension Fund and administered by the Public Service Pension Board (the "Board"). Contributions of 12% - employer 6% and employee 6% are made to the Fund by the Ministry.

Prior to the 1 January 2000, the Board operated a defined benefit scheme. With effect from the 1 January 2000, the Board continued to operate a defined benefit scheme for existing employees and a defined contribution scheme for all new employees. Obligations for contribution to defined contribution retirement plans are recognized in the Statement of Financial Performance as they are earned by employees. Obligations for defined benefit retirement plans are reported in the Consolidated Financial Statements for the Entire Public Sector of the Cayman Islands Government.

**(l) Financial Instruments**

The Ministry is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, trade and accounts receivables and trade and accounts payable, all of which are recognized in the Statement of Financial Position.

When there is objective evidence that a financial asset or group of financial assets is impaired the losses are recognized as an expense in the Statement of Financial Performance.

***Classification***

A financial asset is classified as any asset that is cash, a contractual right to receive cash or another financial asset, exchange financial instruments under conditions that are potentially favourable. Financial assets comprise of cash and cash equivalents and prepayments.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial instrument or to exchange financial instruments with another enterprise under conditions that are potentially unfavorable. Financial liabilities comprise of accounts payable, accrued expenses and repayment of surplus.

***Recognition***

The Ministry recognizes financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. From this date, any gains and losses arising from changes in fair value of the assets and liabilities are recognized in the Statement of Financial Performance.

## Note 2: Significant Accounting Policies (continued)

### (l) Financial Instruments (continued)

***Measurement***

Financial instruments are measured initially at cost which is the fair value of the consideration given or received. Subsequent to initial recognition all financial assets are recorded at historical cost, which is considered to approximate fair value due to the short-term or immediate nature of these instruments.

Financial liabilities are subsequently measured at amortized cost, being the amount at which the liability was initially recognized less any payment plus any accrued interest of the difference between that initial amount and the maturity amount.

***De-recognition***

A financial asset is de-recognized when the Ministry realizes the rights to the benefits specified in the contract or loses control over any right that comprise that asset. A financial liability is derecognized when it is extinguished, that is when the obligation is discharged, cancelled, or expires.

### (m) Contingent Liabilities and Assets (including guarantees)

Contingent liabilities and assets are reported at the point the contingency becomes evident. Contingent liabilities are disclosed when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are disclosed if it is probable that the benefits will be realized.

### (n) Foreign Currency

Foreign currency transactions are recorded in Cayman Islands dollars using the exchange rate in effect at the date of the transaction. Foreign currency gains or losses resulting from settlement of such transactions are recognized in the Statement of Financial Performance.

At the end of the reporting period the following exchange rates are used to translate foreign currency balances:

- Foreign currency monetary items are reported in Cayman Islands dollars using the closing rate;
- Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported in Cayman Islands dollars using the exchange rate at the date of the transaction; and
- Non-monetary items that are carried at fair value denominated in a foreign currency are reported using the exchange rates that existed when the fair values were determined.

## Note 2: Significant Accounting Policies (continued)

### (o) Revenue from Non-Exchange Transactions

The Ministry receives various services from other government entities for which payment is made by the Cayman Islands Government. These services include but are not limited to accommodation in the central government building, computer repairs and software maintenance by the Computer Services Department and human resources management by the Portfolio of the Civil Service. The Ministry has designated these non-exchange transactions as services in-kind as defined under **IPSAS 23- Revenue from non-exchange Transactions**. When fair values of such services can be reliably estimated then the non-exchange transaction is recorded as an expense and an equal amount is recorded in other income as a service in-kind. Where services in-kind offered are directly related to construction or acquisition of an item of property, plant and equipment, such service in-kind is recognized in the cost of property, plant and equipment.

## Note 3: Cash and Cash Equivalents

| Description | Foreign Currency | Exchange Rate | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | | | |
| Cash on hand (IRIS Confirmation Account/Petty Cash) | | | 8 | 6 | 8 | 2 | 8 |
| Cash in transit (IRIS Remittance Account) | | | 71 | 41 | 209 | 168 | 332 |
| CI$ Operational Current Account held at Royal Bank of Canada | | | 5,065 | 6,458 | 11,063 | 4,605 | 5,257 |
| US$ Operational Current Account held at Royal Bank of Canada | 121 | 0.8375 | 395 | 101 | 250 | 149 | 148 |
| Payroll Current Account held at Royal Bank of Canada | | | 1,342 | 315 | 500 | 185 | 1,887 |
| Bank Accounts held at other financial institutions | | | - | - | 250 | 250 | 283 |
| Fixed Deposits held with Treasury (less than 90 days) | | | - | - | - | - | - |
| **TOTAL** | | | **6,881** | **6,921** | **12,280** | **5,359** | **7,915** |

The Ministry's cash and cash equivalents as at the end of the eighteen months represents a reduction of 12% (or $1M) compared to the previous financial year. The budget variance $5.4 million is attributable to the restructuring of the Ministry.

## Note 4: Trade and Other Receivables

| Trade Receivables | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| Sale of goods and services | 1,943 | 2,280 | 1,300 | (980) | 1,677 |
| Outputs to Cabinet | 7,604 | 7,453 | 2,100 | (5,353) | 3,667 |
| **Less: provision for doubtful debts** | (1,304) | (972) | (774) | 198 | (1,296) |
| **Total Trade receivables** | **8,243** | **8,761** | **2,626** | **(6,135)** | **4,048** |

| | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| **Current** | | | | | |
| Past due 1-30 days | 4,653 | 4,720 | 2,626 | (2,094) | 2,032 |
| Past due 31-60 days | 1,651 | 1,936 | - | (1,936) | 346 |
| Past due 61-90 days | 126 | 17 | - | (17) | 190 |
| Past due 90 and above | 1,812 | 2,088 | - | (2,088) | 1,480 |
| **Total** | **8,243** | **8,761** | **2,626** | **(6,135)** | **4,048** |

### Trade receivables

Trade receivables for sale of goods and services as at the end of the eighteen months were 75% more than budgeted. Provision for doubtful debts was reduced by 25% due to greater than expected collection of certain trade receivables for the DOA. Receivables in respect to Cabinet outputs increased by 103% over the previous year. This delay in processing Cabinet revenues was due to the restructuring of the Ministry.

Cabinet revenues are drawn down based on the entity costs incurred. At the end of December 2017, $7.4 million was outstanding in Cabinet revenues, representing 255% more than budgeted, again, due to the restructuring of the Ministry.

## Note 4: Trade and Other Receivables (continued)

### Other Receivables

| Other Receivables | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| Advances (salary, Official Travel, etc.) | 9 | 7 | - | (7) | 6 |
| Dishonoured cheques | 23 | 20 | 22 | 2 | 21 |
| Other | 818 | 5,903 | 1,374 | (4,529) | 2,784 |
| **Less: provision for doubtful debts** | - | (235) | - | 235 | (8) |
| **Total other receivables** | **850** | **5,695** | **1,396** | **(4,299)** | **2,803** |

Approximately 86% ($5 million) of *"other receivables"* represents outstanding amount from Cabinet in respect to Equity Injection (EI) for the acquisition of fixed assets. The Ministry has acquired the assets for which the funds are intended, and will pursue the funds in the 2018 fiscal year. The Ministry had anticipated faster draw-down of EI, and consequently a budget variance of $4.2 million.

| | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| **Current** | | | | | |
| Past due 1-30 days | 742 | 4,957 | 1,396 | (3,561) | 49 |
| Past due 31-60 days | 102 | 711 | 0 | (711) | 295 |
| Past due 61-90 days | 3 | 7 | 0 | (7) | 350 |
| Past due 90 and above | 3 | 20 | 0 | (20) | 2,109 |
| **Total** | **850** | **5,695** | **1,396** | **(4,299)** | **2,803** |

Changes in the provision of doubtful debts:

| Description | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| Balance at 1 July | (1,304) | (1,304) | (774) | 530 | (859) |
| Reduction in provisions made during the year | - | 97 | - | (97) | (687) |
| Receivables written off during the period | - | - | - | - | 242 |
| **Balance at 30 June** | **(1,304)** | **(1,207)** | **(774)** | **433** | **(1,304)** |

## Note 5: Inventories

| Description | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| Inventory held for use in the provision of goods and services | 1,397 | 1,065 | 1,293 | 228 | 1,218 |
| **Total** | **1,397** | **1,065** | **1,293** | **228** | **1,218** |

Despite the transfer of the departments of Agriculture and Postal out of the Ministry, inventories have only decreased by about 12% over the previous fiscal year. This is partly due to the fact that the DVDL's inventories have increased by over $0.3 million due to the implementation of the electronic vehicle registration system, as well an increase of $0.2 million in the value of inventories held by the DVES.

## Note 5b: Prepayments

| Description | Actual as at June 2017 (unaudited) | Actual (December 2017)* | Budget* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
| Accrued Prepayments | 45 | 586 | 96 | (490) | 25 |
| **Total** | **45** | **586** | **96** | **(490)** | **25** |

Prepayments have increased by just under $0.6 million following the restructuring of the Ministry. This is attributable to the various software subscriptions held by the CSD and e-Gov. Both CSD and e-Gov were transferred to the Ministry following the General Elections and the ensuing restructuring exercise. As these transfers were not foreseen there were no budgetary provisions, hence the budget variance.

## Note 6: Property, Plant & Equipment

*expressed in Cayman Islands Dollars and in thousands*

| Cost of property, plant & equipment | Plant and Equipment | Buildings and Leasehold | Furniture and Fittings | Computer Hardware | Office Equipment | Infrastructure | Motor Vehicles | Other Assets | Assets under Construction or development | Total | Budget | Variance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance as at 1 July 2015** | 919 | 17,291 | 233 | 1,535 | 648 | 213 | 4,787 | 234 | 253 | 26,113 | 27,331 | 1,219 |
| Additions | 118 | - | - | 122 | 37 | - | 1,376 | - | 2,023 | 3,676 | | (3,676) |
| Prior-year adjustments | | | | 11 | 1 | | 89 | | | 101 | 398 | 297 |
| Derecognition | (5) | - | - | (60) | (23) | - | (759) | - | - | (847) | - | 847 |
| Revaluation | - | 251 | - | - | - | - | - | - | - | 251 | - | (251) |
| Transfers | | - | (28) | | | - | 28 | - | (1,709) | (1,709) | - | 1,709 |
| **Balance as at 30 June 2016** | **1,032** | **17,542** | **205** | **1,608** | **664** | **213** | **5,520** | **234** | **567** | **27,586** | **27,729** | **145** |
| | **Plant and Equipment** | **Buildings and Leasehold** | **Furniture and Fittings** | **Computer Hardware** | **Office Equipment** | **Infrastructure** | **Motor Vehicles** | **Other Assets** | **Assets under Construction or development** | **Total** | **Budget** | **Variance** |
| **Balance as at 1 July 2016** | 1,032 | 17,542 | 205 | 1,608 | 664 | 213 | 5,520 | 234 | 567 | 27,586 | 26,684 | (902) |
| Additions | 32 | 409 | 47 | 90 | 55 | 6 | 289 | - | 1,181 | 2,109 | 4,481 | 2,372 |
| Transfers | (16) | - | - | (7) | - | - | (22) | - | (505) | (550) | - | 550 |
| **Balance as at 30 June 2017** | **1,048** | **17,951** | **252** | **1,691** | **719** | **219** | **5,787** | **234** | **1,243** | **29,146** | **31,165** | **2,019** |
| | **Plant and Equipment** | **Buildings and Leasehold** | **Furniture and Fittings** | **Computer Hardware** | **Office Equipment** | **Infrastructure** | **Motor Vehicles** | **Other Assets** | **Assets under Construction or development** | **Total** | **Budget** | **Variance** |
| **Balance as at 1 July 2017** | 1,048 | 17,951 | 252 | 1,691 | 719 | 219 | 5,787 | 234 | 1,243 | 29,146 | 31,165 | 2,019 |
| Additions | 2 | 106 | 5 | 548 | 23 | - | 277 | - | 1,494 | 2,455 | - | (2,455) |
| Derecognisation | - | - | - | (40) | - | - | (919) | - | - | (959) | - | 959 |
| Adjustment | - | - | - | (2) | - | - | - | - | - | (2) | - | 2 |
| Transfers | (597) | (9,226) | (52) | 1,756 | (432) | 1,488 | (1,650) | (234) | (1,546) | (10,493) | - | 10,493 |
| **Balance as at 31 December 2017** | **453** | **8,831** | **205** | **3,953** | **310** | **1,707** | **3,495** | **-** | **1,191** | **20,147** | **31,165** | **11,018** |
| **Accumulated Depreciation and Impairment Losses** | **Plant and Equipment** | **Buildings and Leasehold** | **Furniture and Fittings** | **Computer Hardware** | **Office Equipment** | **Infrastructure** | **Motor Vehicles** | **Other Assets** | **Assets under Construction or development** | **Total** | **Budget** | **Variance** |
| **Balance as at 1 July 2015** | 574 | 3,182 | 155 | 1,361 | 500 | 198 | 4,157 | 216 | - | 10,344 | 10,237 | (106) |
| Adjustments | - | - | (4) | | | - | 22 | - | - | 18 | - | (18) |
| Prior-year adjustments | | | | 2 | 1 | | 48 | | | 51 | | (51) |
| Revaluation | - | (4,211) | - | - | - | - | - | - | - | (4,211) | - | 4,211 |
| Depreciation Expense | 74 | 1,061 | 10 | 100 | 38 | 8 | 365 | 6 | - | 1,662 | 1,509 | (153) |
| Eliminate on Disposal or Derecognisation | (3) | - | - | (60) | (19) | - | (719) | - | - | (801) | - | 801 |
| **Balance as at 30 June 2016** | **645** | **32** | **161** | **1,403** | **520** | **206** | **3,873** | **222** | **-** | **7,065** | **11,746** | **4,684** |
| | **Plant and Equipment** | **Buildings and Leasehold** | **Furniture and Fittings** | **Computer Hardware** | **Office Equipment** | **Infrastructure** | **Motor Vehicles** | **Other Assets** | **Assets under Construction or development** | **Total** | **Budget** | **Variance** |
| Balance as at 1 July 2016 | 645 | 32 | 161 | 1,403 | 520 | 206 | 3,873 | 222 | - | 7,065 | 11,802 | 4,737 |
| Transfers | (2) | (36) | - | (6) | - | - | (51) | - | - | (95) | - | 95 |
| Impairment change | - | - | - | - | - | - | - | - | - | - | - | - |
| Depreciation Expense | 73 | 1,150 | 13 | 134 | 42 | 4 | 461 | 6 | - | 1,883 | 2,343 | 460 |
| Eliminate on Disposal or Derecognisation | - | - | - | - | - | - | - | - | - | - | - | - |
| **Balance as at 30 June 2017** | **716** | **1,146** | **174** | **1,531** | **562** | **209** | **4,283** | **228** | **-** | **8,852** | **14,145** | **5,293** |
| | **Plant and Equipment** | **Buildings and Leasehold** | **Furniture and Fittings** | **Computer Hardware** | **Office Equipment** | **Infrastructure** | **Motor Vehicles** | **Other Assets** | **Assets under Construction or development** | **Total** | **Budget** | **Variance** |
| Balance as at 1 July 2017 | 716 | 1,146 | 174 | 1,531 | 562 | 209 | 4,283 | 228 | - | 8,852 | 14,145 | 5,293 |
| Transfer in | - | - | 2 | 2,653 | 7 | 672 | 85 | - | - | 3,419 | - | (3,419) |
| Transfer out | (359) | (522) | (10) | (1,039) | (356) | (30) | (1,425) | (228) | - | (3,969) | - | 3,969 |
| Depreciation Expense | 11 | 320 | 3 | 151 | 14 | 19 | 229 | - | - | 747 | - | (747) |
| Eliminate on Disposal or Derecognisation | - | - | - | (41) | - | - | (894) | - | - | (935) | - | 935 |
| **Balance as at 31 December 2017** | **369** | **945** | **169** | **3,255** | **227** | **870** | **2,279** | **-** | **-** | **8,114** | **14,145** | **6,031** |
| **Net Book value 30 June 2016** | **387** | **17,510** | **44** | **206** | **145** | **7** | **1,648** | **13** | **567** | **20,522** | **15,983** | **(4,539)** |
| **Net Book value 30 June 2017 (unaudited)** | **331** | **16,804** | **79** | **160** | **158** | **9** | **1,504** | **6** | **1,243** | **20,294** | **-** | **(20,294)** |
| **Net Book value 31 December 2017** | **85** | **7,887** | **36** | **698** | **83** | **837** | **1,216** | **-** | **1,191** | **12,033** | **17,020** | **4,987** |

## Note 6: Property, Plant & Equipment (continued)

### Asset Revaluation

Properties (buildings and structures) were revalued as at 30 June 2016 by in-house professionals with the exception of specialized buildings which were contracted to independent evaluators and are stated at revalued amounts less accumulated depreciation. The previous revaluation was conducted 1 July 2012.

### Valuation methods

The valuations of the Ministry's buildings have been prepared in accordance with IPSAS, Royal Institute of Chartered Surveyors (RICS) Red Book, 2016 Valuation Standards references with the International Valuation Standards, and the guidance notes provided by the RICS. Particular regard should be paid to the following definitions and methodology having been adopted in the assessment of value:

- Fair Value (Market Value) defined in accordance with IFRS 13 Fair Value Measurement as follows: "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."
- Fair Value (Existing Use Value) extends the definition of Fair Value (Market Value) in "assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its market value to differ from that needed to replace the remaining service potential at least cost."
- Specialized Assets: specialized assets are those for which no market exists for the current use. Specialized assets are valued using the Depreciated Replacement Cost method (DRC valuation). The definition of 'Depreciated Replacement Cost', as contained in The Standards, is as follows: "The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization."

**Note 6: Property, Plant & Equipment (continued)**

**Valuation assumptions**

Plant and machinery have only been included in the valuation of building assets where these form an integral part of the fabric of the building (e.g. lifts or air conditioning equipment) or where it perform a task crucial to the continuation of the existing use (e.g. swimming pools). Unless specifically stated otherwise, it is assumed that such items are reflected in the unit building cost.

It is assumed that all properties have the required planning consents and certificates for use and construction. Where Fair Value (or land value in a DRC valuation) relies on obtaining an alternative planning consent the alternative use has been derived from consideration of prevailing land uses in the immediate area and Local Planning Policies and practice.

Where an asset has been valued by Depreciated Replacement Cost (DRC) it is subject to the prospect and viability of the asset continuing to be used for the existing use.

These valuations do not take into account any form of selling or purchase costs, tax (including Stamp Duty), inflation or finance costs. In Cayman, there is no tax on property except for Stamp Duty which is ordinarily required to be paid by a purchaser.

Valuations of each 'specialized building' state their total asset value and the (depreciated) value of the respective building. Those with a depreciated building value greater than $0.5 million also state figures for their 'component' parts. Buildings valued by the investment or comparison methods of valuation also state figures for their respective land values. These do not compute to reflect actual building values but indicate the inherent value attributing to the land only.

Where applicable, the remaining economic life of the building / building components has been indicated. This is the period during which the building element is anticipated to have a future useful economic life for its existing purpose.

In preparing the valuations, information has been obtained from the following sources:

- Cayman Islands Government 2001 Asset Register.
- Cayman Islands Government Land Registry Database.
- Caymanlandinfo System (Mapping, aerial photography, evidence of comparable sales and lettings).
- Copies of and extracts from leases.
- Architect scaled floor plans.
- Ministries and users / occupiers of operational property assets.

Land areas (where stated) are provided for guidance only and are quoted from the Land Registers or otherwise from Caymanlandinfo database. Any building floor areas supplied have been obtained from one of the following sources:

- Measurements taken on site.
- Measurements extracted from Cayman Islands Government property records.

Buildings were revalued as an entire class of asset.

## Note 7: Intangible Assets

| *expressed in Cayman Islands Dollars and in thousands* | | | | |
|---|---|---|---|---|
| **Cost** | **Computer Software** | **Total** | **Budget** | **Budget Variance** |
| Balance as at 1 July 2015 | 524 | 524 | 499 | (25) |
| Additions | 34 | 34 | 874 | 840 |
| **Balance as at 30 June 2016** | **558** | **558** | **1,374** | 816 |
| | | | | |
| | **Computer Software** | **Total** | **Budget** | **Budget Variance** |
| Balance as at 1 July 2016 | 558 | 558 | 1,374 | 816 |
| Additions | 2 | 2 | | (2) |
| **Balance as at 30 June 2017 (unaudited)** | **560** | **560** | **1,374** | **814** |
| | | | | |
| | **Computer Software** | **Total** | **Budget** | **Budget Variance** |
| Balance as at 1 July 2017 | 560 | 560 | 1,374 | 814 |
| Additions | 366 | 366 | 566 | 200 |
| Transfers | 3,962 | 3,962 | - | (3,962) |
| **Balance as at 31 December 2017** | **4,888** | **4,888** | **1,939** | **(2,949)** |
| | | | | |
| **Accumulated Depreciation and impairment losses** | **Computer Software** | **Total** | **Budget** | **Budget Variance** |
| Balance as at 1 July 2016 | 439 | 439 | 453 | 14 |
| Depreciation Expense | 27 | 27 | 14 | (13) |
| **Balance at 30 June 2016** | **466** | **466** | **466** | **1** |
| | | | | |
| | **Computer Software** | **Total** | **Budget** | **Budget Variance** |
| Balance as at 1 July 2016 | 466 | 466 | 466 | - |
| Depreciation Expense | 32 | 32 | | (32) |
| **Balance as at 30 June 2017 (unaudited)** | **498** | **498** | **466** | **(32)** |
| | | | | |
| | **Computer Software** | **Total** | **Budget** | **Budget Variance** |
| Balance as at 1 July 2017 | 498 | 498 | 466 | (32) |
| Transfer in | 3,726 | 3,726 | - | (3,726) |
| Depreciation Expense | 91 | 91 | 114 | 23 |
| **Balance as at 31 December 2017** | **4,315** | **4,315** | **580** | **(3,735)** |
| **Net Book value 30 June 2016** | **92** | **92** | **907** | **815** |
| **Net Book value 30 June 2017 (unaudited)** | **63** | **63** | **907** | **845** |
| **Net Book value 31 December 2017** | **573** | **573** | **1,360** | **787** |

## Note 8: Trade Payables, Other Payables & Accruals

| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
|---|---|---|---|---|---|
| | **Actual as at June 2017 (unaudited)** | **Actual (December 2017)*** | **Budget*** | **Budget Variance*** | **Prior Year Actual 2015/16** |
| Creditors | 577 | 1,140 | 100 | (1,040) | 563 |
| Creditors Ministries/Portfolios | 112 | 87 | - | (87) | 91 |
| Creditors other government agencies | 41 | 2 | - | (2) | 38 |
| Payroll Deductions | (15) | (43) | 7 | 50 | (21) |
| Accrued Expenses | 565 | 1,590 | 3,762 | 2,172 | 1,511 |
| Accrued Expenses Ministries/Portfolios | - | 2 | - | (2) | (45) |
| Other payables | 432 | 416 | 390 | (26) | 412 |
| **Total trade payables other payables and accruals** | **1,712** | **3,194** | **4,259** | **1,065** | **2,549** |

Trade and other payables are non-interest bearing and are normally settled on 30-day terms. The budget variance is due to the restructuring of the Ministry.

## Note 9: Unearned Revenues

| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
|---|---|---|---|---|---|
| **Details** | **Actual as at June 2017 (unaudited)** | **Actual (December 2017)*** | **Budget*** | **Budget Variance*** | **Prior Year Actual 2015/16** |
| Other unearned revenue | 1,777 | 479 | 694 | 215 | 1,639 |
| **Total unearned revenue** | **1,777** | **479** | **694** | **215** | **1,639** |

Unearned revenue at the end of the eighteen months totalled just under $0.5 million. This largely comprised deposits being held by the Department of Planning in respect to planning applications. The balance has reduced over the previous year due to the transfer of the Postal and Lands and Survey departments which normally held significant unearned revenue. The budget variance is attributable to the restructuring of the Ministry.

## Note 10: Employee Entitlements

| *expressed in Cayman Islands Dollars and in thousands* | | | | | |
|---|---|---|---|---|---|
| | **Actual as at June 2017 (unaudited)** | **Actual (December 2017)*** | **Budget*** | **Budget Variance*** | **Prior Year Actual 2015/16** |
| Annual Leave | 3 | 3 | - | (3) | 3 |
| Retirement and long service leave | 535 | 208 | 200 | (8) | 473 |
| **Total current portion** | **538** | **211** | **200** | **(11)** | **476** |
| **Total employee entitlements** | **538** | **211** | **200** | **(11)** | **476** |

Annual leave entitlements are calculated on current salary, pay scale, and years of service in accordance with the *Public Service Management Law* and the accompanying Regulations.

## Note 11: Surplus Payable

Surplus payable represents accumulated surplus of $9.1 million as at 31 December 2017 (2016: $8.2 million). Under *the Public Management & Finance Law (2017 Revision)* section 39 (3) (f), Ministry may "retain such part of its net operating surplus as is determined by the Financial Secretary". The Financial Secretary has not confirmed whether Ministry can retain the surplus achieved during the year.

## Note 12: Revenue from Non-Exchange Transactions

During the eighteen months ended 31 December 2017, the Ministry received services in-kind in the form of accommodation in the central government building, computer repairs and software maintenance by the Computer Services Department and human resources management by the Portfolio of the Civil Service. The fair value of these services cannot be determined and therefore no expense has been recognised in these financial statements for the eighteen months ended 31 December 2017 (2016: $nil).

## Note 13: Sales of Goods & Services

*expressed in Cayman Islands Dollars and in thousands*

| Revenue Type | 12 Months Actual June 2017 (unaudited) | 6 Months Actual December 2017 (unaudited) | Current Actual (18 Months)* | Original Budget (18 Months) | Final Budget (18 Months)* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|---|---|
| Outputs to Cabinet | 31,900 | 14,626 | 46,526 | 51,122 | 50,763 | 4,237 | 31,339 |
| Outputs to other government agencies | 2,652 | 959 | 3,611 | 3,477 | 3,533 | (78) | 2,248 |
| Fees and charges | 4,261 | 1,724 | 5,985 | 5,271 | 4,790 | (1,195) | 3,290 |
| General sales | 3,238 | 4 | 3,242 | 4,704 | 3,111 | (131) | 3,782 |
| Rentals | 1,119 | 20 | 1,139 | 1,744 | 1,268 | 129 | 1,181 |
| Other | 305 | 184 | 489 | 349 | 266 | (223) | 242 |
| **Total sales of goods and services** | **43,475** | **17,517** | **60,992** | **66,667** | **63,731** | **2,739** | **42,082** |

Outputs to Cabinet comprise goods delivered to and services performed on behalf of the Cayman Islands Government.

Outputs to other government agencies comprise trade between the Ministry of Commerce, Planning & Infrastructure and other government bodies. These are arm length transactions governed by Service Level Agreements (SLAs) between the contracting parties.

Fees & charges, general sales, rentals & others include administrative fees and user charges levied on the public for the delivery of government services. Certain respective rates and fee structures are gazetted and governed by the relevant revenue laws and regulations.

The Ministry, on a monthly basis, bills Cabinet for the cost to produce and deliver the agreed outputs. Like in previous years, there was a continued effort to contain personnel cost resulting in lower Cabinet billing. Cabinet revenue as at the twelve months ended June 30, 2017 was $0.561 million more than the previous year. The budget variances are attributed to the restructuring of the Ministry.

For the eighteen months ended 31 December 2017, Cabinet provided 76% of the Ministry's funding, while 17% was generated from trading with the public and the remaining 7% from inter-government trading.

The budget variance of $2.7 million represents a combination of savings on Cabinet revenue ($4.2 million), largely attributable to savings in personnel cost (Note 14), and greater than expected revenues booked for fees and charges.

## Note 14: Personnel costs

*expressed in Cayman Islands Dollars and in thousands*

| Description | 12 Months Actual June 2017 (unaudited) | 6 Months Actual December 2017 (unaudited) | Current Actual (18 Months)* | Original Budget (18 Months) | Final Budget (18 Months)* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|---|---|
| Salaries, wages and allowances | 20,030 | 8,531 | 28,561 | 32,799 | 30,872 | 2,311 | 19,998 |
| Health care | 4,008 | 1,577 | 5,585 | 6,585 | 6,121 | 536 | 3,966 |
| Pension | 1,040 | 439 | 1,479 | 1,771 | 1,672 | 193 | 993 |
| Leave | 62 | (147) | (85) | 6 | 6 | 91 | (18) |
| Other personnel related costs | 113 | (10) | 103 | 142 | 122 | 19 | 116 |
| **Total Personnel Costs** | **25,253** | **10,390** | **35,643** | **41,303** | **38,793** | **3,150** | **25,055** |

For the first twelve months, Personnel Costs were just about the same as the previous year. This was driven by the Government and Ministry's continuing strategy to contain personnel cost. This essentially resulted in reduced billings to Cabinet (*see Note 13 above*). This strategy also contributed to the budget variance of $3.1 million as at the end of the eighteen months.

## Note 15: Supplies and consumables

*expressed in Cayman Islands Dollars and in thousands*

| Description | 12 Months Actual June 2017 (unaudited) | 6 Months Actual December 2017 (unaudited) | Current Actual (18 Months)* | Original Budget (18 Months) | Final Budget (18 Months)* | Budget Variance* | Prior Year Actual 2015/16 |
|---|---|---|---|---|---|---|---|
| Supplies and Materials | 6,725 | 2,161 | 8,886 | 9,857 | 8,649 | (237) | 7,023 |
| Purchase of services | 3,704 | 2,851 | 6,555 | 5,602 | 6,750 | 195 | 3,387 |
| Lease of Property and Equipment | 206 | 82 | 288 | 315 | 303 | 15 | 172 |
| Utilities | 2,492 | 984 | 3,476 | 3,995 | 3,796 | 320 | 2,483 |
| General Insurance | 866 | 498 | 1,364 | 2,137 | 2,088 | 724 | 1,126 |
| Interdepartmental expenses | 58 | 63 | 121 | 117 | 122 | 1 | 100 |
| Travel and Subsistence | 71 | 24 | 95 | 147 | 148 | 53 | 72 |
| Recruitment and Training | 155 | 201 | 356 | 429 | 437 | 81 | 260 |
| Other | 103 | 80 | 183 | 172 | 121 | (62) | 784 |
| **Total Supplies & Consumables** | **14,380** | **6,944** | **21,324** | **22,771** | **22,414** | **1,090** | **15,407** |

For the twelve months ended June 2017, there was a reduction of $1.0 million (7%) in respect to supplies and consumables, largely due to electricity and building insurance. Like the previous year, electricity trended under budget due to sustained reduction in the cost of fuel.

### Note 16: (Gains) /losses

| *expressed in Cayman Islands Dollars and in thousands* | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 12 Months Actual June 2017 (unaudited) | 6 Months Actual December 2017 (unaudited) | Current Actual (18 Months)* | Original Budget (18 Months) | Final Budget (18 Months)* | Budget Variance* | Prior Year Actual 2015/16 |
| Net (gain) / loss on foreign exchange Transactions | (8) | (3) | (11) | (3) | 2 | 13 | (18) |
| **Total gains/ (losses)** | **(8)** | **(3)** | **(11)** | **(3)** | **2** | **13** | **(18)** |

### Note 17: Related party and key management personnel disclosures

The Ministry is a wholly owned entity of the government from which it derives its major source of its revenue. The Ministry and its key management personnel transact with other government entities on a regular basis.

All transactions between government departments and key management personnel are at arm's length and all goods and services supplied at the going rate to the public.  While the ministries and portfolios do not settle the cost of the services directly with the Ministry, the Cabinet compensates the Ministry for the provision of these services to government departments under the agreed purchase agreements. These transactions are consistent with normal operating relationships between entities under common control and are being disclosed in compliance with the requirements of IPSAS.

Key management personnel, for the purposes of this disclosure, is defined as ministers of the government, chief officer and deputies, chief HR officer, chief financial officer, heads of department, deputies and finance managers. The summary of the remuneration paid to the key management personnel is as outlined below. (There were 33 key management personnel in the prior year).

The Ministry maintains a register of interest for all employees which is updated annually.

| *expressed in Cayman Islands Dollars and in thousands* | | | | | | |
|---|---|---|---|---|---|---|
| | 12 Months Actual June 2017 (unaudited) | 6 Months Actual December 2017 (unaudited) | Current Actual (18 Months)* | Original Budget (18 Months) | Budget Variance* | Prior Year Actual 2015/16 |
| Salaries and other short-term employee benefits | 3,217 | 1,622 | 4,839 | 4,675 | (164) | 3,573 |
| **Total** | **3,217** | **1,622** | **4,839** | **4,675** | **(164)** | **3,573** |

Number of key management personnel as at December 31, 2017: 28 (2016:33).

There were no loans granted to key management personnel or their close relatives during the eighteen months (2016: $nil).

## Note 18: Segment Reporting

### Ministry of PLAHI twelve months ended June 2017

| | Planning & Infrastructure | | Vehicle & Drivers' Licensing | | Vehicle & Equipment Services | | Postal Services | | Agricultural Services | | Other Services | | CONSOLIDATED | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jun 2017 | 15/16 | Jun 2017 | 15/16 | Jun 2017 | 15/16 | Jun 2017 | 15/16 | Jun 2017 | 15/16 | Jun 2017 | 15/16 | Jun 2017 | 15/16 |
| | *expressed in Cayman Islands Dollars and in thousands* | | | | | | | | | | | | | |
| **Revenue** | | | | | | | | | | | | | | |
| Outputs from Cabinet | 19,131 | 19,647 | 41 | 33 | 3,702 | 3,498 | 2,006 | 1,649 | 4,592 | 4,333 | 2,428 | 2,179 | 31,900 | 31,339 |
| Outputs - Other govt agencies | 1,843 | 1,070 | - | 1 | 1,609 | 1,407 | 16 | 13 | - | 30 | (816) | (273) | 2,652 | 2,248 |
| Other revenue | 1,462 | 1,144 | 2,736 | 2,561 | 116 | 12 | 2,733 | 2,789 | 1,907 | 1,714 | (31) | 275 | 8,923 | 8,495 |
| **Total Revenue** | **22,436** | **21,861** | **2,777** | **2,595** | **5,427** | **4,917** | **4,755** | **4,451** | **6,499** | **6,077** | **1,581** | **2,181** | **43,475** | **42,082** |
| | | | | | | | | | | | | | | |
| **Expenses** | | | | | | | | | | | | | | |
| Personnel | 13,266 | 13,178 | 1,714 | 1,766 | 2,067 | 1,990 | 3,654 | 3,648 | 3,017 | 2,929 | 1,535 | 1,544 | 25,253 | 25,055 |
| Supplies & Consumables | 7,136 | 7,367 | 407 | 416 | 2,291 | 2,769 | 816 | 904 | 3,025 | 2,839 | 705 | 1,112 | 14,380 | 15,407 |
| Depreciation | 811 | 762 | 85 | 86 | 178 | 162 | 257 | 255 | 454 | 387 | 130 | 37 | 1,915 | 1,689 |
| Other expenses | - | - | - | - | - | - | 53 | 23 | - | - | (8) | - | 45 | 23 |
| **Total Expenses** | **21,213** | **21,307** | **2,206** | **2,268** | **4,536** | **4,921** | **4,780** | **4,830** | **6,496** | **6,155** | **2,362** | **2,693** | **41,593** | **42,174** |
| | | | | | | | | | | | | | | |
| **Surplus/(Deficit) from Operating Activities** | **1,223** | **554** | **571** | **327** | **891** | **(4)** | **(25)** | **(379)** | **3** | **(78)** | **(781)** | **(512)** | **1,882** | **(92)** |
| | | | | | | | | | | | | | | |
| **Assets** | | | | | | | | | | | | | | |
| Current Assets | 5,030 | 3,106 | 109 | 13 | 2,226 | 1,141 | 1,278 | 1,061 | 1,665 | 1,261 | 7,108 | 9,427 | 17,416 | 16,009 |
| Fixed Assets | 5,675 | 6,117 | 2,183 | 1,648 | 1,420 | 1,270 | 4,498 | 4,717 | 4,834 | 5,109 | 1,684 | 1,662 | 20,294 | 20,522 |
| Intangible Assets | 23 | 32 | - | - | 39 | 59 | - | - | - | - | 1 | 1 | 63 | 92 |
| **Total Assets** | **10,728** | **9,255** | **2,292** | **1,661** | **3,685** | **2,470** | **5,776** | **5,778** | **6,499** | **6,370** | **8,793** | **11,090** | **37,773** | **36,623** |
| | | | | | | | | | | | | | | |
| **Liabilities** | | | | | | | | | | | | | | |
| Current Liabilities | 3,479 | 2,647 | (301) | (323) | 496 | 448 | 1,162 | 1,004 | 179 | 351 | 7,191 | 8,715 | 12,206 | 12,843 |
| **Total Liabilities** | **3,479** | **2,647** | **(301)** | **(323)** | **496** | **448** | **1,162** | **1,004** | **179** | **351** | **7,191** | **8,715** | **12,206** | **12,843** |

The Ministry's segments for the twelve months ended June 30, 2017, are based on the following services: agriculture, postal, vehicle and drivers' licensing, vehicle and equipment services, planning and infrastructure and administrative services. Planning and infrastructure services are delivered by the following departments: Planning, Public Works, Lands and Survey, Central Petroleum Inspectorate and Facilities Management; administrative services are provided by the Ministry Administration.

## Note 18: Segment Reporting (continued)

### Ministry of CPI, six months ended December 2017

| | Commerce & Investment | Planning & Infrastructure | Information Technology & e-Services | Vehicle & Drivers' Licensing | Vehicle & Equipment Services | Other Services | CONSOLIDATED |
|---|---|---|---|---|---|---|---|
| *expressed in Cayman Islands Dollars and in thousands* | | | | | | | |
| **Revenue** | | | | | | | |
| Outputs from Cabinet | 455 | 8,426 | 3,269 | 11 | 1,450 | 1,017 | 14,626 |
| Outputs - Other govt agencies | - | 330 | 86 | - | 571 | (28) | 959 |
| Other revenue | 387 | 70 | 20 | 1,387 | (73) | 139 | 1,932 |
| **Total Revenue** | **842** | **8,826** | **3,375** | **1,398** | **1,948** | **1,128** | **17,517** |
| | | | | | | | |
| **Expenses** | | | | | | | |
| Personnel | 623 | 5,049 | 2,081 | 838 | 971 | 828 | 10,390 |
| Supplies & Consumables | 92 | 3,931 | 1,035 | 388 | 1,211 | 286 | 6,944 |
| Depreciation | 7 | 401 | 218 | 48 | 98 | 67 | 838 |
| Other expenses | | | | | | (3) | (3) |
| **Total Expenses** | **722** | **9,381** | **3,334** | **1,274** | **2,280** | **1,178** | **18,169** |
| | | | | | | | |
| **Surplus/(Deficit) from Operating Activities** | **120** | **(555)** | **41** | **124** | **(332)** | **(50)** | **(652)** |
| | | | | | | | |
| **Assets** | | | | | | | |
| Current Assets | 344 | 4,802 | 2,304 | 430 | 1,573 | 13,577 | 23,028 |
| Fixed Assets | 38 | 5,380 | 2,024 | 1,686 | 1,432 | 1,472 | 12,033 |
| Intangible Assets | - | 6 | 537 | - | 29 | 1 | 573 |
| **Total Assets** | **382** | **10,188** | **4,865** | **2,116** | **3,034** | **15,050** | **35,634** |
| | | | | | | | |
| **Liabilities** | | | | | | | |
| Current Liabilities | (97) | (1,996) | (495) | 261 | (442) | (10,194) | (12,963) |
| **Total Liabilities** | **(97)** | **(1,996)** | **(495)** | **261** | **(442)** | **(10,194)** | **(12,963)** |

The Ministry's segments for the six months ended December 31, 2017, are based on the following services: commerce and investment, information technology and e-services, vehicle and drivers' licensing, vehicle and equipment services, planning and infrastructure and administrative services. Commerce and investment is provided by the Department of Commerce and Investment; information technology and e-services by Computer Services and E-Gov. Planning and infrastructure services are delivered by the departments of Planning, Public Works and Facilities Management and other services are provided by the Ministry Administration.

## Note 19: Subsequent Events

No material events occurred after the reporting date.

## Note 20: Financial Instruments Risks

**Credit Risk**

In the normal course of its business the Ministry is subject to credit risk from debtors other than the Cabinet. The Ministry does not have significant concentrations of credit risk for its other financial instruments.

At 31 December 2017, the Ministry held various sums in financial instruments represented by cash and cash equivalents at two financial institutions in the Cayman Islands. As such, the Ministry is exposed to credit related losses in the event of non-performance by the financial institution. However, given the high credit rating of this financial institution, management does not anticipate any material losses as a result of this concentration.

**Currency and interest rate risk**

The Ministry has no significant exposure to currency exchange loss risk and interest rate risk.

**Liquidity risk**

In meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with expected cash drawdowns from Cabinet and receipts from third parties. The Ministry maintains target level of available cash to meet liquidity requirements.

All of the Ministry financial liabilities (creditors and payables) will be settled in less than twelve months from the date of these financial statements.

## Note 21: Continent Liabilities and Assets

The Ministry has no contingent assets and liabilities as at 31 December 2017 (2016: $nil).

# Appendices

Ministry staff participating in Sports Day.

# Governance and Risk Management

The 2016/17 Annual Budget Statement identifies the key risks faced by the Ministry and the strategies we use to manage those risks. For the fiscal year under review, the key risks identified were:

### Risks relating to personnel

- Loss of Key personnel
- Work related injuries to persons
- Loss of staff that are on fixed-term contract
- Work related injuries to staff
- Lack of qualified/skilled persons within the local labour force to fill key positions within the Ministry and Departments

### Legal Risks

- Public liability due to the nature of activities of the Public Works Department and the Department of Vehicle and Equipment Services
- Successful claim for indemnification under the Registered Land Law.
- Lawsuit for defamation

### Infrastructure and other Risks

- Loss of fixed/capital assets, due to natural disasters
- Loss of CIG's computer network
- Damage resulting from the illegal shipment of dangerous substances such as Anthrax through the mail

### Information Technology

- Underfunding and understaffing compared to industry standards for Computer Services Department
- Lack of Cyber-security operations, prevention and compliance
- Security of confidential documents
- Service disruption due to loss or inability to access paper based files in the even of a natural disaster

The Ministry effectively managed these risks during the 2016/17 fiscal year without material interruption to operations. Appropriate strategies will be developed to manage future risks as part of an overall risk management framework.

# Legal Framework

## Laws Administered by the Ministry of CPI

The Specific Laws which governs Agencies under The Ministry of Commerce, Planning & Infrastructure are:

**Ministry Administration**

- Public Management and Finance Law
- Public Service Management Law

**Department of Planning**

- The Development and Planning Regulations
- The Development and Planning Law
- Building Code Regulations
- Building Code (Amendment) Regulations
- Electricity Law
- Electricity (Amendment) Law
- Electricity Regulations
- Standard Building Code (SBCCI)
- Builders Law
- The Builders Regulations
- Freedom of Information Law
- Freedom of Information (General) Regulations
- Freedom of Information (Information Commissioner) Regulations

**Facilities Management**

- Public Management and Finance Law
- Public Service Management Law

**Public Works Department**

- Public Management and Finance Law
- Public Service Management Law

**Department of Vehicles & Drivers' Licensing**

- The International Traffic (International Circulations) Regulations
- The Traffic (Categorization and Grouping) Regulations
- The Traffic (Disable Person) (Badges for Motor) Regulations

- The Traffic (Driving Instruction) Regulations
- The Traffic (Public Passenger) Regulations
- The Traffic (Public Transport Appeals Tribunal) Regulations
- The Traffic (Seat Belts) Regulations
- The Traffic (Speed Limit on Cayman Brac) Regulations
- The Traffic Control Regulations
- The Traffic Law
- The Traffic Regulations
- The Traffic Ticket Regulations
- The Traffic Law,
- The Motor Vehicle Insurance (Third Party Risks) Law

**Department of Vehicles and Equipment Services**

- Public Management and Finance Law
- Public Service Management Law

**Computer Services Department**

- Public Management and Finance Law
- Public Service Management Law
- Freedom of Information Law
- Information & Communications Technology Law
- EU General Data Protection Regulation
- Data Protection Law

**Department of Commerce and Investment**

- Public Management and Finance Law
- Trade & Business Licensing Law
- Local Companies (Control) Law
- Secondhand Dealers Law
- Liquor Licensing Law
- The Film Exhibition Control Law
- Special Economic Zone Law

## Proposed new or amended legislation that will impact the work of the Ministry

| Law | Purpose |
|---|---|
| Professional Registration Law | To regulate and protect professionals in architecture, engineering and surveying from unfair overseas competition along with consumer protection |
| Trade and Business License Law | To improve efficiencies in the operation of the Trade and Business Licensing Law |
| Liquor Licensing Law | To improve efficiencies in the operation of the Liquor Licensing Law |
| Data Protection Regulations, 2018 | To ensure the well-functioning of certain parts of the Data Protection Law 2017, which is expected to commence in January 2019 |
| Amendment to the Financial Regulations | To improve the Government's Financial Management System |
| Amendment to the Public Management and Finance Law | To improve the Government's Financial Management System |
| The Procurement Law | To commence the Law and establish the framework that strengthens the Government's procurement structure, practices and policies |
| Procurement Regulations | To introduce a framework that strengthens the Government's procurement structure, practices and policies |
| Regulations for the Standards in Public Life Law | To give effect to the carrying out of the functions of the Standards in Public Life Law (2016 Revision) |
| Consumer Protection Bill | To introduce provisions intended to safeguard the interests of consumers |
| Cyber-Security Bill | To introduce provisions which place strict obligations on financial institutions to protect the confidentiality and integrity of consumer data |
| Cyber- Crime Bill | To modernise the Computer Misuse Law in order to respond to the emerging forms of criminal conduct involving the use of computers |

## Internal and External Audit Updates

The Ministry is compliant and has submitted and met all relevant Legislative deadlines.

# Number of FOI

The Ministry has received a total of 21 Freedom of Information requests during the period.

# Output Index

## C



## D



## E



## M



## P



## V

# Glossary of Abbreviations

## Glossary of Abbreviations

| | |
|---|---|
| BPR | Business Process Reengineering |
| BRM | Business Relationship Management |
| CIFEC | Cayman Islands Further Education Center |
| CISHRP | Cayman Islands Society of Human Resource Professionals |
| CSD | Computer Services Department |
| CIMS | Customs Information Management System |
| DoP | Depart of Planning |
| DCI | Department of Commerce and Investment |
| DVDL | Department of Vehicle and Drivers Licenses |
| DNFBP | designated non-financial businesses and professions |
| EVR | Electronic Vehicle Registrations |
| FM | Facilities Management |
| IT | Information Technology |
| ISWMS | Integrated Solid Waste Management System |
| MPO | Major Projects Office |
| NICE | National Community Enhancement Project |
| NIST | National Institute of Standards and Technology |
| NWDA | National Workforce Development Agency |
| OAG | Office of the Auditor General |
| OPS | Online Planning System |
| OBC | Outline Business Case |
| PPP | Public Private Partnership |
| PWD | Public Works Department |
| TVET | Technical Vocational Education Training |

# Contact Information


Ministry Staff Retreat

## Ministry of Commerce, Planning & Infrastructure

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# Notes

# MINISTRY OF COMMERCE, PLANNING & INFRASTRUCTURE

# 2016-17

## ANNUAL REPORT