



CAYMAN ISLANDS
GOVERNMENT



MINISTRY OF FINANCE
& ECONOMIC DEVELOPMENT'S
STRATEGIC PLAN
2021 TO 2025



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List of Acronyms and Abbreviations

ACRONYM	DESCRIPTION
CI	Cayman Islands
CIDB	Cayman Islands Development Bank
CPO	Central Procurement Office
CINICO	Cayman Islands National Insurance Company
CIPS	Cayman Islands Postal Service
ESO	Economics and Statistics Office
Government	Government of the Cayman Islands
Ministry	Ministry of Finance & Economic Development
MPOs	Ministries, Portfolios and Offices
OAG	Office of the Auditor General
PPC	Public Procurement Committee
RMU	Risk Management Unit
SAGCs	Statutory Authorities & Government Companies
TSY	Treasury Department

Foreword by the Minister for Finance and Economic Development



As Minister for Finance & Economic Development, I am pleased to present my Ministry's first strategic plan. This plan is important to me from several perspectives.

Firstly, it is essential that the Ministry of Finance & Economic Development (the Ministry) exemplifies the management practices that it expects from our Government counterparts. Secondly, it is time for the economic development role of the Ministry to be clarified and operationalized. Thirdly, it is important that we continue to work with our stakeholders to build upon the excellent progress that all public entities have made in relation to the implementation of more robust management practices. It is imperative that we align our resources with the priorities of our stakeholders and pursue our shared goals with a strong sense of collaboration in order to attain meaningful results. Finally, we need to invest in ensuring that the Ministry's employees have the best possible work environment to carry out the Ministry's mandate.

As you will see in this strategic plan, the first strategic objective is directed at clarifying the ambiguity surrounding the economic development role of the Ministry and developing an integrated stakeholder-wide strategy for the development of the economy of the Cayman Islands. I am particularly pleased that this objective is being tackled by the Financial Secretary and Chief Officer and his management team as I have felt since I became Minister that there is a need to address this government-wide priority.

The second strategic objective places an emphasis on improving certain decision-making practices that will enhance the results that the Government delivers. The third objective focuses on continuing to evolve certain management practices in the areas of performance measurement and risk management and the dedication to a results culture that has a positive impact on the Government's workforce and the way we all work together in support of certain organizational and government-wide outcomes.

The final strategic objective puts an emphasis on ensuring that the Ministry's work environment is second to none and that our employees feel valued, well supported and are assured that their ideas for improvement are appreciated and their contributions are valued.

My thanks to all those within and outside the Ministry who contributed their time and ideas to the preparation of this plan.

A handwritten signature in black ink, reading "Roy McTaggart", with a stylized flourish at the end.

Honourable Roy McTaggart, JP

Minister for Finance & Economic Development

June 30, 2020

Message from the Financial Secretary and Chief Officer



As Financial Secretary and Chief Officer for the Ministry, I am proud to present its first strategic plan. This plan is intended to align with the Government's five-year strategic plan "For a World-Class Civil Service" issued in 2018 and sets out our roles and a path forward for ensuring that we make the best possible contribution to the Government's programs using the human capital and financial resources available to us.

This plan was developed through a process that engaged stakeholders, managers and our employees to arrive at a consensus on an updated mission statement and an exciting vision, a set of value statements that reflect what we hold dear, a delivery model that provides a one page picture of our core business and the impacts that we influence and four strategic objectives that will define our change agenda for the next five years. My management team and our employees have chosen four objectives that will build upon the success that the Government has achieved in moving towards a transparent and accountable public sector that delivers value to our citizens and stakeholders. These objectives are:

- Take on leadership for the crafting of a Government-wide economic development strategy;

- Improve public and private sector decision-making, collaboration and resilience;
- Strengthen Government's managing for results environment and culture; and
- Become a workplace of choice for Civil Servants within the Government

Our management team is committed to ensuring that this strategic plan does not sit on a shelf - as many do. To that end, we look forward to working with our employees and stakeholders to deliver on these objectives and to render an account on our progress through our annual reports where we will discuss how we have performed and what we have learned as we execute the agenda for change that is presented in this plan.

A handwritten signature in black ink, appearing to read "Kenneth Jefferson".

Kenneth Jefferson, JP

*Financial Secretary and Chief Officer
Ministry of Finance & Economic Development
June 30, 2020*



Organizational Overview

The Ministry is a diverse organization that delivers results to elected officials, the public sector, the private sector and the public in several important areas of government programming.

FINANCE ADMINISTRATION (CORE MINISTRY)

The Finance Administration arm of the Ministry delivers policy advice, governance and administrative services related to all financial, budgeting and reporting matters of the Government, processes applications for fees and customs duty waivers, stamp duty abatements and assessments, Government loans to civil servants and provides administrative support to, and monitors the performance of agencies under the Ministry.

The Finance Administration also oversees the Risk Management Unit (RMU) which develops, implements and coordinates comprehensive property and liability insurance programmes and safety and loss control activities to minimize the negative financial impact of natural hazards, accidents and other unexpected events on the Government. Finally, it provides oversight of the Cayman Islands National Insurance Company (CINICO), the Cayman Islands Development Bank (CIDB) and the Public Procurement Committee (PPC).

TREASURY DEPARTMENT

The Treasury Department (TSY) is responsible for the preparation and consolidation of forecast and annual financial statements for Core Government and the Entire Public Sector as required by the Public Management and Finance Law, using International Public Sector Accounting Standards. It is also responsible for the design, quality assurance and management of the budget and reporting processes for the public sector. This includes coordinating and preparing the bi-annual budget timeline, strategic policy statement, plan and estimates, budget statements, ownership and purchase agreements and revenue forecasts.

The TSY also provides financial management services to Ministries/Portfolios/Offices (MPOs) and the Cabinet and oversees the management and forecasting of Central Government cash flows, negotiation, evaluation and administration of Central Government borrowings.

ECONOMICS AND STATISTICS OFFICE

The Economics and Statistics Office (ESO) is the official national statistics office of the Cayman Islands and delivers three broad types of goods and services. ESO is the lead provider of statistical services and reports on census of population and housing and macro-economic statistics; its independent Economics section monitors and reports on the macro-economy and provides projections of key macroeconomic indicators; and it provides policy and technical advice on economic and statistics matters.

CAYMAN ISLANDS POSTAL SERVICES

The Cayman Islands Postal Service (CIPS) is the designated postal operator responsible for fulfilling the Government's obligations arising from adherence to the Universal Postal Union Convention in the Cayman Islands. As part of a network of over 700,000 postal outlets worldwide and operating a network of 16 post offices across all three Islands, the CIPS ensures that postal services are accessible to all citizens, residents and visitors in the territory.

CENTRAL PROCUREMENT OFFICE

The Central Procurement Office (CPO) strives to achieve value for money across all MPOs and SAGCs by enhancing procurement capacity and capability through the provision of guidance, expertise, training, standards, tools and templates.



Delivering the 2020/21 Budget in the Legislative Assembly



CIPS with the Great Britain delegation at the 2018 2nd Universal Postal Union Extraordinary Congress in Addis Abba, Ethiopia



Key Stakeholders

The Ministry has a diverse set of stakeholder groups given the range of programming that it delivers.

OTHER GOVERNMENT BODIES

- The Cabinet, the Legislative Assembly, MPOs, SAGCs that are consumers of the Ministry's outputs or producers of information used by the Ministry;
- SAGCs reporting through the Ministry: CINICO and the CIDB and
- Producers of statistical information in the public sector including members of the National Statistical Coordination Committee.

THE LOCAL COMMUNITY

- Businesses, including banks, philatelists and those who are vendors/suppliers to the Government;
- Non-government organizations, such as the Cayman Islands Seafarers Association;
- The general public;

- Respondents, advocates and providers of feedback/recommendations on the Ministry's enabled products and services; and
- Public-private sector committees whose specific data and information needs are addressed through Ministry programming.

INTERNATIONAL BODIES

- International and regional organizations as providers of technical assistance especially related to the implementation of international or regional standards and as users of the Ministry's enabled statistics and reports especially in the areas of global and regional financial and economic surveillance.

The Ministry's Delivery Model

The “delivery model” presented herein represents the activities and outputs that we deliver to fulfill our mandate and mission, the inputs that we use to produce these outputs and the impacts that we make with these outputs. These delivery model components are defined as follows:

Inputs represent the resources and outputs from other parties that are consumed by our activities.

Activities describe collections of actions and services that we deliver under our mandate.

Outputs are the products or services generated by our activities.

Direct outcomes are the first level of outcomes or impacts that we influence – those over which we have the most direct influence with our outputs.

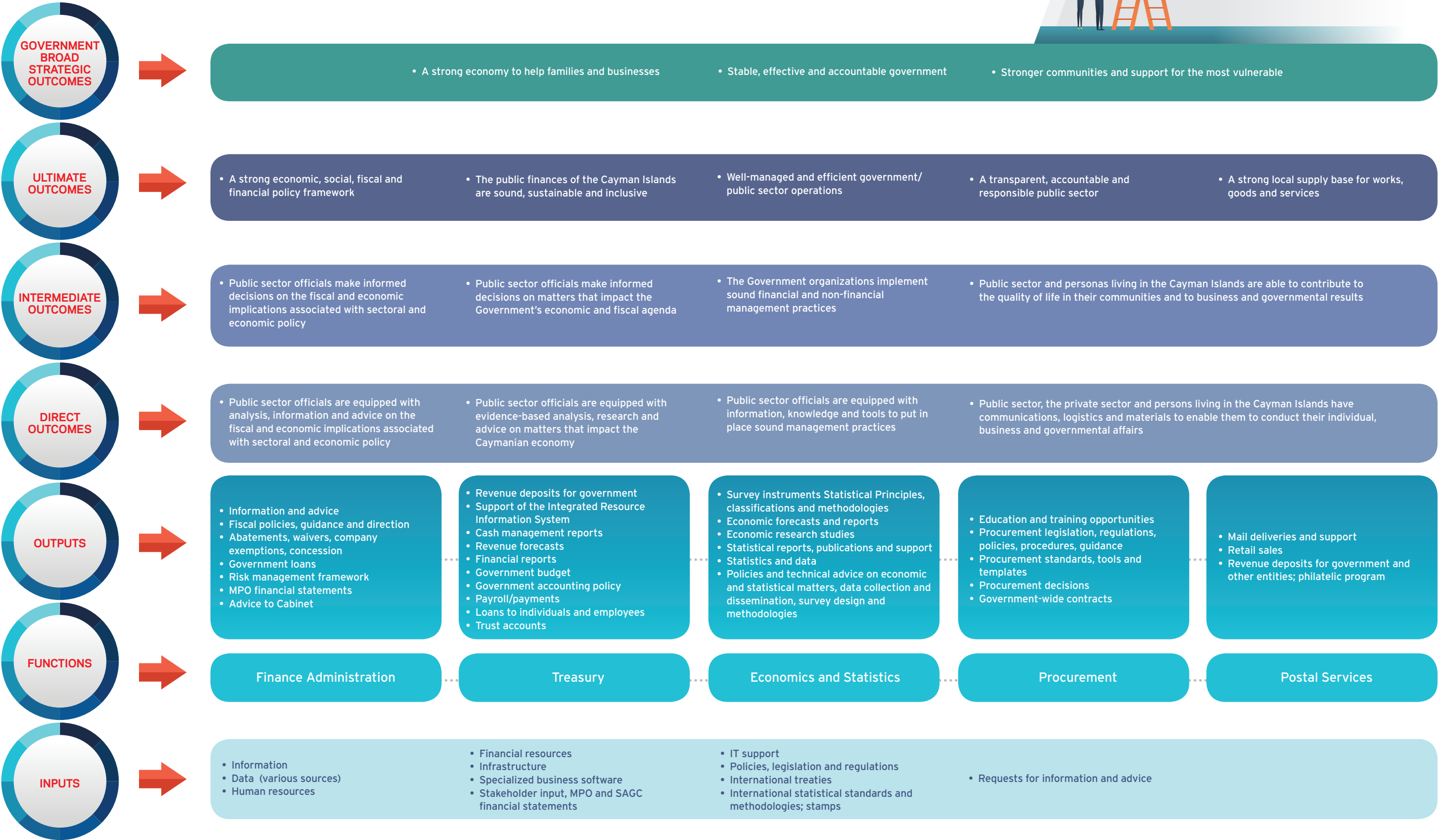
Intermediate outcomes comprise the second level of outcomes – those over which the Ministry has less influence with our outputs and where the influence may be shared with our stakeholders.

Ultimate outcomes are the highest-level outcomes to which we contribute with our outputs and are subject to many influences beyond those of the Ministry.



CIPS supports the Meals on Wheels - Feed the Seniors Initiative

DELIVERY MODEL — Ministry of Finance & Economic Development





Our Mission, Vision and Values

This strategic plan contains a revised mission statement and four values statements that represent what we consider as the essential attitudes and approaches we must bring to our daily delivery of that mission, and the individual and collective contributions we will be making towards our shared vision for the future.



OUR MISSION

"To foster sustainable economic growth and international competitiveness through effective and accountable use of public finances that enhance quality of life in the Cayman Islands"



OUR VISION

"An innovative Ministry that drives excellence through timely, informed and accountable decision making"



OUR VALUES

Transparency and accountability: We take responsibility for our actions and are transparent and accountable when dealing with others

Integrity: We conduct our work ethically and truthfully, in a manner that creates confidence and trust in those we work with and report to

Teamwork and collaboration: We achieve common goals through successful working relationships with those who may have diverse ideas, strengths and cultural backgrounds

Respect: We treat everyone with respect, fairness and dignity and value the ideas and opinions of those with whom we work

Our Strategic Objectives

The strategic objectives and supporting initiatives that make up this plan were derived from a consultation process that engaged key stakeholders, managers and employees through a survey, interviews and working sessions to arrive at key strategic issues the Ministry needs to address over the next five years. These strategic issues were then grouped into a set of proposed themes and prospective initiatives for consideration by

the Ministry's management team, who then decided on the objectives and initiatives that follow.

These strategic objectives represent the key priorities in support of our vision that the Ministry wishes to embark on over the next five years. The work that will be undertaken during this time represents our agenda for change.

THE PLAN HAS FOUR STRATEGIC OBJECTIVES:



In the next section of the plan, we describe the rationale for, and key drivers of, each of these objectives and present the key initiatives that the Ministry will embark on in support of these objectives. The projects and undertakings associated with these initiatives will be the basis for an operational planning process that will assess what can reasonably be successfully implemented over the next five years.

The following criteria will be considered when determining the projects that will be resourced and advanced in support of our agenda for change: potential impact; time to implement; total cost to implement; capacity to implement; implementation risks; and required depth and breadth of change. The final set of projects that will be selected will represent our strategic expenditure envelope, recognizing that the Ministry must continue to successfully deliver the ongoing or "business as usual" activities associated with our mission and mandate.



CIPS Supports Breast Cancer Awareness



Take on Leadership for the Crafting of a Government-Wide Economic Development Strategy

The economic development role within the Ministry has never been fully defined which has resulted in ambiguity and uncertainty for the public and private sectors and even at the level of elected officials. Furthermore, aspects of economic development and management of the economy are being administered across the Government in the absence of an integrated strategy for the development of the economy of the Cayman Islands.

The Ministry has already been playing a role in promoting economic development in a number of ways, one example being in the area of public sector procurement. The recent development of a Cayman Islands Procurement Vision that promotes the acquisition of goods and services to “maximise value for money by delivering the best development impact and influence for the Cayman Islands” provides a sound roadmap for the fulfillment of this role. To achieve the stated goals in the Procurement Vision, a number of initiatives have been identified and are either currently underway or about to start.

The Ministry is also responsible for ensuring that accountability arrangements are in place for the delivery of Government’s strategic policies in two SAGCs; CINICO and CIDB. With regard to CINICO, there have been a number of issues raised recently around the role that CINICO plays in ensuring a healthy population in the Cayman Islands. This includes CINICO’s role for delivering on Government’s responsibility to provide healthcare to indigents, those who can’t afford adequate health care coverage and for social programs such as post-acute care. Some of these responsibilities are funded by CINICO and distort its key objective of providing health care insurance to the people of the Cayman Islands. A review of CINICO is currently underway to explore CINICO becoming financially sustainable and commercially operational.

The Ministry is positioned to address the need for a government-wide economic development strategy and is the most logical government organization to do so. Over the next five years, we will work hard to take on this important challenge.



HOW WE WILL ACHIEVE THIS OBJECTIVE

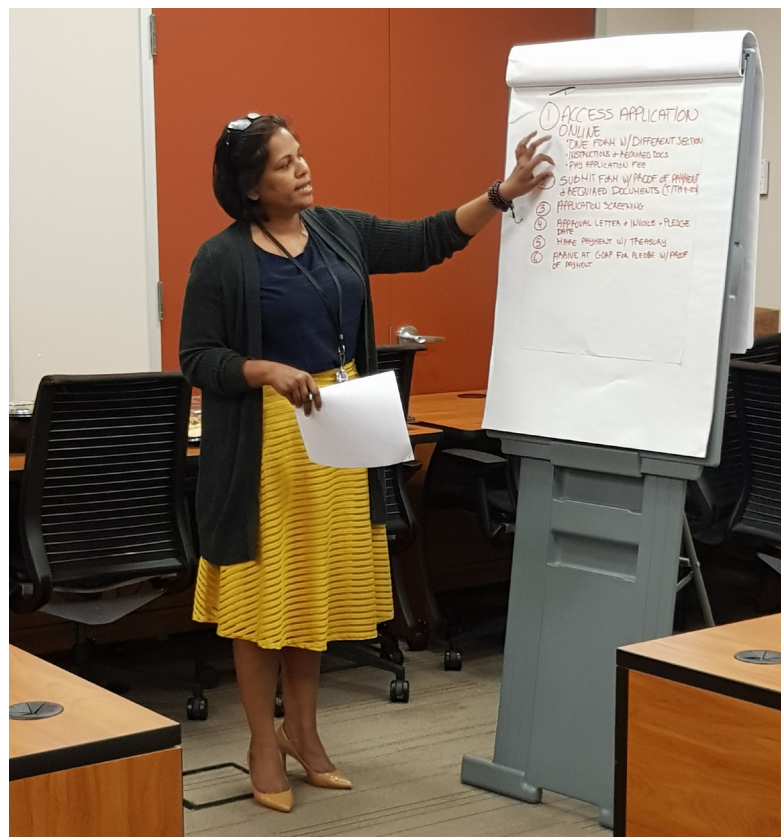
Over the next five years we will undertake the following initiatives:

- Re-examine, define and re-design the Ministry's economic development role;
- Work with our public and private sector stakeholders and Cabinet to craft an integrated strategy for the development of the economy of the Cayman Islands;
- Develop a more strategic and structured approach to Government procurement as well as reviewing and improving procurement processes; and
- Help build capacity across the public sector to support a collaborative and impactful economic development strategy



HOW WE WILL KNOW WE ARE MAKING PROGRESS

We will know we are making progress in relation to this strategic objective if there is greater clarity around the economic development role of the Ministry within and outside the stakeholder community. Another measure of our success will be the degree to which our procurement activity is providing value-for-money for the Government. We will also know that we are successful by demonstrating accountability for delivering on Government's strategic policies. As well, our success will be measured by the degree to which there is an economic development strategy that is visionary, practical and cross-cutting and the extent to which agreement on the capacity required to support such a strategy exists within the Ministry and across the Government.



TSY attends Customer Service Training



Improve Public and Private Sector Decision-Making, Collaboration and Resilience

Recent interrelated events across the world in relation to climate change, public health, financial systems and the economy have placed increasing demands for data and information that can inform decision-making.

Through the ESO, the official national statistics office for the Cayman Islands, the Ministry can have significant impacts on the lives of Caymanians in areas such as:

- Evaluating the health of the economy and the quality of life of its people including environmental conditions;
- Providing a basis for setting and monitoring the impact of fiscal policy (the government's budget and priorities), health, education, environment and other sector policies and programs;
- Guiding public sector investment, private sector business planning and marketing conditions;
- Informing the progress of programming aimed at assisting the youth, elderly and other target groups;
- Providing a basis for setting prices, salaries and other contractual terms; and
- Enabling human resource planning related to economic development and the management of the economy of the Cayman Islands.

Information produced by the ESO is currently mainly

designed for Cayman Islands compliance with international statistical reporting requirements. This information is also used for local decision making, however, there are many nuances related to the international categorization of statistics that may render the information less useful for local decision-makers in both the public and private sectors. It will be necessary for the ESO to continue work to develop approaches for using data and information to improve decision-making within the Ministry itself, the public sector, the private sector and to engage Caymanian citizens around important policy and programming issues and considerations.

It is appropriate for the existing government-wide risk management framework and plan to be studied and actions taken to address emerging challenges and threats. These include, for example, disruptions caused by environmental impacts, competition in the international financial community, public health threats, financial uncertainty/market crashes, corporate takeovers, and the impact of non-Caymanian business interests.



HOW WE WILL ACHIEVE THIS OBJECTIVE

Over the next five years we will undertake the following initiatives:

- Develop statistical information that is tailored to the unique needs of various stakeholder groups;
- Strengthen statistical capacity and data literacy in public and private sector organizations and within the Caymanian population;
- Develop a framework and work with stakeholders to improve data collection and data integrity and promote a data-driven culture; and
- Review and enhance the government-wide risk management framework and plan



HOW WE WILL KNOW WE ARE MAKING PROGRESS

We will know we are making progress in relation to this strategic objective if the public sector is increasingly using relevant, trustworthy and accessible data and information to inform their decision-making, if public and private sector organizations have access to the statistical information and data they need to grow and prosper and if the data literacy of individuals working in the public and private sectors has increased.



TSY - celebrating 2019 - Mother's Day



Strengthen Government's Managing for Results Environment and Culture

The 31 December 2018 General Report of the Office of the Auditor General (OAG) that summarized the status of the Office's financial audits of 40 public sector entities (14 Ministries, Offices and Portfolios and 26 Statutory Authorities and Government Companies (SAGCs) for the year ended 31 December 2018) highlighted the significant improvements that have been made within the Government, most notably in relation to the quality and timeliness of annual financial reporting and the number of entities achieving clean opinions on their financial audits. For the year ended 31 December 2018, the OAG issued unqualified opinions for all 36 audits that it had completed, an improvement over the 2016-17 audits for which there were four qualified opinions.

As was noted by the OAG, this improvement is a testament to the leadership of the Deputy Governor and the considerable efforts of the Chief Officers, Chief Financial Officers and their teams to enhance financial accountability in the use of public resources. Nevertheless, the timeliness for the completion of the MPOs' annual reports and their tabling in the Legislative Assembly is still a concern and this will continue to be a focus of the Ministry's efforts to work with the public

sector as this impairs accountability, governance and decision making.

The OAG also highlighted in its report that greater focus must be placed on the quantum and quality of service performance information provided in Government reporting as prescribed by the International Public Sector Accounting Standards. As the Ministry continues to work with entities to improve the quality of reporting and to enhance accountability, we will also place an emphasis in this agenda for change on helping entities improve the quality of their performance narrative and analysis of their service performance information, focusing on the following areas recommended by the OAG:

- the degree to which service performance objectives have been met;
- factors that affected service performance achievements during the reporting period;
- balanced explanations of the information displayed, which cover both positive and negative aspects of service performance; and
- assessments of the efficiency and effectiveness of the entity's service performance.



HOW WE WILL ACHIEVE THIS OBJECTIVE

There are two primary areas that the Ministry will focus on in relation to this strategic objective:

1. Continue to work with public entities to bolster the timeliness, quality and usefulness of financial reporting across the Government. The Ministry will build upon current projects underway, for example, to develop and implement risk management processes that ensure the effective collection of government revenues and to modernize the budget system for the 2022 and 2023 budgets; and
2. Enhance the framework for reporting service performance information with the objective of demonstrating how effectively and efficiently public resources are used and the performance expectations and impacts achieved. This will help make the transition to the better management of outputs and outcomes.

During the life of this strategic plan, we will, therefore, undertake the following initiatives:

- Develop a managing for results policy together with the supporting implementation guidance;
- Modernize the business practices, decision-making processes and tools used to support results-based management and accountability;
- Implement a strategy for building capacity and evolving the Government managing for results culture;
- Develop and implement a government-wide results-based management and accountability framework for assessing financial and non-financial performance; and
- Review and enhance the reporting processes and tools for budgeting, revenue forecasting, stress testing and planning.



HOW WE WILL KNOW WE ARE MAKING PROGRESS

We will know we are making progress in relation to this strategic objective if

1. the process for producing the managing for results policy and guidance has involved multiple stakeholders and they have found the policy and guidance to be credible and useful;
2. those implementing the policy and guidance have been equipped with the knowledge and tools to effectively do so;
3. purchase agreements are enhanced providing greater evidence for how public entities are implementing government policy;
4. entities are implementing the policy and guidance;
5. non-financial reporting has improved including a greater focus on outcomes instead of outputs; and
6. processes and tools to support budgeting, revenue forecasting and stress testing are modernized and considered to provide value for money by the Ministry, public sector and elected officials.



Staff Entrance at the Government Administration Building



Become a Workplace of Choice for Civil Servants within the Government

The most recent Civil Service Engagement Survey results revealed that less than half of the Ministry's employees felt that they had the opportunity to contribute their views before decisions were made or they felt comfortable challenging the way things are done in their organization. As well, there were significant concerns expressed by employees related to discrimination and bullying or harassment. Among those who said that they had been bullied or harassed, a significant number responded that they felt that the culture in their area of work allows this type of behaviour to continue. These issues cannot be ignored by the Ministry's management team.

We will fully and transparently address such concerns as well as respond to suggestions and opportunities derived from the input of employees who participated in working sessions and/or provided suggestions during the Plan's development process.

The initiatives we undertake in support of this strategic objective will help the management team and employees shape a work culture and environment where employees are treated fairly, their input is valued and where they feel healthy, safe and free from discrimination, harassment and other forms of inappropriate behaviour.



TSY's 2018 Staff Retreat



HOW WE WILL ACHIEVE THIS OBJECTIVE

In order to achieve this objective, the following initiatives will be carried out:

- Champion new approaches, tools and materials that will foster a workplace culture of mutual trust, respect and dignity for everyone;
- Embed a culture of constant improvement, innovation, and proactivity within the Ministry;
- Develop a coordinated learning and development plan for the Ministry to build capacity and guide career development and advancement; and
- Strengthen leadership, decision-making and communication skills in the management levels of the Ministry.



HOW WE WILL KNOW WE ARE MAKING PROGRESS

We will know we are making progress if we achieve higher levels of employee contentment with the degree to which their views are considered before decisions are made. Employees will recognize that mechanisms are in place to challenge decisions and approaches. As well, employees believe they have the support in situations where they might be victims of discrimination, bullying or harassment.

Other important areas that we will be monitoring are the degree to which ideas for improvement, innovative ideas and initiatives have been put forward, initiated and implemented, the degree to which career development plans are being put in place and supported and the degree to which leaders and their employees feel that the leadership and communication skills of managers have been enhanced.

We will reintroduce employee forums, retreats and events that will allow us to strengthen relationships, teamwork and collaboration within and outside the Ministry. We will recognize high performance and where performance is below expected levels we will provide leadership, direction and support to work towards closing these performance gaps.



TSY's Chocolate Delivery on Women's Day 2018



CIPS's 2017 Global Monitoring System Luncheon Celebration with the Honourable Deputy Governor



MINISTRY OF FINANCE
& ECONOMIC DEVELOPMENT
CAYMAN ISLANDS GOVERNMENT

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