



**Statement by
Deputy Premier and Honourable Minister for Investment,
Innovation and Social Development**

**Reappropriation of Funding Via Section 11(5) of the
Public Management and Finance Act (2020 Revision)**

2023 December Meeting of Parliament

Mister Speaker, I wish to make a statement as to the circumstances and reasons why I, as Minister for Investment, Innovation and Social Development requested funding be transferred from **TP 80** Support for Business Initiatives, **ITI 3** Digital Services Strategy and **EI 78** Equity Injection **under Sections 11(5) of the Public Management and Finance Act (2020 Revision)** to facilitate shortfalls and provide additional support in several areas.

Mister Speaker, In the 2022/2023 budget period, the TP 60 (Housing Repairs Assistance) appropriation received a total of \$750,000 (broken down into two allotments of CI\$375,000 in 2022 and 2023 respectively) to benefit Government's own Housing Repairs Assistance (HRA) Programme for Needs Assessment Unit (NAU) clients. In June 2022 Cabinet granted approval for the 2023 budget appropriation to be brought forward into the 2022 financial year. By this action, the full \$750,000 was made available to the Programme in 2022 to assist with funding shortfalls.

In August 2023, Cabinet approved supplementary funding for TP 60 in the amount of \$550,000 which enabled the HRA Programme to repair another round of applicant cases. The Programme has been working steadily to complete all required variations on existing projects and construction

estimates on new projects. At their October 2023 meeting, the HRA Programme Oversight Committee approved 12 more projects and also gave approval for a 13th project to proceed once funds become available to facilitate the work. These projects are high priority and include repairs for homes that have severe leaks, termite damage or other significant issues that require immediate attention.

As such, the Ministry of Investment, Innovation and Social Development received approval for supplementary funding in accordance with section 11(5) of the Act to decrease **TP 80 (Support for Business Initiatives)** by **\$75,000.00** and increase **TP 60 (Housing Repairs Assistance)** in the amount of **CI\$75,000.00**.

This increase of funds allows the HRA Programme to cover any overages in the estimated costs of the approved repairs. It is noteworthy that construction and/or renovations quite often incur additional costs as a result of unforeseen issues that are uncovered during the repair process. Consequently, it is important for additional funds to be available above and beyond the estimated cost for the repairs, hence this request for additional funding.

Mister Speaker, in order to provide additional support of \$250 to Seamen and Veterans over the holiday period and to facilitate reinstatement of grandfathered financial assistance recipients, additional funding was required for both programmes. As such, the Ministry of Investment, Innovation and Social Development received approval for supplementary funding in accordance with section 11(5) of the Act to decrease **ITI 3 (Digital Services Strategy)** by **\$1,168,800.00** and increase **TP 41 (Permanent Financial Assistance)** by **\$650,550.00** and increase **TP 47 (Ex-Gratia Benefits to Seamen and Ex-Servicemen)** by **CI\$268,250.00**

Mister Speaker, The Department of Children and Family Services operates 4 residential facilities inclusive of Grand Cayman and Cayman Brac. These facilities provide 24/7 full nursing care this includes caring for children with

special needs who are on Court Orders to state care. Social Development Programmes and Services line item funds the departmental annual programs and also supports other community and clinical cost that support service delivery to clients.

In order to facilitate programme support services, hygiene and food supplies and maintenance of care facilities until the end of the year, additional funding was required. As such, the Ministry of Investment, Innovation and Social Development also received approval for supplementary funding in accordance with section 11(5) of the Act to also increase **ITI 2 (Social Development Programmes and Services)** in the amount of **CI\$250,000.00**.

Mister Speaker, in order for the Department of Environmental Health to develop the St. Mary Garden's Cemetery on Willie Farrington Drive in West Bay and the Ministry of Planning, Agriculture, Housing and Infrastructure to repair the roof of the Church of God Chapel which can be used as an additional hurricane shelter in the district of West Bay, additional funding was needed for these projects.

As such, the Ministry of Investment, Innovation and Social Development received approval for supplementary funding in accordance with section 11(5) of the Act to decrease **EI 78 (Equity Injection)** by **CI\$395,000** and increase **TP 76 (Assistance with Infrastructure Development)** in the amount of **CI\$300,000** and increase **EA 30 (Cemetery Vaults – Grand Cayman)** in the amount of **CI\$95,000.00**.

Mister Speaker the aforementioned reallocations satisfy the definition of exceptional circumstances for the reasons I have outlined. These transactions which were approved by Cabinet for the Ministry of Investment, Innovation and Social Development during the 2023 financial period – did not cause any non-compliance with the Principles of Responsible Financial Management.

Thank you, Mister Speaker & May God continue to bless these Cayman Islands.