

Statement by the Honourable Minister for Social Development and Innovation the Request for Section 11(5) Supplementary Funding

Section 11(5) of the Public Management and Finance Act (2020 Revision)

2025 January Session of Parliament

Mister Speaker, I wish to make a statement as to the circumstances and reasons why I, as Minister for Social Development and Innovation had to request a re-allocation of appropriations within the **2024 Budget**, **under Section 11(5) of the Public Management and Finance Act (2020 Revision).**

Mister Speaker, based on the announcement of the honorarium of \$2,000 to civil servants and Statutory Authorities and Government Companies ("SAGCs"), the appropriation for Children and Youth Services ("CAYS") Foundation was increased in order to allow the CAYS Foundation to award its employees with a one-time honorarium payment of \$2,000 per employee in December 2024. The honorarium payment was not anticipated and therefore it was not possible for it to be absorbed within current budget of the CAYS Foundation.

The supplementary funding was required in order to provide the honorarium recognising the persons who work long hours caring for and giving their hearts and souls to the children of the CAYS foundation.

Simultaneously Mr. Speaker, savings were identified in ITI 3 which is the appropriation for Digital Services, Strategy and Business Investment Services. The savings in this appropriation was due to delays in recruitment and implementation of major projects.

Mister Speaker, the Ministry of Social Development and Innovation requested to:

- reduce ITI 3 Digital Services, Strategy and Business Investment Services by \$88,000;
- increase CAY 2 (Children and Youth Services Foundation) by \$88,000

Mister Speaker, the aforementioned exceptional circumstance transaction – which was approved by Cabinet for the Ministry of Social Development and Innovation during the 2024 financial period – did not cause any non-compliance with the Principles of Responsible Financial Management.

Thank you, Mister Speaker