



**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, last year, the Department of Financial Assistance had confirmed to the Ministry that its budget would be insufficient. Over the course of last year, the Department implemented new policy changes in alignment with the Financial Assistance Act, 2022, including adding additional categories of service to those receiving financial assistance, providing an additional stipend to those who are receiving the Seafarers and Veterans Ex-Gratia Benefit and those in receipt of long-term financial assistance prior to the arrival of Hurricane Beryl and delivered a one-time stipend to bus wardens and bus drivers who are employed by outsourced bus companies but providing critical services to our education system.

Mister Speaker, when we were planning for the holiday season, a shortfall was identified in TP 41 for financial assistance, as well as in TP 47 for the Seafarers and Veterans Ex-Gratia Benefit.

The supplementary funding was necessary and urgent to avoid disruption of essential services to at-risk Caymanian clients of the Department of Financial Assistance.

Simultaneously Mr. Speaker, it was identified that there were savings 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 \$330,000;
- increase TP 41 Financial Assistance by \$170,000; and
- increase TP 47 Ex Gratia Benefits to Seafarers and Veterans by \$160,000.

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.