



**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 June Session of Parliament**

Mister Speaker, I wish to make a statement as to the circumstances and reasons why the Ministry of Social Development and Innovation had to request a re-allocation of appropriations in March 2025, **under Section 11(5) of the Public Management and Finance Act (2020 Revision)**.

Mister Speaker, TP 57 (Children and Family Services Support) was depleted sooner than anticipated due to the increased cost of rent and services for the children in care or in the Aftercare Programme. Additionally, as a response to the high cost of living and Government responsibility to provide an adequate standard of living for all children (including children in care) there was an increase in stipends for foster parents in 2024 in line with the consumer price index inflation rate, which resulted in the Ministry requesting \$250,000 to be brought forward from the 2025 financial year. Consequently, the current appropriation for TP 57 (Children and Family Services Support) was expected to be depleted in March 2025 and meant that the Department of Children and Family services may not have had the financial resources to care for children in care and youth in aftercare.

Simultaneously Mr. Speaker, savings were identified in TP 114 which is the appropriation for Cayman Finance and from TP 80 which is the appropriation to support business initiatives. The savings in this appropriation was due to delays in implementation of programmes.

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

- i. Reduce TP 114 (Cayman Finance) by \$250,000
- ii. Reduce TP 80 (Support for Business Initiatives) by \$250,000
- iii. Increase TP 57 (Children and Family Services Support) by \$500,000

Mister Speaker, the aforementioned exceptional circumstance transaction – which was approved by Cabinet for the Ministry of Social Development and Innovation during the 2025 financial period – did not cause any non-compliance with the Principles of Responsible Financial Management.

Thank you, Mister Speaker