

Statement by the Honourable Minister for Social Development and Innovation the Request for Section 11(5) and 11(6) Supplementary Funding

Section 11(5) and 11(6) 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 for Social Development and Innovation had to request a re-allocation of appropriations in January 2025, under Sections 11(5) and 11(6) of the Public Management and Finance Act (2020 Revision).

Over the course of 2024, there was a need to bring forward \$6,000,000 from TP 41 (Financial Assistance) Financial Year 2025 to allow the Department to make payments through the remainder of the Financial Year 2024. Supplemental funding was required as the original allocation was estimated by the Department to be insufficient from the outset but reductions were accepted to conform to overall budgetary constraints at the time.

As a result, the funding available for 2025 was insufficient to meet the financial obligations of the Department to provide financial assistance to clients.

Mister Speaker, the supplementary funding request was at that time necessary and urgent to avoid disruption of essential services to at-risk Caymanian clients of the Department of Financial Assistance.

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

 reallocate appropriations per section 11(5) and 11(6) of the Public Management and Finance Act (2020 Revision) to increase TP 41 (Financial Assistance) by \$6,000,000.

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.