

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)

Second Meeting of the 2025-2026 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 supplementary appropriations within the 2025 Budget, via Sections 11(5) and 11(6) of the Public Management and Finance Act (2020 Revision).

Mister Speaker, last year, the Department of Financial Assistance (the "Department") confirmed to the Ministry that its budget would be insufficient to meet their projected expenditure but reductions were accepted to conform to overall budgetary constraints as directed by the Ministry of Finance. Subsequently, there was a need to bring forward \$242,000 from NGS 64 (Care of the Indigent, Elderly and Disabled) from 2025 to 2024 in order to allow the Department to make payments throughout the remainder of the year.

Compounding the issue of insufficient funding were two factors in particular: Firstly, the Pines Retirement Home increased their fees for residential nursing care in 2024 to stay in line with the rising cost of living

and secondly, there was an increased need for residential nursing care services at the heavy care level.

Consequently, Mister Speaker, the Department of Financial Assistance confirmed to the Ministry that by early October 2025 they would be unable to continue funding this essential service for their clients (who are in dire need of financial assistance to access residential nursing care services) as allocated funding would be exhausted. The Ministry responded to this critical need by submitting a Paper to Cabinet requesting for supplementary funding to increase NGS 64 (Care of the Indigent, Elderly and Disabled) by \$571,450 per section 11(5) and 11(6) of the Public Management and Finance Act (2020 Revision).

Mister Speaker, the Cabinet therefore approved the request from the Ministry of Social Development and Innovation for:

 Supplementary appropriations to increase NGS 64 (Care of the Indigent, Elderly and Disabled) by \$571,450 per section 11(5) and 11(6) of the Public Management and Finance Act (2020 Revision).

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 & May God continue to bless these Cayman Islands.