

Statement by the Honourable Minister for Social Development and Innovation Request for Supplementary Funding for Children & Youth Services Foundation

Section 11(5&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** Appropriation within the 2025 Budget, for Children & Youth Services Foundation (CAYS) under Section 11(5&6) of the Public Management and Finance Act (2020 Revision).

Mister Speaker, the Children and Youth Services Foundation which manages and operates Frances Bodden Children's Home, Bonaventure Boys' Home and Phoenix House is a Government Owned Company under the remit of the Ministry of Social Development and Innovation. The CAYS Foundation provides 24-hour residential facilities for children who are in need of care and protection and children who have been remanded or committed by the Court for youth rehabilitative services.

In addition to the supplementary funding to provide critical staffing resources at CAYS which was approved during the September 25th sitting of Finance Committee, CAYS is also in need of significant renovations and enhancements to their facilities. The dormitory style residential living which CAYS primarily utilizes is not in keeping with international care standards and can be counterproductive to the development

and therapeutic progress of children in care. The challenge of the current residential model (which does not provide individual/personal space) is further exacerbated by the growing prevalence of mental health challenges, complex trauma resulting from adverse childhood experiences and associated behavioural difficulties including self-harm and suicidal ideation within the care population. The physical infrastructure of CAYS' facilities is in dire need of comprehensive renovation to meet basic international standards.

The most pressing concern is Phoenix House which is the only secure accommodation facility for children in the Cayman Islands. Children may be placed at Phoenix House temporarily for secure care needs in emergency circumstances or more typically, placed in secure care by a court order. Additionally, the Youth Justice Act (2021 Revision) and the Children Act (2021 Revision) makes provisions for children to be remanded or placed in secure accommodation at facilities including Phoenix House.

Phoenix House in its present state is ill-equipped to manage high risk behaviors due to structural deficiencies which make it inadequate for secure accommodation of high-risk children. Additionally, the current setup at Phoenix House presents challenges for the safety of staff and children and an environment that does not feel safe or therapeutic will exacerbate challenging behaviors, including but not limited to self-harm and absconding. The alarming increase in police call-outs to CAYS facilities in response to challenging behaviours underscored the urgency of this request.

In order to address these concerns and to create a safe, secure and therapeutic environment at Phoenix House, CAYS estimated that it would cost \$500,000.00 to make the necessary renovations and critical upgrades. These upgrades will include the installation of specialized doors, windows, bathroom suites, and a sprinkler system which is critical due to the plans for secure features on all windows.

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

i. The transfer of \$500,000 from EI 78 (Ministry of Investment, Innovation and Social Development) to EA 170 (Children and Youth Services Foundation) to cover essential and immediate capital costs of renovations at Phoenix House, at the Children and Youth Services Foundation 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 on September 19, 2025, complies with the Principles of Responsible Financial Management.

Thank you, Mister Speaker