

CAYMAN ISLANDS GOVERNMENT

Requests to Finance Committee for Appropriation Changes Sought Under Section 12 of the Public Management and Finance Act (2020 Revision)

FOR THE YEAR ENDING 31 DECEMBER 2023

PREPARED IN ACCORDANCE WITH SECTION 12 OF THE PUBLIC MANAGEMENT AND FINANCE ACT (2020 REVISION)

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1. INTRODUCTION

Purpose

On 26 November 2021, the Plan and Estimates document for the two financial years of 1 January 2022 to 31 December 2023, was Tabled in the Parliament and the Appropriation Act for these financial years was approved by Parliament on 8 December 2021. This document outlined the Government's planned policy actions for the 2022 and 2023 Financial Years.

As commonly happens, changes in circumstances since the preparation of the 2022 and 2023 Plan and Estimates document have resulted in the need to make changes to the Plan and Estimates and the appropriations requested to fund those actions.

Section 12 of the Public Management and Finance Act (2020 Revision) ("PMFA") states that Cabinet may authorise Executive Expenses for an Output Group, Transfer Payment, Other Executive Expense, the acquisition or creation of Executive Assets, and the making of Loans or the making of Equity Investments. Before any expense is incurred the approval of the Finance Committee of the Parliament is to be obtained. Once approved by Finance Committee, the additional Appropriation must be included in a Supplementary Appropriation Bill for that Financial Year and, that Bill shall be introduced in the Parliament not later than three (3) months after the Financial Year has ended.

This document outlines changes to Appropriations - approval for which is sought from Finance Committee with respect to the 2023 Financial Year.

2. REQUEST FOR CHANGES TO APPROPRIATIONS

APPROPRIATION CHANGES SOUGHT BY THE MINISTER FOR EDUCATION

SUPPLIER OF OUTPUT: MINISTRY OF EDUCATION

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
EGA 5	**Primary Education Services**	**38,601,419**	**2,247,831***	**39,774,900****

Description

Provision of teaching and learning services for children between the age of 4 and 11 at government reception programmes, primary schools and nursery pilot (age 3) programme in Cayman Brac at Creek and Spot Bay Primary:

- Provision for children in the reception programme through the delivery of the Cayman Islands Early Years Curriculum Framework (CIEYCF)
- Assessment, recording and reporting of students' achievement
- Student progress and achievement reports issued with reference to National Curriculum attainment targets three times annually.
- Standardised testing administered to students annually to assess English and Mathematics skills, providing data to inform teaching and learning, to track students' progress and to report to parents. Students to sit Cognitive Ability Test (CAT) in Years 4 and 6; Student attitude self and school survey to be administered in Years 1 to 6 to provide supporting information for student attainment, engagement and well-being.
- National curriculum subject tests in core subjects of Mathematics and English

Reason for Appropriation Change:

- to hire 14 mathematics specialist teachers;
- to cover higher than projected personnel costs (Cost of Living Adjustment, Honorarium, and step up in the salary grade); and
- to cover outsourced student services support, utility charges, and depreciation charges on school buildings and computer hardware.

$38,601,419 2023 Original Appropriation
-$ 1,200,000 2023 Appropriation that was utilised in 2022 pursuant to Section 9(5) of the Act
$37,401,419

+$ 453,831 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 1,794,000 Supplementary Appropriation now being requested under Section 12 of the Act
*$ 2,247,831 Total Supplementary Request for 2023
+$ 125,650 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in June 2023

**$39,774,900 2023 Revised Appropriation

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
EGA 6	**Secondary Education Services**	**35,316,073**	**6,804,000***	**40,720,073****

Description

- Provision of secondary level teaching and learning services for children in Years 7 to 11 at Government Secondary schools in Grand Cayman and children in Years 7-12 in Cayman Brac, including:
  - Delivery of Key Stage 3 (KS 3) National Curriculum, in accordance with the aims and guiding principles of the National Overview document.
  - Delivery of Key Stage 4 (KS 4) curriculum, to meet the requirements of the exam board syllabi and school curriculum guidance and schemes of work.
  - Assessment, recording and reporting, of student's achievement:
    - Student progress and achievement reports issued with reference to National Curriculum attainment targets (in Key Stage 3) or predicted examination grades (in Years 10 and 11) in Grand Cayman and (Years 10 – 12) in Cayman Brac three time annually.
    - Standardised testing administered to students in Years 7-9 annually, to assess Reading and Mathematics skills, providing data to inform teaching and learning, to track students' progress and to report to parents. The Cognitive Ability Test (CAT) is administered in Year 9. Students sit CSEC/GCE and other equivalent external qualifications as appropriate in Year 11 in Grand Cayman and Years 11 and 12 in Cayman Brac.
    - Student attitude survey to be administered in Years 7-12 to provide supporting information for student attainment, engagement and well-being.
- Provision of a Further Education Programme for Year 12 students at the Cayman Islands Further Education Centre (CIFEC), with the following programme strands:
  - A vocational, career and technical programmes components, including opportunities for work experience
  - A Foundations Programme, to assist students who need additional support in obtaining key academic qualifications
  - Supervision of a Dual Entry programme component, to offer guidance and monitoring of students in Grand Cayman and Cayman Brac who attend off-site educational programmes for Year 12 credit (e.g. UCCI, A Levels, approved off-island programmes)

Reason for Appropriation Change:

- to cover higher than projected personnel costs (Cost of Living Adjustment, Honorarium, and step up in the salary grade); and
- to cover outsourced student services support, utility charges, and depreciation charges on school buildings and computer hardware.

$35,316,073 2023 Original Appropriation
-$ 3,900,000 2023 Appropriation that was utilised in 2022 pursuant to Section 9(5) of the Act
$31,416,073

*+$ 6,804,000 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 500,000 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in August 2023

+$ 2,000,000 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in August 2023

**$40,720,073 2023 Revised Appropriation

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
EGA 8	**Facilities Maintenance and Operational School Support Services**	**14,764,507**	**3,600,000***	**16,364,507****

Description

Provision of key infrastructural, procurement and other services to support the effective operations of schools and the education system, including:

- Centralised tendering and procurement services for capital and recurrent expenditure orders for schools:
- Identifying quality suppliers, negotiating and managing contracts, managing supplier relationships, managing tendering processes (Public Procurement Committee (PPC) and Departmental Tenders Committee)
- Student transportation to and from schools
- Oversight of canteen services at schools
- Oversight of Janitorial services
- Oversight of Campus Security services

Provision of building management and facility maintenance services to all schools, Department of Education Services and other educational facilities.

Reason for Appropriation Change:

- to cover higher than budgeted transportation, janitorial services, and software costs during the academic year 2021-2022 and 2022-2023 and increased school maintenance costs.

$14,764,507 2023 Original Appropriation
-$ 2,000,000 2023 Appropriation that was utilised in 2022 pursuant to Section 9(5) of the Act
$12,764,507

*+$ 3,600,000 Supplementary Appropriation now being requested under Section 12 of the Act
**$16,364,507 2023 Revised Appropriation

TRANSFER PAYMENT SOUGHT BY THE MINISTER FOR EDUCATION

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
TP 30	**Local and Overseas Scholarships and Bursaries**	**10,039,273**	**6,924,153***	**19,947,178****

Description

Scholarships and bursaries awarded by the Education Council to support education at local and overseas tertiary institutions.

Reason for Appropriation Change:

- to increase overseas undergraduate scholarships from $20,000 to $30,000;
- to increase overseas postgraduate scholarships from $25,000 to $35,000;
- to increase scholarships for ICCI students to include 100% of tuition and books;
- scholarships for 'A' level students to include full tuition at local providers, meals (up to $18/day), examination fees, books, and school trips;
- to grant Cayman Islands Government High School Scholar Awards to two qualified Caymanian scholars per annum in the amount of up to $100,000 annually;
- to grant one-time awards of stipends of $1,500 for the costs of obtaining visas to study in the USA, Canada, and the UK; and
- to grant a temporary waiver of the SAT requirements for the fall 2021 semester and a temporary waiver of all academic criteria for students who applied for and received conditional approval to begin studies at local and overseas educational institutions for the fall 2022 semester.

$10,039,273 2023 Original Appropriation
-$ 5,016,248 2023 Appropriation that was utilised in 2022 pursuant to Section 9(5) of the Act
$ 5,023,025

*+$ 6,924,153 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 4,000,000 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in August 2023

+$ 4,000,000 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in September 2023

**$19,947,178 2023 Revised Appropriation

APPROPRIATION CHANGES SOUGHT BY THE MINISTER FOR DISTRICT ADMINISTRATION AND LANDS

OTHER EXECUTIVE EXPENSE SOUGHT BY THE MINISTER FOR DISTRICT ADMINISTRATION AND LANDS

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
OE 134	**Depreciation of Executive Assets – Ministry of District Administration and Lands**	**685,000**	**6,569,000**	**7,254,000**
Description Depreciation of Executive Assets.				
Reason for Appropriation Change: • to fund the depreciation of Executive Assets (roads and buildings) in Cayman Brac and Little Cayman that were a part of the 2021 post-election transfer of assets from the previous Ministry.				

APPROPRIATION CHANGES SOUGHT BY THE MINISTER FOR HOME AFFAIRS

SUPPLIER OF OUTPUT: MINISTRY OF HOME AFFAIRS

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
HAF 5	**Domestic and Aerodrome Fire Services**	**16,114,567**	**1,500,000***	**18,136,829****

Description

Maintain capacity to respond to domestic, aerodrome fire and other emergencies (natural or man-made); conduct inspections to ensure safe, efficient and effective compliance with Fire Code; investigate cause and origin of all fires and provide Fire Safety education and training programmes to the public relative to all areas.

Reason for Appropriation Change:

- to meet overtime personnel costs for the Cayman Islands Fire Service.

$16,114,567 2023 Original Appropriation
*+$ 1,500,000 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 522,262 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in September 2023

**$18,136,829 2023 Revised Appropriation

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
HAF 6	**Regiment Services**	**1,500,000**	**135,186***	**2,445,032****

Description

Provision of a military regiment specialising in disaster relief and security.

Training of personnel in first aid, basic water rescue, drill, navigation, weapon handling, field craft, Humanitarian Assistance and Disaster Relief (HADR).

Maintaining high levels of physical fitness, including physical training, endurance training, sport and annual mandatory fitness tests.

Specialist Team Training including:

- Driver Training
- Team Medic Training
- Advanced Swimmer Training
- Ground - Air Coordination Training
- Fire Liaison Training

Leadership training including Driver Supervision, Advanced Navigation, Method of Instruction (MOI), Lesson Planning, Team building and supervision and Risk Assessment.

Instructor training, including First Aid Instructor, Chainsaw Instructor, Drill Instructor, Physical Training Instructor.

Maintain and service a fleet of vehicles used to support the Regiment in its duties.

Maintain and service supplies and equipment used to support the Regiment in its duties.

Carry out training exercises to test readiness.

Participate in National Parades.

Provide community service to the wider community, including community projects.

Reason for Appropriation Change:

- to convert the role of the Commanding Officer of the Cayman Islands Regiment to a full-time position.

$1,500,000 2023 Original Appropriation
*+$ 135,186 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 809,846 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in August 2023

**$2,445,032 2023 Revised Appropriation

APPROPRIATION CHANGES SOUGHT BY THE MINISTER FOR PLANNING, AGRICULTURE, HOUSING AND INFRASTRUCTURE

SUPPLIER OF OUTPUT: MINISTRY OF PLANNING, AGRICULTURE, HOUSING AND INFRASTRUCTURE

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
PAH 16	**Licensing of Drivers and Vehicles**	**917,197**	**1,000,000***	**2,143,881****

Description
Provision of services relating to the testing and licencing of vehicles and drivers.

Reason for Appropriation Change:

- to cover the significant increase in vehicle registration/licencing.

$ 917,197 2023 Original Appropriation
-$ 173,316 2023 Appropriation that was utilised in 2022 pursuant to Section 9(5) of the Act
$ 743,881

*+$1,000,000 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 400,000 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in August 2023

**$2,143,881 2023 Revised Appropriation

APPROPRIATION CHANGES SOUGHT BY THE MINISTER FOR HEALTH AND WELLNESS

SUPPLIER OF OUTPUT: HEALTH SERVICES AUTHORITY

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
HEA 2	**Medical Care for Indigents**	**12,000,000**	**9,368,000***	**22,568,000****

Description

Provision of medical care to indigent patients which includes:

- Primary care
- Secondary care services
- Dental and mental health care

Reason for Appropriation Change:

- to provide indigent patients with primary and secondary healthcare services, as well as dental and mental healthcare services.

$12,000,000 2023 Original Appropriation
-$ 3,200,000 2023 Appropriation that was utilised in 2022 pursuant to Section 9(5) of the Act
$ 8,800,000

*+$ 9,368,000 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 4,400,000 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in July 2023

**$22,568,000 2023 Revised Appropriation

SUPPLIER OF OUTPUT: CAYMAN ISLANDS AND OVERSEAS HOSPITALS

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
NGS 55	**Tertiary Medical Care at Various Local and Overseas Institutions**	**21,593,371**	**21,826,000***	**52,419,371****

Description

Provision of Non-HSA tertiary health care for indigents, seamen and veterans who are referred for treatment locally and overseas.

Reason for Appropriation Change:

- to provide Indigents, Seafarers and Veterans with local and tertiary medical care.

$21,593,371 2023 Original Appropriation
*+$21,826,000 Supplementary Appropriation now being requested under Section 12 of the Act
+$ 9,000,000 Supplementary Appropriation approved by Cabinet under Section 11(5) of the Act, in July 2023

**$52,419,371 2023 Revised Appropriation

APPROPRIATION CHANGES SOUGHT BY THE DEPUTY GOVERNOR

SUPPLIER OF OUTPUT: CAYMAN ISLANDS NATIONAL INSURANCE COMPANY

Appropriation Reference	Appropriation Name	2023 Original Appropriation $	2023 Section 12 of PMFA (September 2023) $	2023 Revised Appropriation $
CIN 2	**Health Insurance for Civil Service Pensioners**	**36,564,714**	**8,800,000**	**45,364,714**
Description Provision of Health Insurance for Civil Servant Pensioners and their Dependents.				
Reason for Appropriation Change: • to cover health insurance premiums for Civil Servant Pensioners and their Dependents.				



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