



**Statement by
the Honourable Minister for Planning, Lands, Agriculture,
Housing and Infrastructure on
the Reallocation of Funds within the 2014/15 Budget of
the Ministry of Planning, Lands, Agriculture, Housing and
Infrastructure**

**Third Meeting of the 2016/17 Session of the Legislative
Assembly – Commenced 22 February 2017**

Madam Speaker, I wish to make a statement as to the reasons why the Ministry Planning, Lands, Agriculture, Housing and Infrastructure (PLAHI) was able to reallocate funds from, and within, its 2014/15 Budget.

Madam Speaker, during the 2014/15 financial year, The Ministry of Planning, Lands, Agriculture, Housing and Infrastructure required additional funds for the appropriation captioned "*EA 138 Cayman Islands Environmental Centre.*"

In 2014/15 the Ministry was faced with an urgent need to replace the air conditioning system at The Cayman Islands Environmental Centre (CIEC). Based on tender exercise for CIEC A/C project the Ministry appropriation of CI\$375,000 (EA138), however the winning tender was CI\$467,000; therefore an additional CI\$92,000 was required.

Madam Speaker, the Ministry Planning, Lands, Agriculture, Housing and Infrastructure was able to identify savings that was equivalent to the additional CI\$92,000 sought from Farm Roads, from the Ministry's other appropriations of "*EA 37 Farms Roads*".

Madam Speaker, the Ministry received a request from the Cayman Islands Agricultural Society (CIAS) seeking Ministry assistance with the importation of livestock in the amount of CI\$150,000 to cover the cost of shipping, quarantine and veterinarian services. The Ministry was able to identify savings to assist the agriculture sector in trying to keep up with the

demands for local meat. Savings were identified from various output groups (*MPA2-Ministerial Services, PWD25-Project Management of Major Projects, PLN33- Preparation and Publication of Statistical Reports, LSU 3-Lands Registry Records, and VLT 9-Licensing of Drivers and Vehicles*). The saving in the amount of CI\$150,000 was reallocated to "*TP 74 Agricultural services-Assistances in respect to Importation of Livestock.*"

With Ministry's continued support for the Agricultural sector and to assist the market vendors, Ministry agreed to partner with the Ministry of District Administration, Tourism and Transport (DATT) to redevelopment of the Market at the Cricket Grounds. Ministry of DATT agreed to assist with the labour and other associated cost of construction with the understanding that they would be reimbursed. A reduction of CI\$25,000 was made to the appropriation of "*EA 36 the George Town Revitalization Project*", to reimburse TP67 funding earmarked for the flower's Sea Swim from Ministry of DATT.

Madam Speaker, during the 2014/15 financial year, the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure required additional funds for the appropriation captioned "Budget EA9 – Gazetted Claims". Executive Asset 9 (EA 9) Gazetted Claims is under the Ministry Of PLAHI. The funds were used for the payment of compensation claims submitted by affected landowners under the provisions of the Roads Law as a result of road schemes undertaken by the National Roads Authority.

As a result, an increase of CI\$ 2,000, 000 to the EA9 Gazetted Claims appropriation, and a decrease of CI\$ 2,000, 000 to the EA36 George Town Revitalisation appropriation.;

Madame Speaker in 2014/15 the Ministry had a number of capital Expenditure approved in the 14/15 Budget exercise. As the year progressed the Ministry identified savings from various capital allocations.

Madame Speaker, In January 2015, Cabinet approved reallocation of CI\$2 million from EA36 (Miscellaneous Road Surface Upgrades) to EA9 (Land Purchase: Gazetted Claims) -

CPA 895/15, Item 2025, Meeting No. 75/15. This was to accommodate an anticipated compensation liability for three new road schemes in George Town during this financial year. In practice, only a few new claims have been submitted to date, resulting in only CI\$0.725 million having been spent. CI\$1million of the surplus EA9 funds can be reallocated to Cayman Airways Ltd at the request of Ministry DATT.

Madame Speaker, It important to note that the Ministry of PLAHI was not proposing to "overspend" its allocation nor was the Ministry seeking additional capital funds, but rather the Ministry sought after Cabinet's approval to re-allocate approved funds within its Ministry, and to the Ministry of District Administration, Tourism & Transportation (DATT).

These are the amounts re-allocated:

- a. Re-allocation of funds in the amount of CI\$1,000,000 to be transferred from EA 9 (Land Purchase: Gazetted Claims) to EI1 (Cayman Airways Ltd);
- b. Re-allocation of funds in the amount of CI\$275,000 to be transferred from EA9 (Land Purchase: Gazetted Claims) to EA36 (Miscellaneous Road Surface Upgrades);
- c. Re-allocation of funds in the amount CI\$50,000 from EA78 (Government Office Accommodation Project 1) and CI\$40,000 from

EA37 (Farm Roads) to be transferred to EI71 (Ministry of Planning, Lands, Agriculture, Housing & Infrastructure);

Madam Speaker, the details of the reallocation of funds from, and within, The Ministry of Planning, Lands, Agriculture, Housing and Infrastructure that required additional funding can be found in the 2014/15 Supplementary Annual Plan and Estimates which were recently Tabled in the House.

Thank you Madam Speaker.



**Statement by
the Honourable Minister for Planning, Lands, Agriculture,
Housing and Infrastructure on
the Reallocation of Funds within the 2015/16 Budget of
The Ministry of Planning, Lands, Agriculture, Housing
and Infrastructure**

**Third Meeting of the 2016/17 Session of the Legislative
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Madam Speaker, I wish to make a statement as to the reasons why the Ministry Planning, Lands, Agriculture, Housing and Infrastructure was able to reallocate funds from, and within, its 2015/16 Budget.

Madam Speaker, during the 2015/16 financial year, the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure required additional funds of CI\$30,000 for the appropriation captioned "*TP76/ Assistance for Infrastructure Development.*"

Madam Speaker, these funds were utilised for the sponsorship of the Harbour Nights program, a George Town Revitalisation

Initiative geared at encouraging residents and businesses to bring life into the central downtown area after regular business hours. It was also used, Madam Speaker, to provide additional assistance to farmers with the opening of the Farmers Market at the Cricket grounds.

These monies Madam Speaker were found from savings within the Ministry's budget appropriation captioned *"TP74/ Assistance in respect to importation of livestock."*

Madam Speaker, the Ministry also reallocated funds for the purchase of Block 38B Parcel 290 for the use of the structure as a residential care facility under the Department of Children & Family Services. This Re-allocation of CI\$240,000 Madam Speaker, was taken from Ministry of Community Affairs, Youth & Sports budget appropriation *"EI 54/ Equity Investment to purchase entity assets"* and to be transferred to Ministry of PLAHI's budget appropriation *"EA 4/ Land purchase."*

Madam Speaker, the Ministry also Re-allocated CI\$1,900,000 from Ministry of PLAH&I budget appropriation *"EA 142/ George Town Revitalisation"* and transferred it to Ministry of PLAH&I

budget "EA 9/ Land purchase; Gazetted Claims" to compensate those landowners affected by the for the widening of the Lindford Pierson Highway project.

Madam Speaker, the Ministry also transferred monies in June of this year for several key projects. These were Madam Speaker;

- The Re-allocation of \$1,590,369 to be taken from Ministry of PLAH&I budget appropriation "*EA 142 / George Town Revitalisation*" and transferred to Ministry of PLAH&I budget appropriation "*EA 9 / Land Purchase; Gazetted Claims*" and utilized for the compensation to dispossessed land owners affected by the expansion of the Linford Pierson Highway Project.
- The Re-allocation of CI\$275,000 to be taken from Ministry of PLAH&I budget appropriation "*EA 142 / George Town Revitalisation*" and transferred to Ministry of PLAH&I budget appropriation "*EA 36 / Miscellaneous Road Surface Upgrades.*" Madam Speaker, this was necessary to regularise an overspend by National Roads Authority for a

number of works including the Midland Acres and the HSA car park. As we all can attest to, the HSA's parking lot was in disrepair and the Government felt the repair was a priority.

- The Re-allocation of CI\$210,000 to be taken from Ministry of PLAH&I budget appropriation "*EA 78/ Government Office Accommodation*" and transferred to Ministry of PLAH&I budget appropriation "*EI 71/*" for the resurfacing of the PWD/NRA compound.
- The Re-allocation of CI\$127,000 to be taken from Ministry of PLAH&I budget appropriation "*EA 142/ George Town Revitalisation*" and transferred to a new EA under the Portfolio of the Civil Service to construct the extension to the car park here at the Legislative Assembly.
- The Re-allocation of CI\$41,000 to be taken from Ministry of PLAH&I budget appropriation "*EA 37/ Farm Roads*" and transferred to Ministry of PLAH&I budget appropriation "*TP 76/ Assistance for Infrastructure Development.*" This

Madam Speaker, was used to locate a modular building at the Market at the Cricket Grounds for the farmers to use as a management office.

- The Re-allocation of CI\$35,000 to be taken from Ministry of PLAH&I budget appropriation "*EA 142/ George Town Revitalisation*" and transferred to Ministry of PLAH&I budget EI 71 to purchase a new forklift for the Department of Agriculture.

Madam Speaker, Ministry allocation "*EA 4 Land Purchase*" was appropriation was increased by USD\$5,439,237.87 from the Environmental Protection Fund to facilitate the purchase of the Smith Cove/Barcadere a historic picturesque Beachfront national beauty spot.

Madam Speaker, funds in the amount 17.775.50 allocated to the management of Crown property known as the former "*John Silvers Inn*" (Temporary Housing Unit) was transferred to the Ministry of Community Affairs, which is responsible for the Department of Children & Family Services.

Madam Speaker, the details of the reallocation of funds from, and within, The Ministry of Planning, Lands, Agriculture, Housing and Infrastructure that required additional funding can be found in the 2015/16 Supplementary Annual Plan and Estimates which were recently Tabled in the House.



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**Section 11(5) of the Public Management and Finance
Law (2013 Revision)**

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Madam Speaker, I wish to make a statement as to the circumstances and reasons why the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure was able to reallocate funds from, and within, its **2016/17** Budget, under Section 11(5) of the Public Management and Finance Law (2013 Revision).

Madam Speaker, during the 2016/17 financial year to date, the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure required appropriation changes on a number of occasions as follows;

Firstly Madam Speaker, In August 2016 the Ministry received an increase allocation in supplementary funding of CI\$307,950 which was placed in New TP appropriation '*Ex Gratia Payments*' to facilitate the compensation payments to owners of displaced residential properties impacted by the ongoing project to widen the Linford Pierson Highway. This appropriation was topped-up by an additional CI\$243,553 approved by Cabinet in February 2017 upon the completion of the tender exercise for the construction of the replacement houses.

Secondly, Madam Speaker, an increase was approved by Cabinet for the appropriation captioned "EA 36 Miscellaneous Road Surface Upgrades". In 2015/16 the Ministry had instructed the National Roads Authority to repave the George Town Hospital Car Park at a cost of CI\$ 142,668.75. The National Roads Authority, meanwhile, had widened Smith Road, taking land from the Health Services Authority in order to do so, incurring a Roads Law compensation liability of CI\$ 148,190. Cabinet agreed to set one off against the other, with the balance to be paid to the HSA.

Madam Speaker, the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure was advised to achieve this by reallocating CI\$142,668.75 from PLAHI "EA9 Land Purchase: Gazetted Claims" to PLAHI "EA36 Miscellaneous Road Surface Upgrades".

Madam Speaker, the next occasion in 2016/17 requiring the reallocation of funds related to a request from the Attorney General's Chambers and the Portfolio of Legal Affairs made to the Facilities Management section, to construct additional offices in the Government Administration Building at a cost of CI\$ 75,000. As the Ministry PLAHI had no funding allocated for this unexpected request, funding was provided by the Attorney General's Chambers and the Portfolio of Legal Affairs.

Accordingly, CI\$75,000 was transferred from appropriation "EI134 Equity Injection Portfolio of Legal Affairs" to PLAHI appropriation "EA78 Government Office Accommodation Project 1".

Lastly Madam Speaker, the Government had a number of priority projects that required funding, such as the Land for the Spotts Public Beach parking, a generator for the EE Primary School, The Coewood Beach Project, and the new WB Cemetery Project. Madam Speaker, given that the Ministry of Community Affairs, Youth and Sport did not foresee utilizing some funds in their budget, we agreed to collaborate with them to assist in funding these projects. As a result, Madam Speaker, we:

- Reduced the Ministry of CAY&S appropriation "EI 54 / Equity Investment to Purchase Entity Assets CI\$1,200,000;" and,
- Reduced the appropriation "EI 71/Entity Investment" by CI\$700,000; and then,
- Transferred (that is, increased) Ministry of PLAH&I's budget appropriation "EA 142 / George Town Revitalisation" by CI\$850,000; and then,
- Increased the Ministry of PLAH&I's budget appropriation "EA 4 / Land Purchases" by CI\$300,000; and then,
- Re-allocated CI\$41,000 from Ministry of PLAH&I's budget output "PAH8/ Management of Special Projects" to

Ministry of PLAH&I's budget appropriation "TP 76/

Assistance for Infrastructure Development"; and lastly,

- Created a new Executive Asset for Minor District Works for Ministry of PLAH&I, thereby increasing Ministry of PLAH&I's appropriation 16/17 budget by \$750,000.

Madam Speaker, the details of the reallocation of funds from, and within, The Ministry of Planning, Lands, Agriculture, Housing and Infrastructure that required additional funding can be found in the 2016/17 Supplementary Annual Plan and Estimates which were recently Tabled in the House.

Thank you Madam Speaker.

