

EXECUTIVE COUNCIL

CONFIDENTIAL

Title of Report: The Supplementary Appropriation (2012-2013) (No 2) Bill 2013

Paper No: 116/13

Date: 3 June 2013

Report of: Financial Secretary

1. Purpose

- 1.1 The purpose of this paper is to present the Supplementary Appropriation (2012-2013) (No 2) Bill 2013 for approval and remission to the Legislative Assembly.

2. Recommendation

- 2.1 Honourable Members are invited to approve the remission of the Supplementary Appropriation Bill to the meeting of the Legislative Assembly to be held on 20 May 2013.

3. Summary of Financial Implications

- 3.1 None.

4. Background

- 4.1 This Bill (attached at Annex A) covers supplementary expenditure amounting to £2,516,050 in respect of additional funding which was approved by Standing Finance Committee on 27 March and 24 April 2013.
- 4.2 Full details of the additional funding, are shown on the attached schedule (Annex B). However, the major items relating to this Bill relate to additional transfers approved to the Pensions (Old Scheme) Fund (£861,000) and Retirement Pensions Fund (£1,011,000); £232,000 for payment to FIMCo in the form of a subvention and £240,000 to cover Oil related taxation work. The remainder relate to various Government departments.
- 4.3 The Bill will, if enacted, provide the legal authority for the additional sum of £2,516,050 to be withdrawn from the Consolidated Fund and for the Contingencies Fund to be replenished in respect of the amount of any sum advanced therefrom as authorised by the Contingencies Warrant No 6 of 2012/2013.

- 4.4 Publication of this Supplementary Appropriation Bill is not required prior to submission to Legislative Assembly (Rule 37 of Standing Orders).

5. Financial Implications

The following is a summary of appropriation legislation with respect to the 2012/2013 Financial Year:

	£
Appropriation Ordinance 2012 (No 7 of 2012)	49,254,980
The Supplementary Appropriation Ordinance 2012 (No 14 of 2012)	2,945,240
The Supplementary Appropriation (No 2) Ordinance 2012 (No 17 of 2012)	620,840
The Supplementary Appropriation (2012-2013) Ordinance 2013 (No 1 of 2013)	400,570
The Supplementary Appropriation 2012-2013 (No 2) Bill 2013	2,516,050
Total	<u>55,737,680</u>

6. Legal Implications

None.

7. Human Resources Implications

None.

Supplementary Appropriation (2012-2013) (No 2) Bill 2013

(No: of 2013)

ARRANGEMENT OF PROVISIONS

Clause

1. Title
2. Commencement
3. Withdrawal of additional sum
4. Replenishment of Contingencies Fund

Schedule

SUPPLEMENTARY APPROPRIATION (2012-2013) (No 2) BILL 2013

(No: of 2013)

(assented to: 2013)

(commencement: on publication)

(published: 2013)

A BILL

for

AN ORDINANCE

To authorise the withdrawal from the Consolidated Fund of the additional sum of £2,516,050.00 for the financial year ending 30 June 2013.

BE IT ENACTED by the Legislature of the Falkland Islands —

1. Title

This Ordinance is the Supplementary Appropriation (2012-2013) (No 2) Ordinance 2013.

2. Commencement

This Ordinance comes into force on publication in the Gazette.

3. Withdrawal of additional sum

(1) The Financial Secretary may withdraw an additional sum of £2,516,050.00 from the Consolidated Fund.

(2) Any additional sum withdrawn under subsection (1) may be applied in the financial year ending 30 June 2013 in accordance with section 4 and the Schedule.

4. Replenishment of Contingencies Fund

If any sum has been withdrawn from the Contingencies Fund by the authority of Contingencies Warrant number 6 of 2012-2013, the Financial Secretary will replenish the fund from the additional sum withdrawn under section 3.

SCHEDULE

Number	Head of Service	Amount £
	<u>Operating Budget</u>	
0110	Central Services	14,950.00
0200	Health, Social Services & Education	50,000.00
0450	Attorney General's Chambers	35,000.00
0550	Emergency Services	22,100.00
0600	<u>Executive Management</u>	290,000.00
0990	<u>Fund Transfers & Transfer Payments</u>	2,104,000.00
	<u>Total Operating Budget</u>	<u>2,516,050.00</u>
	<u>Total Schedule</u>	<u>2,516,050.00</u>

OBJECTS AND REASONS

The Bill provides for:-

- (1) supplementary expenditure of £2,516,050.00; and
- (2) the Contingencies Fund to be replenished to the extent that any sums have been advanced under the authority of Contingencies Warrant No 6 of 2012/2013.

The Bill is proposed in accordance with section 26 of the Finance and Audit Ordinance (Title 19.3).

Report No 4 of 2012/2013 to Executive Council on advances authorised by the Financial Secretary to be issued out of the Contingencies Fund for application to the service of the 2012/13 Financial Year to enable the need for unforeseen expenditure to be met pursuant to the provisions of Section 26 of the Finance and Audit Ordinance
Advances only authorised when required due to £1M cap on Contingencies Fund

Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0110 CENTRAL SERVICES</u>			
0453 COURTS			
1117 Legal Aid	<u>14,950.00</u>	14,950.00 CW6 - SFC 27/03/13	Additional funding approved in connection with a complex childcare case. SFC Paper 12/13; SFC Minute16 refer
<u>0200 HEALTH, SOCIAL SERVICES & EDUCATION</u>			
0201 MEDICAL			
0752 Medical Stores	<u>50,000.00</u>	50,000.00 CW6 - SFC 27/03/13	Funding required to enable the purchase of essential medical stores brought about by larger than anticipated requirements and increase in cost of items. SFC Paper 8/13; SFC Minute 6 refer
<u>0450 ATTORNEY GENERALS CHAMBERS</u>			
0451 ATTORNEY GENERAL'S CHAMBERS			
1118 Legal Fees	<u>35,000.00</u>	35,000.00 CW6 - SFC 27/03/13	Funding to allow the appointment of appropriate legal advisers in connection with negotiations over temporary port facilities. Exco Paper 81/13; SFC Minute 8.1 refer
<u>0550 COMMUNITY SAFETY</u>			
0551 POLICE			
0311 Locum/Seconded Staff	<u>22,100.00</u>	22,100.00 CW6 - SFC 27/03/13	Funding approved to enable the appointment of 2, recently retired, UK Police Officers for a period of two months to enable the release of untrained officers for training. SFC Paper 9/13; SFC Minute 7 refer

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0700 CORPORATE RESOURCES</u>			
0602 TREASURY			
1883 Central Reserve	50,000.00	SFC 24/04/13	Reserve funding approved in connection with the safeguarding of children.
0609 TAXATION			
1429 Specialist/Consultancy Services	100,000.00	CW6 - SFC 27/03/13	To enable the appointment of a tax consultant to undertake work in connection with Oil related matters. SFC Paper 13/13; SFC Minute 13 refer
1429 Specialist/Consultancy Services	<u>140,000.00</u>	290,000.00 CW6 - SFC 27/03/13	Funding approved to enable a more detailed review of certain areas of Oil & Gas Tax Legislation to be undertaken. Exco Paper 71/13; SFC Minute 12.2 refer
<u>0998 TRANSFER PAYMENTS</u>			
5001 Transfer to Retirement Pensions Fund	861,000.00	SFC 24/04/13	Additional contribution to the Retirement Pensions Fund approved. Exco Paper 51/13 refers.
5006 Transfer to Pensions (Old Scheme) Fund	<u>1,011,000.00</u>	1,872,000.00 SFC 24/04/13	Additional contribution to Pensions (Old Scheme) Fund approved. Exco Paper 50/13 refers
<u>0999 TRANSFER PAYMENTS</u>			
4114 Abattoir Subsidy	<u>232,000.00</u>	232,000.00 CW6 - SFC 27/03/13	Subvention agreed after taking into account the recent negative effect of meat prices in Europe, increased shipping costs and staff accommodation matters. Exco Paper 10/13; SFC Minute 14.1 refer
	<u><u>2,516,050.00</u></u>	<u><u>2,516,050.00</u></u>	

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
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SUMMARY

Contingencies Warrant No 6	594,050.00
Standing Finance Committee - 24 April 2013	1,922,000.00
	<u>2,516,050.00</u>

Summary by Directorate

0110 Central Services	14,950.00
0200 Health, Social Services & Education	50,000.00
0450 Attorney General's Chambers	35,000.00
0550 Emergency Services	22,100.00
0700 Corporate Resources	290,000.00
0998 Fund Transfers	1,872,000.00
0999 Transfer Payments	232,000.00
	<u>2,516,050.00</u>