

EXECUTIVE COUNCIL

CONFIDENTIAL

Title of Report: The Supplementary Appropriation (2013-2014) (No 4) Bill 2013

Paper No: 234/13

Date: 11 December 2013

Report of: Financial Secretary

1. Purpose

- 1.1 The purpose of this paper is to present the Supplementary Appropriation (2013-2014) (No 4) 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 12 December 2013.

3. Additional Budgetary Implications

- 3.1 None.

4. Background

- 4.1 This Bill (attached at Annex A) covers supplementary expenditure amounting to £6,535,600 in respect of additional funding which was approved by Standing Finance Committee on 26 June, 25 July, 23 August, 25 September and 20 November 2013.
- 4.2 Details of the additional funding, is shown on the attached schedule (Annex B). £3,557,960 of the total relates to the carryover of funds from the 2012/2013 financial year. These mainly relate to specific projects where the actual spending profile falls into two financial years or late invoice presentation. The remaining £2,977,640 is additional funding, a large part of which (£1,054,500) relates to the Medical Department covering areas of locum staff, medical treatment overseas and child protection and additional subvention payments, totalling £716,000, approved for the Falkland Islands Meat Company.
- 4.3 The Bill will, if enacted, provide the legal authority for the additional sum of £6,535,600 to be withdrawn from the Consolidated Fund and for the Contingencies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 1 - 4 of 2013/2014.

- 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 2013/2014 Financial Year:

	£
Appropriation Ordinance 2013 (No 6 of 2013)	60,930,500
The Supplementary Appropriation (2013-2014) (No 4) Bill 2013	6,535,600
Total	<u>67,466,100</u>

6. Legal Implications

None.

7. Human Resources Implications

None.

Supplementary Appropriation (2013-2014) 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 (2013-2014) 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 £6,535,600.00 for the financial year ending 30 June 2014.

BE IT ENACTED by the Legislature of the Falkland Islands —

1. Title

This Ordinance is the Supplementary Appropriation (2013-2014) 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 £6,535,600.00 from the Consolidated Fund.

(2) Any additional sum withdrawn under subsection (1) may be applied in the financial year ending 30 June 2014 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 Nos 1 – 4 of 2013/2014, the Financial Secretary will replenish the fund from the additional sum withdrawn under section 3.

SCHEDULE

Number	Head of Service	Amount £
	Operating Budget	
0110	Central Services	472,640.00
0200	Health and Social Services	1,283,880.00
0250	Education and Training	117,230.00
0350	Public Works Department	160,090.00
0410	Natural Resources	269,120.00
0451	Attorney General's Chambers	124,340.00
0550	Emergency Services	187,020.00
0600	Executive Management	329,220.00
0700	The Treasury	2,243,490.00
0620	Mineral Resources	120,000.00
0990	Fund Transfers & Transfer Payments	1,228,570.00
	Total Operating Budget	6,535,600.00
	Total Schedule	6,535,600.00

OBJECTS AND REASONS

The Bill provides for:-

- (1) supplementary expenditure of £6,535,600.00
- (2) the Contingencies Fund to be replenished to the extent that any sums have been advanced under the authority of Contingencies Warrant Nos 1 - 4 of 2013/2014.

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

Report No 1 of 2013/2014 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 2013/14 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 cap on Contingencies Fund

Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0110 DIRECTORATE OF CENTRAL SERVICES</u>			
0104 CENTRAL SERVICES			
0311 Locum/Secondment	17,430	3 - SFC 23/08/13	Carryover from 2012/2013 -Late invoicing for seconded employee's salary
0313 Ex Gratia/Long Service Award Pmts	266,000	SFC 25 Sept. 2013	One off cost approved to retrospectively apply the Long Service Award to staff meeting the necessary length of continuous service at 1 July 2013. Exco Paper 215/13; SFC Minute 13.1 25 September 2013 refer
0152 POSTS			
0700 Carriage of Mail	22,500	3 - SFC 23/08/13	Carryover from 2012/2013 - Late invoicing from MoD
0257 LEISURE CENTRE			
Local Training Expenses	6,900	3 - SFC 23/08/13	Carryover from 2012/2013 - Training completed in May. Late invoice from supplier.
0390 FOX BAY VILLAGE			
3181 Improvements Water Supply	19,640	3 - SFC 23/08/13	Carryover from 2012/2013 - Delay in final completion/invoicing for Fox Bay project
0453 COURTS			
0310 Salaries & Wages	65,000	1 - SFC 26/06/13	Funding approved for the creation of the post of Head of Falkland Islands' Courts and Tribunals Service. Exco Paper 149/13; SFC Minute 9.1 of 26 June 2013 refer
0334 Passages & Travel	3,170	3 - SFC 23/08/13	Carryover from 2012/2013 - Senior Magistrate leave delayed until July
0335 Recruitment	10,000	1 - SFC 26/06/13	Funding approved for the creation of the post of Head of Falkland Islands' Courts and Tribunals Service. Exco Paper 149/13; SFC Minute 9.1 of 26 June 2013 refer
0761 Mandatory Training/CPD	2,090	3 - SFC 23/08/13	Carryover from 2012/2013 - Training delayed due to workloads/staff changes
1117 Legal Aid	59,910	472,640 3 - SFC 23/08/13	Carryover from 2012/2013 - Costs related to ongoing court case

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0200 HEALTH AND SOCIAL SERVICES</u>			
0201 MEDICAL			
0310 Salaries & Wages	29,000	4- SFC 25/09/13	Funding approved to revise the oncall payment structure for Doctors. Exco Paper 223/13; SFC Minute 13.7 of 25 September 2013 refer
0311 Locum/Seconded Staff Costs	397,000	SFC 20/11/13	Due to the necessity to employ Locum staff whilst attempts are made to recruit to permanent posts. SFC Paper 43/13 refers
0749 Service Contracts	36,340	3 - SFC 23/08/13	Carryover from 2012/2013 - Late invoicing from supplier
0753 Treatment Overseas	500,000	SFC 20/11/13	Additional funding required because of exceptionally high activity during the first four months of the financial year. SFC Paper 43/13 refers
0761 Mandatory Training/CPD	13,000	3 - SFC 23/08/13	Carryover from 2012/2013 - Staff training taking place later than anticipated (July)
0203 SOCIAL WELFARE			
0311 Locum/Seconded Staff Costs	66,000	SFC 20/11/13	Due to the necessity to employ Locum staff whilst attempts are made to recruit to permanent posts. SFC Paper 43/13 refers
1347 Attendance Allowance	60,000	4- SFC 25/09/13	Additional funding approved. SFC Paper 36/13; SFC Minute 11 of 25 September 2013 refer
1348 Child Protection	91,500	SFC 20/11/13	Extra funding required due to increased call on this service. SFC Paper 43/13 refers.
1920 Special Educational Expenses	91,040	2 - SFC 25/07/13	Funding to enable a 24 month placement in UK for a child with complex needs. Exco Paper 157/13; SFC Minute 11.2 of 25 July 2013
		1,283,880	

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0250 EDUCATION & TRAINING</u>			
251 EDUCATION - ADMIN			
1429 Specialist/Consultancy	42,580	SFC 25 Sept. 2013	Funding to enable a revision and update of the Education Ordinance. Exco Paper 222/13; SFC Minute 13.5 of 25 September 2013 refer
0252 TRAINING			
0761 Mandatory Training/CPD	9,650	3 - SFC 23/08/13	Carryover from 2012/2013 - Late invoice & Plant Operator training delayed until September
0259 INFANT/JNR SCHOOL			
0310 Salaries	46,140	1 - SFC 26/06/13	Funding approved as a result of the Executive Councils recommendation for an additional 0.33 FTE Camp Teacher for one year and one additional IJS teacher for two years.
0331 MST	700	1 - SFC 26/06/13	
0332 RPC	810	1 - SFC 26/06/13	Exco Paper 148/13; SFC Minute 9.2 of 26 June 2013 refer
0334 Passages & Travel	1,970	1 - SFC 26/06/13	
0335 Recruitment	1,600	1 - SFC 26/06/13	"
0339 Contract Allowances	10,800	1 - SFC 26/06/13	"
0501 FIGAS	940	1 - SFC 26/06/13	"
0338 Travel & Subsistence	910	1 - SFC 26/06/13	"
0502 Electricity	550	1 - SFC 26/06/13	"
0603 Central Heating	580	1 - SFC 26/06/13	"
		117,230	
<u>0350 PUBLIC WORKS DEPARTMENT</u>			
0353 PWD - QUARRY			
1001 Contracted Labour	1,600	3 - SFC 23/08/13	Carryover from 2012/2013 - Project to install air conditioning overrun into 2013/14
0613 Repairs & Maint. Major Equip.	13,490	3 - SFC 23/08/13	Carryover from 2012/2013 - Freight costs relating to delayed shipment of spares
0613 Repairs & Maint. Major Equip.	145,000	SFC 20/11/13	Funds approved to enable adequate stocks of Asphalt Plant spares to be held. Higher production last season has resulted in stocks of spares being depleted. SFC Paper 42/13 refers
		160,090	

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0410 NATURAL RESOURCES</u>			
0326 FISHERIES - SCIENTIFIC			
0915 Charter Fees	13,460	3 - SFC 23/08/13	Carryover from 2012/2013 -Research days not used by year end (contract based on five years)
0915 Charter Fees	200,000	SFC 23/08/13	Carryover from 2012/2013 -Research days not used by year end (contract based on five years)
0917 Charter Fuel	55,660	3 - SFC 23/08/13	Carryover from 2012/2013 - Research days not used by year end (contract based on five years)
		269,120	
<u>0451 ATTORNEY GENERALS CHAMBERS</u>			
0451 ATTORNEY GENERAL'S CHAMBERS			
1118 Legal Costs	35,000	3 - SFC 23/08/13	Carryover from 2012/2013 - Allocated legal costs re: ExCo paper 81/13. delayed until 2013/14
1844 Revised Laws	37,340	3 - SFC 23/08/13	Carryover from 2012/2013 - Ongoing project – some expenditure now falling in 2013/14
1119 Child Safeguarding Action Plan	50,000	3 - SFC 23/08/13	Carryover from 2012/2013 - Commencement of project delayed until 2013/2014.
0452 REGISTRY			
1115 Election/Referendum expenses	2,000	2 - SFC 25/07/13	Additional funding approved to facilitate an increase in mobile polling stations for the General Election to be held in November. Exco Paper 146/13; SFC Minute 6.4 of 25 July 2013
		124,340	

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0550 EMERGENCY SERVICES</u>			
0551 POLICE			
0310 Salaries & Wages	73,130	SFC 25 Sept. 2013	Additional funding to implement a temporary one year restructure. Exco Paper 219/13; SFC Minute 17.3 of 25 September 2013 refer.
0310 Salaries & Wages	34,770	SFC 25 Sept. 2013	Additional funding to implement a temporary one year restructure, actual requirement pending, WILL ONLY BE RELEASED IF NECESSARY. Exco Paper 219/13; SFC Minute 17.3 of 25 September 2013 refer.
0310 Salaries & Wages	29,600	3 - SFC 23/08/13	Carryover from 2012/2013 - Late invoicing.
0311 Locum/Secondment	15,200	3 - SFC 23/08/13	Carryover from 2012/2013 - Late invoices for locum RFIP staff employed to cover officers in training
0334 Passages & Travel	6,250	3 - SFC 23/08/13	Carryover from 2012/2013 - Flights for training delayed for operational reasons
0608 Stationary	2,980	3 - SFC 23/08/13	Carryover from 2012/2013 - Funding for fixed penalty forms/ sundries.
1150 Investigation Expenses	20,000	SFC 25 Sept. 2013	To fund additional special investigations. Paper 219/13; SFC Minute 17.3 of 25 September 2013 refer.
0552 FIRE & RESCUE			
0310 Salaries & Wages	3,490	3 - SFC 23/08/13	Carryover from 2012/2013 - Overtime payments from June due to operational requirements
0334 Passages & Travel	<u>1,600</u>	187,020 3 - SFC 23/08/13	Carryover from 2012/2013 - Flight from UK delayed until July

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329,220

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0700 THE TREASURY</u>			
0602 TREASURY			
1394 Contribution Credits	33,390	3 - SFC 23/08/13	Carryover from 2012/2013 - Less than anticipated uptake in 2012/13
1883 Central Reserve	210,090	3 - SFC 23/08/13	Carryover from 2012/2013 - Continuation of EDS, TDS, Oil Development & Import Substitution prog.
1883 Central Reserve	1,150,000	SFC 23/08/13	Carryover from 2012/2013 - Continuation of EDS, TDS, Oil Development & Import Substitution prog.
1884 Training & Development Funds	242,510	3 - SFC 23/08/13	Carryover from 2012/2013 - Ongoing Management Development & Succession Planning scheme
1884 Training & Development Funds	200,000	SFC 23/08/13	Carryover from 2012/2013 - Ongoing Management Development & Succession Planning scheme
2000 Budget Reserve	100,000	3 - SFC 23/08/13	Carryover from 2012/2013 - Mutual Aid funding
2000 Budget Reserve	50,000	2 - SFC 25/07/13	Funding approved to equalise rents in the private sector, if required, for houses required prior to new properties being built. Exco Paper 179/13; SFC Minute 6.2.2 of 25 July 2013 refer
0609 TAXATION			
1429 Specialist/Consultancy	<u>257,500</u>	2,243,490 3 - SFC 23/08/13	Carryover from 2012/2013 - Delay in start of oil tax consultancy work

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0620 MINERAL RESOURCES</u>			
3118 Hydrocarbon Consultancies	<u>120,000</u>	120,000	SFC 20/11/13 Funding approved to enable the continuation of health and safety consultancy work and also some additional analysis that has been recommended. SFC Paper 45/13 refers
<u>0999 TRANSFER PAYMENTS</u>			
3064 Contribution to Defence-Housing	83,630	3 - SFC 23/08/13	Carryover from 2012/2013 - Balance of funding for MPC Housing not spent due to timing of works
3153 Historic Building Renewals	10,870	3 - SFC 23/08/13	Carryover from 2012/2013 -Funding allocated to projects which have experienced delays
4105 Transport Subsidies	5,850	3 - SFC 23/08/13	Carryover from 2012/2013 - A number of claims from 2013 season submitted in July
4111 Passage Scheme	14,000	3 - SFC 23/08/13	Carryover from 2012/2013 - Ongoing scheme until 2024
4114 Abattoir Subsidy	416,000	4- SFC 25/09/13	Exco Paper 39/13 - additional subvention
4114 Abattoir Subsidy	300,000	2 - SFC 25/07/13	To fund a further subvention request from the Falkland Islands Meat Company which was approved. SFC Paper 26/13; SFC Minute 13.1 of 25 July 2013
4190 Falklands Conservation subvention	17,500	3 - SFC 23/08/13	Carryover from 2012/2013 - Q4 element not drawn down upon before end of financial year
4191 FIRS subvention	11,820	3 - SFC 23/08/13	Carryover from 2012/2013 - Matched funding element of subvention yet to be drawn down
4631 FIDC subvention	190,000	SFC 23/08/13	Carryover from 2012/2013 - Q4 element not drawn down upon before end of financial year
4638 Rural Development Strategy	<u>178,900</u>	3 - SFC 23/08/13	Carryover from 2012/2013 - Continuation of RDS
	<u>6,535,600</u>	<u>6,535,600</u>	

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Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>SUMMARY</u>			
Contingencies Warrant No 1		140,000.00	SFC 26 June 2013
Contingencies Warrant No 2		473,040.00	SFC 25 July 2013
Contingencies Warrant No 3		1,839,510.00	SFC 23 August 2013
Contingencies Warrant No 4		505,000.00	SFC 25 September 2013
Standing Finance Committee 23 August 2013		1,740,000.00	
Standing Finance Committee 25 September 2013		518,550.00	
Standing Finance Committee 20 November 2013		1,319,500.00	
		6,535,600.00	
Contingencies Warrant Nos 1 - 4		2,957,550.00	
Not yet allocated to Departments		3,578,050.00	
		6,535,600.00	
<u>Summary by Directorate</u>			
0110 DIRECTORATE OF CENTRAL SERVICES		472,640.00	
0200 HEALTH & SOCIAL SERVICES		1,283,880.00	
0250 EDUCATION & TRAINING		117,230.00	
0350 PUBLIC WORKS DEPARTMENT		160,090.00	
0410 NATURAL RESOURCES		269,120.00	
0451 ATTORNEY GENERALS CHAMBERS		124,340.00	
0550 COMMUNITY SAFETY		187,020.00	
0600 EXECUTIVE MANAGEMENT		329,220.00	
0700 CORPORATE RESOURCES		2,243,490.00	
0620 MINERAL RESOURCES		120,000.00	
0999 TRANSFER PAYMENTS		1,228,570.00	
		6,535,600.00	