

# EXECUTIVE COUNCIL

## PUBLIC

**Title of Report:** Draft Estimates 2016/17  
**Paper No:** 109/16  
**Date:** 30<sup>th</sup> May 2016  
**Report of:** Financial Secretary/Head of Finance

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### **Purpose**

To consider the draft operating and capital estimates for the forthcoming financial year.

### **Recommendations**

It is recommended that Honourable Members:

- a) refer the Draft Estimates to the Budget Select Committee;
- b) remit the Appropriation Bill to the Legislative Assembly;
- c) remit the Capital Appropriation Bill to the Legislative Assembly;
- d) approve a 1.0% increase to Agricultural Fees from 1<sup>st</sup> July 2016.

### **1.0 Additional Budgetary Implications**

- 1.1 The changes below are already taken into account in the budget figures shown in this report.

Operating Budget	2016/17 £	Annual Recurring £
Agricultural Fees	(990)	(990)
<b>Total</b>	<b>(990)</b>	<b>(990)</b>

### **2.0 Introduction**

- 2.1 This paper should be read in conjunction with the Budget Policy Paper previously issued (ExCo Paper 70/16 and Addendum). In addition the attached booklet containing the Summary Draft Estimates of Revenue and Expenditure is an integral part of this paper.

### **3.0 2016/17 Budget Strategy**

- 3.1 At the start of the budget cycle Honourable Members reconfirmed the new Budget Strategy adopted for the duration of the Assembly which incorporated a set of nine budget principles supported by detailed policies.(ExCo 216/15).
- 3.2 Departmental budgets were submitted to the Treasury at the end of January 2016 and reviewed in detail by Treasury staff. Budget Select Committee was opened by the Legislative Assembly in January 2016 and the first meeting took place on the 25<sup>th</sup> February 2016 to undertake a recap of the Strategy, an initial review of the budget position following departmental submissions and income projections.
- 3.3 The first review by Budget Select Committee of departmental budgets took place during meetings on the 16<sup>th</sup> and 17<sup>th</sup> March. The Committee also met on the 10<sup>th</sup> March to review subvention requests.
- 3.4 Budget Select Committee reviewed the Capital Programme at meetings held on the 17<sup>th</sup> March, 9<sup>th</sup> April and 4<sup>th</sup> May.
- 3.5 The first submissions from departments showed a MTFP deficit over 5 years of £29.7 million and a LTFP deficit of £41.0 million (before depreciation) and a ratio of reserves to spend of 1.5. During the meeting of the 16<sup>th</sup> March Directors presented their submissions to Budget Select Committee. Following the meeting in February Directors had been requested to reconsider their departmental budget submissions with the aim of reducing the requests, or finding savings, of between 6-10% removing approximately £3.5 million per annum.
- 3.6 Saving proposals were received in advance from Emergency Services and Education, with Central Services, Executive Management (inc. Policy) and Treasury being provided in the meeting, which were considered by Honourable Members during Budget Select Committee on the 16<sup>th</sup>/17<sup>th</sup> March.
- 3.7 Over the subsequent meetings Budget Select Committee reviewed all proposals and other areas of the budget in order to bring the proposed budget back in line with the agreed Strategy. By the end of the meeting of Budget Select Committee on the 4<sup>th</sup> May the following position relating to the Budget Strategy was the result, the position at this time is shown in 3.16.3:
- 3.8 *Principle 1: “To spend within FIG’s means”*
  - 3.8.1 The principle to only spend within FIG’s means recognises that FIG has in recent years had some significant windfalls which can be reprioritised and invested in various projects and services. This has enabled FIG to accept operating deficits recently without putting undue pressure on the medium term financial position. Despite these deficit budgets FIG fully intends to only spend to the level it can afford. The deficit budget included here is £10.5M over the five years of the MTFP. Budget Select Committee were willing to accept a maximum annual operating deficit of £3M pa during this process and recognised that this was only sustainable in the medium term.

- 3.8.2 Over the upcoming five years activity to fund developments relating to oil and gas is envisaged to be funded by receipts from the hydrocarbons industry over the term and therefore is neutral. Given the stage the industry is at, at this time no revenues are currently included for royalties from oil development. The Long Term Financial Plan section shows a net cost of £7.3M which relates to previous windfalls being redirected to seek to reduce the deficit within pensions funds.
- 3.8.3 Given the levels of reserves (see Principle 3) FIG considers this budget is set at a level which is within FIG's means in the medium term.
- 3.9 *Principle 2: "No public sector borrowing for operating purposes"*
- 3.9.1 The budget set out does not require any public sector borrowing for operating purposes. Though outside of the policy, the budget also does not require any borrowing for capital purposes.
- 3.10 *Principle 3: "A reasonable level of funds are held in uncommitted reserves"*
- 3.10.1 The BSC and ExCo approved a policy of maintaining 2.5 times departmental spend in reserves, currently £121.0M. The budget presented maintains reserves of at least this level for the five year Medium Term Financial Plan.
- 3.11 *Principle 4: "An appropriate level of funding is provided to maintain efficient and effective public services"*
- 3.11.1 BSC and ExCo approved a policy of maintaining spend on public services in real terms for five years. The budget presented includes an average increase in budgets of £0.3M pa. RPI currently shows inflation at -1.4% per annum which in real terms would see an decrease in budgets of £0.7M. The RPI decrease has been predominantly driven by the fall in fuel prices. It is anticipated that inflation will start to increase as fuel prices do. Therefore Budget Select Committee are willing to accept this small increase in the real term cost of operating Public Services given it only equates to 0.6% of departmental budgets.
- 3.11.2 Since 2015/16 the Budget Strategy has included two supplementary policies relating to the wage bill for FIG:
- *Policy 4.4 "The total wage bill for each directorate will not increase from the exiting provision for 2016/17 unless the directorate can demonstrate how this will be funded by additional revenue"*
  - *Policy 4.5 "Budget Select Committee will not consider requests for new posts unless absolutely critical and subject to there being sufficient housing in place and compliance with Policy 4.4"*
- 3.11.3 The total budgeted wage bill for the current financial year is £19.767M, therefore as a significant element of the budget this needs to be well managed.

Department returns did not meet this criteria, with requests for an additional 17 FTE's adding £903k to the annual wage bill.

3.11.4 Budget Select Committee reviewed the requests put forward by departments and after careful consideration (ExCo 74/16) approved The addition of 7.9 new FTEs (of which additional funding was approved for 3.9), the continuation of 3 existing posts, changes to 3 existing positions and the deletion of 1 post from the establishment.

3.11.5 The total cost of newly approved posts for 2016/17 is £131,500 pa. The Committee approved the additional posts based on information and prioritisation provided by Directors which explained why they were critical to the ongoing delivery of services within those departments.

3.11.6 The total wage bill represented 41% of total departmental spend in 2016/17 (2015/16 41%), this % has not increased with the additional of these new posts and remains at 41%, the increase has been supported by additional forecasts in revenue (though not directly related to the departments proposing the posts).

3.12 *Principle 5: "To ensure appropriate funding of FIG Special Funds"*

3.12.1 The Currency and Insurance Funds have appropriate funding to be able to mitigate risks to FIG.

At the 30th June 2014 the Currency Fund was underfunded by £38K. However FIG have recognised that this is low risk due to the high value of commemorative coins which are unlikely to be called in. It is envisaged that this shortfall will be met by returns made on investments and coin royalties.

FIG believe that it is appropriate for the current policy regarding the Insurance Fund to be continued. However, given that the Fund is not currently at the capped level no increase to the cap will be implemented for 2015/16.

3.13 *Principle 6: "To ensure sustainable pension arrangements are in place"*

3.13.1 The budget includes £1.534M per annum transfers to the Retirement Pension Fund towards addressing the 33.2% funding deficit position in that Fund. This is in line with the recommendations made by the independent actuary at the last quinquennial review (2011), next review is due in 2017. These transfers are included in two places. The base transfer is shown within Social Investments and the additional amounts approved in 2014 are included in the oil and gas expenditure line. This is to recognise that the funding has only been made possible from the higher revenues received in oil and do not form part of the underlying "normal" funding. Longer term, if oil and gas does not progress as envisaged, the funding mechanism for these increased transfers will need to be reviewed.

3.12.2 Resident contribution rates are also set at a lower level than that recommended by the actuary (ExCo 51/13). Therefore the transfer mentioned above is a direct subsidy paid by FIG (ExCo 221/14) to subsidise these contribution rates

(voluntary contributions must be paid at the full actuarial rate) and the subsidy has been increased by £83K per annum in this Budget.

3.13.3 Since the additional transfers were agreed following the 2011 review ExCo 38/15 (RPC consultation) and 52/15 (Budget Policy) increased the residential rate to £29.50/week, this year Budget Select Committee agreed to increase the weekly pension allowance to £150/week. The actuarial rate (and voluntary overseas rate) on this allowance is £50.

3.13.4 The budget also includes an additional £795k in years 1-3 and £495k in years 4 & 5 transfers to the Pensions (Old Scheme) Fund following ExCo 57/16 relating to the deficit and guarantees in the scheme.

3.14 *Principle 7: “To seek to improve the quality of life in the Falkland Islands”*

3.14.1 There are a number of measures that will improve the quality of life in the Falkland Islands, this year a Social Fiscal Strategy in support of Principles 6 and 7 was presented to the Committee for consideration. Members recommended this be considered at ExCo and is subject to a separate report ExCo 111/16.

3.14.2 The budget includes an increase of 1% to welfare allowances from the 1<sup>st</sup> July 2016 and an increase to the Minimum wage from the 1<sup>st</sup> January 2017 to £5.81.

3.14.3 All other welfare and financial support payments remain at the same level as the previous year due to there not being an increase in the cost of living

3.14.4 Other items include:

- No increases are included for rents and domestic service charges which remain at last year’s level.
- The electricity unit price is to remain at 18p per unit following a reduction on the 1<sup>st</sup> March 2016.

3.14.5 Pensions have been increased above inflation at 2%.

3.15 *Principle 8: “To encourage economic development in the Falkland Islands”*

3.15.1 A total of £17.1 million has been included to encourage economic development over the five years. Members have also continued to ring-fenced a further £10 million from within current investment funds to support economic development, through FIDC loans.

3.16 *Principle 9: “To strengthen infrastructure within the Falkland Islands”.*

3.16.1 The Capital Programme includes net investments of £55.9M into capital projects. Additional funding has been included in the next financial year for high priority schemes such as the Development of Older People's Services, improvements to the training centre and continuation of improvement to the MPA road.

Some desirable projects have been recognised for inclusion over a longer term Capital Investment Strategy that will support the National Infrastructure Plan (NIP) development. The draft NIP will be considered by BSC during Budget Week and the Capital Investment Strategy be prepared and considered during the 2017/18 cycle. A total of £12.15M has been set aside to potentially fund the initial stages of these projects subject to ExCo approval in the future.

3.16.3 The table below shows the MTFP and the LTFP.

	16/17 £000s	17/18 £000s	18/19 £000s	19/20 £000s	20/21 £000s	5 year £000s
<b>Revenue</b>						
Departmental	<b>59,039</b>	<b>57,681</b>	<b>57,674</b>	<b>57,364</b>	<b>57,203</b>	<b>288,960</b>
<b>Expenditure</b>						
Departmental	(49,292)	(48,894)	(49,015)	(48,867)	(48,885)	<b>(245,043)</b>
Islands Plan	(10,126)	(10,200)	(9,784)	(8,789)	(8,789)	<b>(47,689)</b>
Social Invest.	(1,468)	(1,468)	(1,468)	(1,168)	(1,168)	<b>(6,741)</b>
<b>Total</b>	<b>(60,887)</b>	<b>(60,652)</b>	<b>(60,268)</b>	<b>(58,824)</b>	<b>(58,842)</b>	<b>(299,473)</b>
<b>MTFP Surplus/ (Deficit)</b>	<b>(1,848)</b>	<b>(2,971)</b>	<b>(2,594)</b>	<b>(1,461)</b>	<b>(1,639)</b>	<b>(10,513)</b>
Oil Revenue	2,316	1,816	1,066	1,066	1,066	<b>7,329</b>
Oil Expend.	(2,926)	(2,926)	(2,926)	(2,926)	(2,926)	<b>(14,630)</b>
<b>Oil Surplus/ (Deficit)</b>	<b>(610)</b>	<b>(1,110)</b>	<b>(1,860)</b>	<b>(1,860)</b>	<b>(1,860)</b>	<b>(1,860)</b>
<b>LTFP Surplus/ (Deficit)</b>	<b>(2,458)</b>	<b>(4,082)</b>	<b>(4,454)</b>	<b>(3,321)</b>	<b>(3,500)</b>	<b>(17,815)</b>
Depreciation	(6,046)	(6,226)	(6,186)	(6,187)	(6,194)	<b>(30,840)</b>
<b>Surplus/ (Deficit)</b>	<b>(8,504)</b>	<b>(10,308)</b>	<b>(10,640)</b>	<b>(9,508)</b>	<b>(9,694)</b>	<b>(48,655)</b>
<b>Reserves Ratio</b>	<b>3.2</b>	<b>3.0</b>	<b>2.8</b>	<b>2.6</b>	<b>2.5</b>	

### 3.17 LTFP

3.17.1 Budget Select Committee recognise that further work is needed to ensure financial sustainability after the term of the MTFP. Whilst the Committee are willing to accept deficits within this timeframe work will be done on a more in depth Long Term Financial Plan to identify ways to close the gap of £3M pa. BSC agreed that over the next 12 months work will be undertaken to ensure the longer term vision of the Falkland Islands is financially secure.

## **Operating Budget**

- 4.0 The total draft budget and the appropriation requirement for 2016/17 is summarised on page 7 of the summary budget booklet, with individual department operating budget totals detailed on pages 8 & 9 and Islands' Plan and Social Investments on pages 12 & 13.
- 4.1 The draft estimates of operating revenue, totalling £61.354M, show a decrease of £0.325M on previous years estimate. The main variances being a forecast reduction in income from oil and gas related revenues.
- 4.2 Variations in anticipated revenue from individual Directorates can be identified from page 10 of the summary budget booklet.
- 4.3 The draft estimates of operating expenditure (including internal recharges, Islands' Plan and social investments) total £62.859M. This is an increase of £1.017M on the original baseline agreed last year. This largest component of this increase the additional budget transfer of £795K to the Pensions (Old Scheme) Fund outlined in 3.13.4.
- 4.4 The individual variances have been considered previously by Budget Select Committee during the budget process but variations in anticipated expenditure on individual Directorates can be identified from page 11 of the summary budget booklet.

## **5.0 Appropriation Bill 2016**

- 5.1 A copy of the Appropriation Bill appears on pages 3 & 4 in the summary budget booklet. A summary of the proposed appropriation is as follows:

	£
Operating Budget	60,886,530
Less Internal Charges	953,130
Oil Expenditure	2,926,000
	<u><u>62,859,400</u></u>

## **6.0 Operating Policy Items following Budget Select Committee**

- 6.1 The figures detailed above take into account the changes to the Agricultural Fees which require ExCo approval as detailed in Appendix 2.

## **7.0 Balance Sheet**

- 7.1 This shows reserves remain at the agreed 2.5 departmental spend at the end of year 5 see Appendix 1.

## **8.0 Capital Programme**

8.1 The proposed capital expenditure for 2016/17 is £16.118M. This is summarised by Islands' Plan categories in the summary budget booklet (pages 14). At present this only includes certain carry over from the current year's approvals however, it is anticipated that some additional projects will extend into next year. A draft Capital Appropriation Bill is included in the summary budget booklet (pages 5 and 6).

8.2 At present the five year net programme from 2016/17 – 2019/21 is £55.897M

## **9.0 Capital Equalisation Fund**

9.1 A summary of the Fund allocation for the current financial year is shown below:

	£
Original 2015/16 capital expenditure	£12,942,000
Additional SFC approvals/virements	£4,151,790
Total approvals 2015/16	£17,093,790
2014/15 carry over	£16,395,630
2015/16 funding not required	-
Total available funding 2015/16	£33,489,420
Capital Appropriation Bill 2015	£16,395,630
Capital Appropriation Bill 2016	£12,942,000
Amendment to 2015/16 appropriation required	£4,151,790

9.2 The actual amount available for reallocation at the end of the current financial year will depend on the final cost of individual schemes. This will be used to reduce the amount requested for approval in any future Capital Appropriation Bills.

9.3 A Capital Appropriation Bill will be required to provide for the withdrawal of £15,878,060 from the Fund to finance capital expenditure during 2016/17 (see draft on pages 5 and 6 of summary budget booklet). After taking into account the adjusted 2015/16 appropriation above the net withdrawal from the Fund will be £20,029,850. The unspent approvals from the current year will also be automatically available to finance remaining elements from the current year's capital programme. An analysis of the projected movements in the Capital Equalisation Fund from 2008/09 is provided on page 16 of the summary budget booklet.

## **10.0 Financial Implications**

10.1 This report represents a summary of the projected financial position of FIG following a series of budget meetings. As such, the detailed financial implications are included in the various reports that have already been considered by Members. If all decisions and recommendations made so far are



approved, the projected budget surpluses and net capital programme figures will be as shown below:

	MTFP Budget Surplus/(Deficit)	Net Capital Programme	Reserves Ratio
	£M	£M	
2016/17 Draft	(1,848)	14,493	3.4
2017/18 Projected	(2,971)	10,125	2.9
2018/19 Projected	(2,594)	11,304	2.7
2019/20 Projected	(1,461)	10,091	2.7
2020/21 Projected	(1,639)	9,884	2.5
5 years	<u>(10,513)</u>	<u>55,897</u>	

## **11.0 Legal Implications**

- 11.1 The legal implications from the budget process are taken account of in the draft Appropriation Bill and draft Capital Appropriation Bill in the Summary Budget Booklet attached, together with the Finance Bill 2015, which is the subject of a separate report on this agenda (paper ExCo 108/16).

## **12.0 Human Resource Implications**

- 12.1 Although there are a number of staffing adjustments which have been separately identified during the process, there are no direct HR implications arising from this report.

**FORECAST BALANCE SHEET (LTFP)**

**Appendix 1**

	<b>Actual 2013/14 £000</b>	<b>Actual 2014/15 £000</b>	<b>Revised 2015/16 £000</b>	<b>Proj. 2016/17 £000</b>	<b>Proj. 2016/17 £000</b>	<b>Proj. 2017/18 £000</b>	<b>Proj. 2019/20 £0000</b>	<b>Proj. 2020/21 £000</b>
<b>Fixed Assets</b>								
Tangible Fixed Assets	105,622	110,061	127,793	133,280	135,465	138,518	140,718	142,767
Investments – Consolidated Fund	139,563	146,505	150,593	139,953	129,831	118,187	108,891	99,507
<b>Total Fixed Assets and Investments</b>	<b>245,185</b>	<b>256,566</b>	<b>278,386</b>	<b>273,233</b>	<b>265,296</b>	<b>256,705</b>	<b>249,609</b>	<b>242,274</b>
<b>Debtors falling due after more than 1 year</b>	1,584	1,122	1,572	1,481	1,358	1,257	1,141	1,257
<b>Current Assets</b>								
Stocks	5,550	6,086	6,086	6,086	6,086	6,086	6,086	6,086
Debtors falling due within 1 year	19,457	19,356	19,164	19,116	19,108	19,093	19,093	18,977
Cash at bank and in hand	14,680	16,887	10,000	9,930	9,930	9,930	9,930	9,930
<b>Total Current Assets</b>	39,687	42,329	35,250	35,132	35,124	35,109	35,109	34,993
Creditors due within 1 year	(8,275)	(14,341)	(14,341)	(14,341)	(14,341)	(14,341)	(14,341)	(14,341)
<b>Net Current Assets</b>	31,412	27,988	20,909	20,791	20,783	20,768	20,768	20,652
<b>Total Assets Less Current Liabilities</b>	<b>278,181</b>	<b>285,676</b>	<b>300,867</b>	<b>295,505</b>	<b>287,437</b>	<b>278,730</b>	<b>271,518</b>	<b>264,183</b>
Creditors (amounts falling due after more than 1 year)	(184)	(141)	(96)	(50)	(3)	(2)	(2)	(2)
Provisions for liabilities and charges	(13)	(13)	(12)	(11)	(11)	(10)	(10)	(9)
<b>Total Net Assets</b>	<b>277,984</b>	<b>285,522</b>	<b>300,759</b>	<b>295,444</b>	<b>287,423</b>	<b>278,718</b>	<b>271,506</b>	<b>264,172</b>
<b>Financed by Taxpayers' Equity:</b>								
General Fund	277,984	285,522	300,759	295,444	287,424	278,718	271,507	264,172
<b>Taxpayer's Equity</b>	<b>277,984</b>	<b>285,522</b>	<b>300,759</b>	<b>295,444</b>	<b>287,424</b>	<b>278,718</b>	<b>271,507</b>	<b>264,172</b>
<b>Net Liquid Assets</b>	<b>172,362</b>	<b>175,461</b>	<b>172,967</b>	<b>162,164</b>	<b>151,958</b>	<b>140,201</b>	<b>130,788</b>	<b>121,405</b>
<b>RATIO</b>	<b>3.8</b>	<b>3.7</b>	<b>3.6</b>	<b>3.4</b>	<b>3.1</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>

## Appendix 2

### Proposed Department of Agriculture Fees for July 2016-June 2017

#### Laboratory Services

Procedure	Current Fee (£)	Proposed Fee (£)
Soil analysis per sample (N,P,K and pH)	11.00	11.10
Soil analysis per sample (per additional element)	2.30	2.30
Plant analysis per sample (Proximate analysis – dry matter, protein, fibre, Ca, P, Mg)	21.90	22.10
Wool analysis per sample (Fibre diameter only)	3.30	3.30
Wool analysis per sample (Fibre diameter & yield)	5.60	5.70
Wool Analysis batches of 650 (Fibre diameter only)	2.30	2.30
Wool Analysis batches of 650 (Fibre diameter & yield)	3.30	3.30

#### Permits, Certificates and Inspections

Permit / Certificate	Current Fee (£)	Proposed Fee (£)
Plant import permit (commercial operators) – annual fee	127.60	128.90
Plant import permit (commercial operators) – single permit fee	15.40	15.60
Plant import permit (private individuals)	4.00	4.10
<b><u>Import of Pets</u></b>		
Animal import permit – PER LICENCE	127.60	128.90
Inspection & treatment on arrival – PER ANIMAL (flea/worm treatment to be charged at cost of drug)	11.00	11.10
Clearance from arrival port: Mare Harbour – PER IMPORTER	114.80	116.00
Inspection after house quarantine – PER ANIMAL	11.00	11.10
Import of Poultry & Exotic Pets – annual permit (guinea pigs/hamsters, cage birds, tropical fish, eggs)	64.90	65.50
Import of Poultry & Exotic Pets – single permit	32.50	32.80
<b><u>Export of Pets</u></b>		
Pet export certificate	64.90	65.50
Micro-chip	7.30	7.40
Rabies vaccination	29.00	29.30
Animal products import permit (commercial operators) – annual fee	127.60	128.90
Animal products import permit (commercial operators) – single permit fee	15.80	16.00
Animal products import permit (private individuals)	3.60	3.80
Extraordinary veterinary certificate (£100 base charge plus hourly rate)	40.60/hr	41.00/hr
Animal products export certificate	190.80	192.70

#### Grazing Fees, Licences and Publications

Item	Current Fee (£)	Proposed Fee (£)
Dog Licence (Pet Dogs)	31.90	32.20
Grazing Fee per horse – Stanley Common – Summer (01 October to 31 May)	24.40	24.60
Grazing Fee per horse – Stanley Common – Winter (01 June to 30 September)	12.20	12.30
Wool Press Subscription per year	15.00	15.00

Wool Press per issue	1.25	1.25
Farm Management Account Books (Each)	2.00	2.00

PROCEDURE	CURRENT OAP/WORKING ANIMALS FEE (£)	CURRENT OTHER FEE (£)	PROPOSED OAP/WORKING ANIMALS FEE (£)	PROPOSED OTHER FEE (£)
<b>After hours call out fee</b>	24.40	26.40	24.60	26.70
<b>Consultations</b>				
Consultation – surgery and working animals	7.30	11.00	7.40	11.10
Consultation – home visit, pets and horses	13.50	19.60	13.60	19.80
Consultation - revisit	4.00	6.60	4.00	6.70
Camp travel	9.70	10.60	9.80	10.70
<b>Vaccination &amp; Microchipping</b>				
Cat – Flu & Enteritis	7.30	9.50	7.40	9.60
Dog – Distemper, Parvo, Hepatitis, Lepto etc	20.10	29.00	20.30	29.30
Rabies	26.70	29.00	27.00	29.30
Microchip	6.70	7.30	6.80	7.40
<b>Surgical procedures <u>including</u> anaesthesia</b>				
Cat neuter - male	14.90	19.60	15.00	19.80
- female	22.60	34.00	22.80	34.30
Small animal neuter (guinea pigs/rabbits)	22.60	34.00	22.80	34.30
Dog neuter - male	29.40	43.40	29.70	43.80
- female	40.00	57.70	40.40	58.30
Dental - Cat (Routine scale & polish)	18.60	26.00	18.80	26.30
Dental - Cat (Routine but with extractions)	24.20	31.90	24.40	32.20
Dental - Cat (More difficult)	29.40	37.60	29.70	38.00
Dental - Dog (Routine scale & polish)	26.70	38.60	27.00	39.00
Dental - Dog (Routine but with extractions)	33.40	45.70	33.70	46.20
Dental - Dog (More difficult)	40.00	52.80	40.40	53.30
<b>Surgical procedures <u>excluding</u> anaesthesia</b>				
Dirty/Non sterile (per hour)	40.00	43.40	40.40	43.80
Sterile operations (per hour)	60.10	65.00	60.70	65.70
Orthopaedic operations (per house)	66.70	72.40	67.40	73.10
<b>Anaesthesia / Sedation</b>				
General – cat, injection	10.70	13.20	10.80	13.30
General – cat, gas	12.00	14.50	12.10	14.60
General – dog, injection	12.00	14.50	12.10	14.60
General – dog, gas	16.00	21.00	16.20	21.20
General – horses, injection	29.40	31.90	29.70	32.20
Sedation – all species (charge drugs on top of this)	4.60	6.60	4.60	6.70

<b>Farm procedures</b>				
Routine work - per hour	40.00	43.40	40.40	43.80
Castration - Calf	5.80	60.00	5.90	60.60
- Bull	14.90	16.00	15.00	16.20
- Ram	3.40	3.70	3.40	3.70
- Piglet	4.00	4.30	4.00	4.30
- Pig	10.70	11.60	10.80	11.70
- Horse/Miniature Pony	88.00	115.60	88.90	116.80
- Rig Horse	125.30	166.20	126.60	167.90
Ewe scanning	0.07	0.07	0.07	0.07
Pregnancy Diagnosis per Cow	1.40	1.50	1.40	1.50
<b>Miscellaneous</b>				
Groom – dog	20.10	29.00	20.30	29.30
Groom – dog	26.70	43.40	27.00	43.80
I/V fluid administration (catheter, giving set, fluid)	22.00	31.90	22.20	32.20
X rays (sedation/GA extra)	20.00	25.00	20.20	30.00
Blood sample collection	5.30	9.50	5.40	9.60
Hospitalisation - cat per night	2.80	3.70	2.80	3.70
Hospitalisation - dog per night	4.00	4.90	4.00	4.90
Clip nails	1.40	1.50	1.40	1.50
Euthanasia of cats and dogs:	½ consult + drugs	½ consult + drugs	½ consult + drugs	½ consult + drugs
Euthanasia of horses:	Horse visit fee + drugs	Horse visit fee + drugs	Horse visit fee + drugs	Horse visit fee + drugs
Dispensing fee	1.00	1.60	1.00	1.60
Injection fee	1.00	1.60	1.00	1.60
Postage/preparation of samples (blood/histology etc)	3.70	5.40	3.70	5.50
Shearing gear/equipment inspection fee (per hour)	39.50	42.20	39.90	42.60
Overseas consultation fee	3.70	5.40	3.70	5.50
FIGAS pick up/drop off charge	3.70	5.40	3.70	5.50
Intensive care charge - routine (normal working hours)	5.00	6.60	5.10	6.70
Intensive care charge - multiple (overnight visits)	7.30	9.20	7.40	9.30
Bandaging fee	3.70	5.40	3.70	5.50





# **FALKLAND ISLANDS GOVERNMENT**

## **SUMMARY DRAFT ESTIMATES OF REVENUE & EXPENDITURE FOR THE FINANCIAL YEAR 2016/17**

**The Treasury  
STANLEY  
FALKLAND ISLANDS**

**FALKLAND ISLANDS GOVERNMENT  
ESTIMATES 2016/17**

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## **Appropriation Bill 2016**

(No: of 2016)

### **ARRANGEMENT OF PROVISIONS**

#### **Clause**

1. Title
2. Commencement
3. Appropriation

#### **Schedule**

## **APPROPRIATION BILL 2016**

(No: of 2016)

*(assented to: 3<sup>rd</sup> June 2016)*

*(commencement: on publication)*

*(published: xx 2016)*

### **A BILL**

for

### **AN ORDINANCE**

To authorise the withdrawal from the Consolidated Fund of money for the financial year ending 30 June 2017.

BE IT ENACTED by the Legislature of the Falkland Islands —

#### **1. Title**

This Ordinance is the Appropriation Ordinance 2016.

#### **2. Commencement**

This Ordinance comes into force on publication in the Gazette.

#### **3. Appropriation**

(1) The Financial Secretary may withdraw the sum of £62,859,400 from the Consolidated Fund.

(2) Any sum withdrawn under subsection (1) may be applied in the financial year ending 30 June 2017 for the purpose of supplying the votes set out in the Schedule.

## SCHEDULE

DIRECTORATE	Total Operating Budget	Capital Charges	Departmental Expenditure	Less Internal Charges	Net Operating Budget
<i>OPERATING BUDGET</i>	£	£	£	£	£
110 Central Services	6,020,150	481,170	5,538,980	131,890	5,407,090
120 Human Resources	487,360	-	487,360	1,700	485,660
200 Health & Social Services	10,976,870	737,560	10,239,310	190,560	10,048,750
250 Education	6,915,210	425,550	6,489,660	95,590	6,394,070
350 Public Works	13,627,200	3,919,040	9,708,160	120,700	9,587,460
410 Natural Resources	7,065,780	117,620	6,948,160	300,730	6,647,430
451 Law & Regulation	1,322,240	3,640	1,318,600	21,880	1,296,720
550 Emergency Services	2,827,920	290,710	2,537,210	49,130	2,488,080
600 Executive Management	3,025,320	62,410	2,962,910	25,320	2,937,590
620 Mineral Resources	551,460	3,020	548,440	3,380	545,060
700 The Treasury	2,518,980	5,340	2,513,640	12,250	2,501,390
<b>TOTAL DEPT BUDGET</b>	<b>55,338,490</b>	<b>6,046,060</b>	<b>49,292,430</b>	<b>953,130</b>	<b>48,339,300</b>
999 Islands' Plan Investments	10,125,830	-	10,125,830	-	10,125,830
998 Social Investments	1,468,270	-	1,468,270	-	1,468,270
<b>TOTAL MTFP EXPENDITURE</b>	<b>66,932,590</b>	<b>-</b>	<b>60,886,530</b>	<b>-</b>	<b>59,933,400</b>
997 Oil	2,926,000	-	2,926,000	-	2,926,000
<b>TOTAL LTFP EXPENDITURE</b>	<b>69,858,590</b>	<b>6,046,060</b>	<b>63,812,530</b>	<b>953,130</b>	<b>62,859,400</b>

## OBJECTS AND REASONS

The Bill provides for the withdrawal from the Consolidated Fund of the sums necessary to supply the expenditure votes contained in the annual estimates for the 2016/17 financial year, in accordance with section 8(1) of the Finance & Audit Ordinance (Title 19.3).

## **Capital Appropriation Bill 2016**

(No: 1 of 2016)

### **ARRANGEMENT OF PROVISIONS**

#### **Clause**

1. Title
2. Commencement
3. Appropriation

#### **Schedule**

## **CAPITAL APPROPRIATION BILL 2016**

(No: of 2016)

*(assented to: 3<sup>rd</sup> June 2016)*  
*(commencement: on publication)*  
*(published: xx 2016)*

### **A BILL**

for

### **AN ORDINANCE**

To authorise the withdrawal from the Capital Equalisation Fund of money for capital projects.

BE IT ENACTED by the Legislature of the Falkland Islands —

#### **1. Title**

This Ordinance is the Capital Appropriation Ordinance 2016.

#### **2. Commencement**

This Ordinance comes into force on publication in the Gazette.

#### **3. Appropriation**

(1) The Financial Secretary may make payments out of the Capital Equalisation Fund not exceeding, in total, £ 20,029,850 as are required to fund the amendments to the capital programme detailed in the Schedule.

(2) The authorisation given in subsection (1) authorises payments additional to those authorised by order made under section 11(2) of the Public Funds Ordinance (Title 19.7).

## SCHEDULE

*section 3*

### Capital Programme

	Financial Year	Financial Year	Total
	2015/16	2016/17	
	£	£	£
Economic Development	-	350,000	350,000
Population and Workforce	-	90,000	90,000
Transport & Communications	400	1,339,000	1,339,400
Education & Training	130,000	300,000	430,000
Health & Social Care	36,600	4,089,400	4,126,000
Maintenance	18,540	924,000	942,540
Infrastructure	3,813,450	8,424,310	12,237,760
Safety & Security	152,800	255,700	408,500
Protecting the Environment	-	85,650	85,650
Community & Culture	-	20,000	20,000
	4,151,790	15,878,060	20,029,850

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### OBJECTS AND REASONS

The Bill provides for the withdrawal from the Capital Equalisation Fund of the additional sums necessary to supply the expenditure votes contained in the 2016/17 capital programme.

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**FALKLAND ISLANDS GOVERNMENT  
ESTIMATES 2016/17**

**SUMMARY OF OPERATING BUDGET  
Period 1 July 2016 to 30 June 2017**

	£	£
<b>ESTIMATED REVENUE</b>		
Departmental		59,038,940
<b>ESTIMATED EXPENDITURE</b>		
Departmental	49,292,430	
Islands' Plan Investments	10,125,830	
Social Investments	<u>1,468,270</u>	
		60,886,530
<b>MTFP</b>		<b>(1,847,590)</b>
Oil Revenue	2,315,720	
Oil Expenditure	<u>2,926,000</u>	
		(610,280)
<b>LTFP</b>		<b>(2,457,870)</b>
Depreciation		(6,046,060)
<b>Net Budget Surplus/(Deficit)</b>		<u><u><b>(8,503,930)</b></u></u>
 <b>RECONCILIATION TO APPROPRIATION:</b>		
Estimated Operating Expenditure		60,886,530
Less Internal Recharges		(953,130)
Oil Expenditure		<u>2,926,000</u>
<b>Appropriation</b>		<u><u><b>62,859,400</b></u></u>

**FALKLAND ISLANDS GOVERNMENT**  
**ESTIMATES 2016/17**  
**SUMMARY OF REVENUE & EXPENDITURE – DEPARTMENTAL SURPLUS/DEFICIT**

	Revenue	Expenditure	Inc/(Dec) in NLA	Depreciation	Total Surplus/ (Deficit)
	£000s	£000s	£000s	£000s	£000s
<b>110 CENTRAL SERVICES</b>					
Central Services Admin	280	1,044	(764)	133	(897)
Falkland Islands Government Air Service	710	1,909	(1,199)	83	(1,282)
Stanley Airport	23	203	(180)	81	(261)
Fire Airport	-	276	(276)	46	(322)
Posts	-	287	(287)	1	(288)
Posts Administration	220	74	146	-	146
Philatelic Bureau	234	68	166	-	166
Leisure Centre	93	435	(342)	64	(406)
Fox Bay Village	171	251	(80)	11	(91)
Court	87	379	(292)	3	(295)
The Governor	-	231	(231)	9	(240)
Computer Section	-	383	(383)	50	(433)
	1,818	5,540	(3,722)	481	(4,203)
<b>120 HUMAN RESOURCES</b>	-	487	(487)	-	(487)
<b>200 HEALTH AND SOCIAL SERVICES</b>					
Medical	2,442	7,022	(4,580)	723	(5,303)
Dental	21	361	(340)	5	(345)
MTO	-	1,200	(1,200)	-	(1,200)
Social Welfare	11	1,657	(1,646)	9	(1,655)
	2,474	10,240	(7,766)	737	(8,503)
<b>250 EDUCATION</b>					
Administration & General Expenses	-	263	(263)	11	(274)
Training Centre	10	810	(800)	7	(807)
Accommodation for Camp Children	45	373	(328)	33	(361)
Public Library	3	46	(43)	-	(43)
Further Education	24	1,348	(1,324)	-	(1,324)
Infant/Junior School (inc. Camp Ed)	8	1,986	(1,978)	98	(2,076)
Community School	-	1,664	(1,664)	276	(1,940)
	90	6,490	(6,400)	425	(6,825)
<b>350 PUBLIC WORKS DEPARTMENT</b>					
Administration & Planning	-	260	(260)	273	(533)
Design & Contracts	101	284	(183)	10	(193)
Quarry & Asphalt	2,971	2,723	248	368	(120)
Plant & Vehicle Workshop	740	818	(78)	834	(912)
Electricity Supply	2,982	2,221	761	521	240
Property & Municipal Services	238	1,324	(1,086)	407	(1,493)
Water Supply	499	321	178	109	69
Housing	1,354	509	845	553	292
Highways	283	1,249	(966)	841	(1,807)
	9,168	9,709	(541)	3,919	(4,460)
<b>410 NATURAL RESOURCES</b>					
Administration & General Expenses	17,588	614	16,974	51	16,923
Fisheries Protection/Harbour Control	-	2,957	(2,957)	-	(2,957)
Fisheries Port & Storage System	395	768	(373)	22	(395)
Scientific Budget	79	1,336	(1,257)	16	(1,273)
Agriculture	106	892	(786)	27	(813)
Veterinary Services	161	380	(219)	3	(222)
	18,329	6,947	11,382	119	11,263

**FALKLAND ISLANDS GOVERNMENT  
ESTIMATES 2016/17**

**SUMMARY OF REVENUE & EXPENDITURE – DEPARTMENTAL SURPLUS/DEFICIT (CONT.)**

	Revenue	Expenditure	Inc/(Dec)	Depreciation	Total Surplus/ (Deficit)
	£000s	£000s	£000s	£000s	£000s
<b>451 LAW AND REGULATION</b>					
Government Legal Services	50	979	(929)	2	(931)
Registry	64	43	21	-	21
Regulation	29	297	(268)	1	(269)
	143	1,319	(1,176)	3	(1,179)
<b>550 EMERGENCY SERVICES</b>					
Customs & Immigration	3,914	412	3,502	6	3,496
Falkland Island Defence Force	3	427	(424)	99	(523)
Police & Prisons	382	1,203	(821)	63	(884)
Domestic Fire	-	357	(357)	116	(473)
Emergency Services Admin	-	145	(145)	3	(148)
	4,299	2,544	1,755	287	1,468
<b>600 EXECUTIVE MANAGEMENT</b>					
Executive Management	1	330	(329)	10	(339)
Policy Unit	-	716	(716)	-	(716)
Environmental Planning	8	595	(587)	3	(590)
SAERI	-	-	-	4	(4)
Legislature	6	802	(796)	3	(799)
Falkland Island Government Office, London	4	520	(516)	43	(559)
	19	2,963	(2,944)	63	(3,007)
<b>620 MINERAL RESOURCES</b>	752	548	204	3	201
<b>700 THE TREASURY</b>					
Treasury	406	1,762	(1,356)	-	(1,356)
Investments	7,473	325	7,148	-	7,148
Taxation	14,068	419	13,649	12	13,637
	21,947	2,506	19,441	12	19,429
<b>DEPARTMENTAL SURPLUS/(DEFICIT)</b>	59,039	49,293	9,746	6,046	3,700
<b>999 ISLANDS' PLAN</b>	-	10,126	(10,126)	-	(10,126)
<b>998 SOCIAL INVESTMENTS</b>	-	1,468	(1,468)	-	(1,468)
<b>MTFP SURPLUS/(DEFICIT)</b>	59,039	60,887	(1,848)	6,046	(7,894)
<b>997 OIL</b>	2,316	2,926	(610)	-	(610)
<b>LTFP SURPLUS/(DEFICIT)</b>	61,355	63,813	(2,458)	6,046	(8,504)

**FALKLAND ISLANDS GOVERNMENT  
ESTIMATES 2016/17**

**ABSTRACT OF REVENUE BY DIRECTORATE**

<b>Actual 2014/15</b>			<b>Original Estimate 2015/16</b>	<b>Original Estimate 2016/17</b>	<b>Projection for 2017/18</b>	<b>Projection for 2018/19</b>	<b>Projection for 2019/20</b>	<b>Projection for 2020/21</b>
<b>£ 000s</b>			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
1,673,260	110	Central Services	1,771,920	<b>1,817,060</b>	1,822,140	1,822,220	1,822,220	1,822,220
-	120	Human Resources	-	-	-	-	-	-
2,982,189	200	Health and Social Services	2,458,090	<b>2,474,090</b>	2,474,090	2,474,090	2,474,090	2,474,090
67,432	250	Education	92,800	<b>89,980</b>	90,880	90,880	90,880	90,880
8,605,085	350	Public Works	9,034,120	<b>9,168,870</b>	9,325,230	9,268,870	9,168,870	9,168,870
22,770,089	410	Natural Resources	18,251,520	<b>18,328,880</b>	18,328,880	18,328,880	18,328,880	18,274,800
120,263	450	Law & Regulation	118,020	<b>142,770</b>	142,770	142,770	142,770	142,770
4,318,465	550	Emergency Services	4,069,690	<b>4,299,400</b>	4,343,430	4,389,660	4,428,490	4,468,880
331,548	600	Executive Management	24,300	<b>17,800</b>	17,800	17,800	17,800	17,800
979,174	620	Mineral Resources	951,500	<b>751,500</b>	751,500	751,500	501,500	366,500
26,068,253	700	The Treasury	20,029,940	<b>21,948,590</b>	20,384,010	20,386,950	20,388,270	20,376,150
67,915,758		<b>TOTAL DEPARTMENTAL BUDGET</b>	56,801,900	<b>59,038,940</b>	57,680,730	57,673,620	57,363,770	57,202,960
48,246	999	Islands' Plan Investments	-	-	-	-	-	-
9,676,049	997	Oil Revenues	4,877,290	<b>2,315,720</b>	1,815,720	1,065,720	1,065,720	1,065,720
77,640,052		<b>TOTAL OPERATING REVENUE</b>	61,679,190	61,354,660	59,496,450	58,739,340	58,429,490	58,268,680



**FALKLAND ISLANDS GOVERNMENT  
ESTIMATES 2016/17**

**ABSTRACT OF EXPENDITURE BY DIRECTORATE**

<b>Actual 2014/15</b>			<b>Original Estimate 2015/16</b>	<b>Original Estimate 2016/17</b>	<b>Projection for 2017/18</b>	<b>Projection for 2018/19</b>	<b>Projection for 2019/20</b>	<b>Projection for 2020/21</b>
<b>£000s</b>			<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
6,115,931	110	Central Services	6,007,520	<b>6,020,150</b>	5,962,020	5,977,380	6,008,170	5,995,270
377,519	120	Human Resources	498,350	<b>487,360</b>	498,900	503,900	498,900	503,900
9,934,472	200	Health and Social Services	10,919,050	<b>10,976,870</b>	11,313,600	11,318,690	11,294,630	11,322,850
6,294,912	250	Education	6,687,740	<b>6,915,210</b>	6,936,240	6,904,260	6,903,650	6,928,650
11,967,951	350	Public Works	13,074,440	<b>13,627,200</b>	13,753,660	13,746,340	13,665,290	13,690,120
6,271,466	410	Natural Resources	6,940,880	<b>7,065,780</b>	6,991,940	6,962,680	6,947,830	6,897,680
1,385,180	450	Law & Regulation	1,344,830	<b>1,322,240</b>	1,329,190	1,319,860	1,319,860	1,319,860
2,357,254	550	Emergency Services	2,713,730	<b>2,827,920</b>	2,709,040	2,691,660	2,683,710	2,649,060
3,683,883	600	Executive Management	2,973,650	<b>3,025,320</b>	2,885,420	2,848,100	2,848,100	2,875,210
690,814	620	Mineral Resources	544,170	<b>551,460</b>	546,460	546,460	546,460	546,460
2,907,592	700	The Treasury	2,502,170	<b>2,518,980</b>	2,283,670	2,381,900	2,337,580	2,349,700
51,986,972		<b>TOTAL DEPARTMENTAL BUDGET</b>	54,206,530	<b>55,338,490</b>	55,210,140	55,201,230	55,054,180	55,078,760
18,715,359	999	Islands' Plan	10,510,450	<b>10,125,830</b>	10,200,180	9,784,190	8,789,460	8,789,460
2,399,000	998	Social Investments	590,000	<b>1,468,270</b>	1,468,270	1,468,270	1,168,270	1,168,270
73,101,331		<b>TOTAL MTFP EXPENDITURE</b>	65,306,980	<b>66,932,590</b>	66,878,590	66,453,690	65,011,910	65,036,490
1,058,266	Less	<b>Internal Recharges</b>	978,250	<b>953,130</b>	959,480	948,890	958,290	957,780
4,769,948	Less	<b>Capital Charges</b>	5,811,020	<b>6,046,060</b>	6,226,430	6,185,980	6,187,450	6,194,070
67,273,117		<b>NET OPERATING EXPENDITURE</b>	58,517,710	<b>59,933,400</b>	59,692,680	59,318,820	57,866,170	57,884,640
-		<b>Oil Expenditure</b>	-	<b>2,926,000</b>	2,926,000	2,926,000	2,926,000	2,926,000
67,273,117		<b>TOTAL APPROPRIATION</b>	58,517,710	<b>62,859,400</b>	62,618,680	62,244,820	60,792,170	60,810,640

**FALKLAND ISLANDS GOVERNMENT**  
**ESTIMATES 2016/17**  
**SUMMARY OF ISLANDS' PLAN AND SOCIAL INVESTMENTS**

		Original Estimate 2015/16 £	Original Estimate 2016/17 £	Projection for 2017/18 £	Projection for 2018/19 £	Projection for 2019/20 £	Projection for 2020/21 £
999	<b><u>ISLANDS' PLAN INVESTMENTS</u></b>						
	<b><u>Economic Development</u></b>						
4114	FIMCO (Abattoir subsidy)	326,030	<b>450,000</b>	450,000	450,000	450,000	450,000
4189	Museum & National Trust	125,210	<b>147,560</b>	149,250	143,250	148,520	148,520
4631	FIDC	953,000	<b>800,000</b>	1,000,000	1,000,000	1,000,000	1,000,000
4635	FITB	693,840	<b>600,000</b>	600,000	600,000	600,000	600,000
tbc	SAERI		<b>138,780</b>	109,990	-	-	-
4639	Economic Development Strategy	150,000	-	-	-	-	-
	<b><u>Self-Determination</u></b>						
1176	Public Relations	40,000	<b>40,000</b>	40,000	40,000	40,000	40,000
tbc4	Public Diplomacy	150,000	<b>150,000</b>	150,000	150,000	150,000	150,000
tbc5	Media Relations	50,000	<b>50,000</b>	50,000	50,000	50,000	50,000
tbc6	Public Relations Consultancy	110,000	<b>33,000</b>	33,000	33,000	33,000	33,000
tbc7	Translation Service	3,840	<b>3,840</b>	3,840	3,840	3,840	3,840
0759	Mandatory Training	500	<b>500</b>	500	500	500	500
	<b><u>Infrastructure</u></b>						
5007	Capital Investment Strategy	4,000,000	<b>4,000,000</b>	4,000,000	4,000,000	4,000,000	4,000,000
1009	MPA Wind Farm	87,350	<b>87,350</b>	87,350	87,350	87,350	87,350
	<b><u>Social &amp; Community Development</u></b>						
4175	Disaster Aid Relief	5,000	<b>5,000</b>	5,000	5,000	5,000	5,000
	<b><u>Safe &amp; Secure Community</u></b>						
1844	New Edition of the Laws	-	<b>119,800</b>	21,250	21,250	21,250	21,250
	<b><u>Transport &amp; Communication</u></b>						
4205	Shipping Links	2,065,000	<b>1,800,000</b>	1,800,000	1,500,000	500,000	500,000
4870	Coastal Subsidy Services	1,750,680	<b>1,700,000</b>	1,700,000	1,700,000	1,700,000	1,700,000
	<b>TOTAL EXPENDITURE</b>	<b>10,510,450</b>	<b>10,125,830</b>	10,200,180	9,784,190	8,789,460	8,789,460

	Original Estimate 2015/16 £	Original Estimate 2016/17 £	Projection for 2017/18 £	Projection for 2018/19 £	Projection for 2019/20 £	Projection for 2020/21 £
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998 **SOCIAL INVESTMENTS**

To Retirement Pensions Fund	590,000	<b>673,270</b>	673,270	673,270	673,270	673,270
To Pensions (Old Scheme) Fund	-	<b>795,000</b>	795,000	795,000	495,000	495,000
<b>Total Fund Transfers</b>	<u>590,000</u>	<u><b>1,468,270</b></u>	<u>1,468,270</u>	<u>1,468,270</u>	<u>1,168,270</u>	<u>1,168,270</u>

Additional Transfers to the Pension Fund are included in the Oil Expenditure as follows:

	Original Estimate 2015/16 £	Original Estimate 2016/17 £	Projection for 2017/18 £	Projection for 2018/19 £	Projection for 2019/20 £	Projection for 2020/21 £
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997 **OIL AND GAS DEVELOPMENT**

To Retirement Pensions Fund	600,000	<b>600,000</b>	600,000	600,000	600,000	600,000
To Pensions (Old Scheme) Fund	861,000	<b>861,000</b>	861,000	861,000	861,000	861,000
<b>Total Fund Transfers</b>	<u>1,461,000</u>	<u><b>1,461,000</b></u>	<u>1,461,000</u>	<u>1,461,000</u>	<u>1,461,000</u>	<u>1,461,000</u>

**SUMMARY OF CAPITAL PROGRAMME**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>REVENUE</b>						
0951	Sale of Miscellaneous Assets	1,000	<b>1,000</b>	1,000	1,000	1,000	1,000
0951	EDF Grant	850,000	<b>935,000</b>	850,000	850,000	850,000	850,000
0952	Repayment of Loans	620,000	<b>620,000</b>	620,000	620,000	620,000	620,000
0953	Sale of Vehicles & Plant	20,000	<b>20,000</b>	20,000	20,000	20,000	20,000
0955	Sale of Houses & Land	350,000	<b>50,000</b>	50,000	50,000	50,000	50,000
	<b>Total Revenue</b>	<b>1,841,000</b>	<b>1,626,000</b>	<b>1,541,000</b>	<b>1,541,000</b>	<b>1,541,000</b>	<b>1,541,000</b>

**EXPENDITURE**

Economic Development	360,940	<b>350,000</b>	100,000	80,000	80,000	80,000
Population & Workforce	85,270	<b>90,000</b>	90,000	75,000	75,000	75,000
Self Determination	40,620	-	-	-	-	-
Transport & Communications	2,061,310	<b>1,339,000</b>	1,230,000	1,110,000	1,095,000	1,095,000
Education & Training	481,240	<b>330,000</b>	-	-	-	-
Health & Social Care	1,705,410	<b>4,172,000</b>	3,339,400	253,000	243,900	157,200
Maintenance	1,230,560	<b>1,052,000</b>	811,500	703,500	535,000	463,000
Infrastructure	24,752,100	<b>8,424,310</b>	5,906,270	10,459,350	9,459,350	9,459,350
Safety & Security	1,529,500	<b>255,700</b>	169,000	144,000	144,000	96,000
Protecting the Environment	303,920	<b>85,650</b>	-	-	-	-
Community & Culture	697,950	<b>20,000</b>	20,000	20,000	-	-
	<b>33,248,820</b>	<b>16,118,660</b>	<b>11,666,170</b>	<b>12,844,850</b>	<b>11,632,250</b>	<b>11,425,550</b>

**FALKLAND ISLANDS GOVERNMENT  
ESTIMATES 2016/17**

**CONSOLIDATED FUND**  
Fund History 2008/09 to 2020/21

		Opening	Operating	Dept.	Islands' Plan	Social	Operating	Oil & Gas	Operating			
		Unrestricted Reserves	Revenue	Expenditure	Investments	Investments	Surplus/ (Deficit)		Surplus/ (Deficit)	Projected Capital	Other Gains/	Liquid Assets
		(NLA)					MTFP		LTFP	To be funded	Losses	
			£M	£M	£M	£M	£M	£M				£M
2009/10	Actual	85.4	43.8	(36.6)	(4.0)	(2.2)	1.0		1.0		5.8	92.2
2010/11	Actual	92.2	55.2	(34.0)	(4.6)	(3.9)	12.8	6.5	19.3		(1.3)	110.2
2011/12	Actual	110.2	54.6	(37.2)	(5.3)	(6.3)	5.9	5.6	11.5		(2.7)	119.0
2012/13	Actual	119.0	60.2	(39.8)	(6.4)	(4.4)	9.5	26.3	35.8		8.4	163.2
2013/14	Actual	163.2	64.5	(45.8)	(21.7)	(2.2)	(5.2)	11.0	5.8		3.4	172.4
2014/15	Revised	172.4	69.3	(47.5)	(18.7)	(2.4)	0.6		0.6		2.5	175.5
2015/16	Projection	175.5	57.5	(49.8)	(14.6)	(0.6)	(7.5)	9.8	2.3		(4.8)	173.0
2016/17	Projection	173.0	59.0	(49.3)	(10.1)	(1.5)	(1.8)	(0.6)	(2.5)	(8.3)	0.0	162.2
2017/18	Projection	162.2	57.7	(49.0)	(10.2)	(1.5)	(3.0)	(1.1)	(4.1)	(6.1)	0.0	152.0
2018/19	Projection	152.0	57.7	(49.0)	(9.8)	(1.5)	(2.6)	(1.9)	(4.5)	(7.3)	0.0	140.2
2019/20	Projection	140.2	57.4	(48.9)	(8.8)	(1.2)	(1.5)	(1.9)	(3.3)	(6.1)	0.0	130.8
2020/21	Projection	130.8	57.2	(48.9)	(8.8)	(1.2)	(1.6)	(1.9)	(3.5)	(5.9)	0.0	121.4

# CAPITAL EQUALISATION FUND

Fund History 2008/09 to 2020/21

		Fund Transfers	Net Return On Investments	Capital Receipts	Net Fund Revenue	Capital Expenditure	New Capital inc funding not yet included	Total Surplus/ (Deficit)	Capital Equalisation Fund Balance
		£M	£M	£M	£M	£M	£M	£M	£M
Balance b/f									21.3
2008/09	Actual	4.0	2.7	1.1	7.8	6.4		1.3	22.6
2009/10	Actual	3.5	1.5	3.3	8.3	7.6		0.7	23.3
2010/11	Actual	3.5	0.5	1.2	5.2	7.1		(1.9)	21.4
2011/12	Actual	8.5	1.3	0.8	10.6	6.6		4.0	25.4
2012/13	Actual	11.0	0.1	0.3	11.4	13.5		(2.1)	23.3
2013/14	Actual	15.0	0.1	1.1	16.2	17.8		(1.6)	21.7
2014/15	Actual	14.0	0.9	1.1	16.0	13.2		2.8	24.5
2015/16	Revised	9.0	0.0	1.8	10.8	33.2		(22.4)	2.1
2016/17	Estimate	4.0	0.0	1.6	5.6	16.1	(8.3)	(2.1)	0.0
2017/18	Projection	4.0	0.0	1.5	5.5	11.7	(6.1)	0.0	0.0
2018/19	Projection	4.0	0.0	1.5	5.5	12.8	(7.3)	0.0	0.0
2019/20	Projection	4.0	0.0	1.5	5.5	11.6	(6.1)	0.0	0.0
2020/21	Projection	4.0	0.0	1.5	5.5	11.4	(5.9)	0.0	0.0
<b>Cumulative 3 year Programme</b>		<b>35,921,680</b>							
<b>Cumulative 5 year Programme</b>		<b>55,897,480</b>							