

**LEGISLATIVE ASSEMBLY
OF THE
FALKLAND ISLANDS**



ORDER PAPER

09.00 AM

THURSDAY 15 DECEMBER 2016

IN THE COURT & ASSEMBLY CHAMBERS

STANLEY

LEGISLATIVE ASSEMBLY

THURSDAY 15 DECEMBER 2016

IN THE COURT & ASSEMBLY CHAMBERS

ORDER PAPER

09.00

1. Prayers
2. Oath of Allegiance, Acting Financial Secretary, Mr Andrew Mark Francis
3. Confirmation of the Record of Legislative Assembly held on 24 November 2016
4. Papers Laid on the Table by the Honourable Chief Executive
5. Portfolio Reports:
 - The Honourable Roger Edwards
 - The Honourable Michael Poole
6. Motion for Adjournment

LEGISLATIVE ASSEMBLY

ORDER PAPER

THURSDAY 15 DECEMBER 2016

PAPERS TO BE LAID ON THE TABLE BY THE HONOURABLE CHIEF EXECUTIVE

Copies of Subsidiary Legislation published in the Falkland Islands Gazette since the last sitting of the Legislative Assembly and Laid on the Table pursuant to section 35(1) of the Interpretation and General Clauses Ordinance 1977.

- Fisheries (Individual Transferable Quota Fees)(No 2) Regulations 2016
- Illex Fishing Licences (Applications, Fees and Refunds)(No 2) Regulations 2016

In accordance with Section 80 (2) of the Constitution the report of the Public Accounts Committee in respect of accounts:

- Falkland Islands Meat Company Accounts Year End 30 June 2015
- Falkland Islands Museum and National Trust Report and Financial Statements Year End 30 June 2015
- Stanley Services Directors' Report and Financial Statements Year End 30 June 2015

In accordance with Section 80 (2) of the Constitution the reports of the Public Accounts Committee in respect of internal audit reports:

- Interim Audit Completion Report FIG Year Ended June 2016
- Internal Audit – Plant and Vehicle
- Internal Audit – Investment Management
- Internal Audit – Main Accounting System
- Internal Audit – Budget Monitoring
- Internal Audit – Payroll System
- Internal Audit – Debtors
- Internal Audit – Post Office Income
- Internal Audit – Second Follow-up Report – IT Facilities Management
- Internal Audit – Follow up Report – Property and Municipal, Housing

In accordance with Section 5 of the Law Revision (Paving) Ordinance 2015:

- Revised Laws Project – Fourth Report to the Legislative Assembly from the Statute Law Commissioner

Process for Papers to be laid on the Table

- CLERK** Reads the list of Papers to be laid on the Table
- Chief Executive** Mr Speaker, I hereby lay the aforementioned Papers on the Table
- Hon Ian Hansen** Mr Speaker, under Section 41 (3) I move that the Fisheries (Individual Transferable Quota Fees)(No 2) Regulations 2016 and Illex Fishing Licences (Applications, Fees and Refunds)(No 2) Regulations 2016, be noted
- Mr Speaker** Please could we have a seconder
- Seconder** Mr Speaker I second the Motion
- Hon Ian Hansen** Explanation
- Any Debate-----
- Mr Speaker** Honourable Members, the Motion is that the contents of the Fisheries (Individual Transferable Quota Fees) (No 2) Regulations 2016 and Illex Fishing Licences (Applications, Fees and Refunds) (No 2) Regulations 2016, is noted.
- Hon Dr Barry Elsby** Mr Speaker, under Section 41 (3) I move that the Report of the Public Accounts Committee in respect of accounts and internal audit reports be noted
- Mr Speaker** Please could we have a seconder
- Seconder** Mr Speaker I second the Motion
- Hon Dr Barry Elsby** Explanation
- Any Debate-----
- Mr Speaker** Honourable Members, the Motion is that the contents of the Report of the Public Accounts Committee in respect of accounts and internal audit reports is noted.
- Hon Roger Edwards** Mr Speaker, under Section 41 (3) I move that the Revised Laws Project – Fourth Report to the Legislative Assembly from the Statute Law Commissioner be noted

Mr Speaker Please could we have a seconder

Secunder Mr Speaker I second the Motion

Hon Roger Edwards Explanation

-----Any Debate-----

Mr Speaker Honourable Members, the Motion is that the contents of the Revised Laws Project – Fourth Report to the Legislative Assembly from the Statute Law Commissioner is noted.

SUBSIDIARY LEGISLATION

FISHERIES

Fisheries (Individual Transferable Quota Fees) (No 2) Regulations 2016

S. R. & O. No. 22 of 2016

Made: 24 November 2016

Published: 2 December 2016

Coming into force: see regulation 2

I make the following regulations under section 35 of the Fisheries (Conservation and Management) Ordinance (No. 14 of 2005) on the advice of Executive Council.

1. Title

These regulations are the Fisheries (Individual Transferable Quota Fees) (No 2) Regulations 2016.

2. Commencement

These regulations come into force on 1 January 2017 and cease to have effect on 31 December 2017.

3. Interpretation

In these regulations —

“Director” means the Director of Fisheries; and

“ITQ” means Individual Transferable Quota.

4. Fees and Payment Schedule

(1) The fees set out under Schedule 1 are the total fees payable in respect of the entire Individual Transferable Quota granted to any company for the specified fisheries.

(2) The fees payable by each company holding ITQ in an established fishery are calculated by reference to the proportion of the total ITQ held by that company.

(3) A company holding ITQ in an established fishery must pay the applicable fees annually in respect of the calendar year for which ITQ has been granted to that company.

(4) The fees must be paid on or before the dates specified under Schedule 2.

SCHEDULE 1
FISHERY FEES
(regulation 4(1))

| Description of Fishery | Licence Code | Fees (£) |
|-------------------------------|---------------------|----------------------------------|
| Finfish | A | 1,129,012 |
| Squid – Jig or Trawl | B | ITQ not currently granted |
| Squid (Summer) | C | 2,133,230 |
| Skate | F | 247,121 |
| Squid and Restricted Finfish | G | 845,900 |
| Restricted Finfish - Pelagic | S | 60,419 |
| Restricted Finfish | W | 1,341,160 |
| Toothfish – Longline | L | 836,770 |
| Squid (Winter) | X | 4,242,082 |

SCHEDULE 2
PAYMENT SCHEDULE
(regulation 4(4))

| Description of Fishery | Licence Code | Payment Schedule |
|-------------------------------|---------------------|--|
| Finfish | A | Quarterly: 31 March, 30 June, 30 September, 17 December |
| Scallops | | |
| Squid – Jig or Trawl | B | See B licence conditions |
| Squid (Summer) | C | 30 June |
| Skate | F | Quarterly: 31 March, 30 June, 30 September, 17 December |
| Squid and Restricted Finfish | G | 31 March and 30 June |
| Restricted Finfish - Pelagic | S | 30 September and 17 December |
| Restricted Finfish | W | Quarterly: 31 March, 30 June, 30 September and 17 December |
| Toothfish – Longline | L | Monthly (beginning of each month) |
| Squid (Winter) | X | 17 December |

Made 24th November 2016

C. Roberts C.V.O.,
Governor.

EXPLANATORY NOTE

These Regulations are made under section 35 of the Fisheries (Conservation and Management) Ordinance (No. 14 of 2005) which requires that sums (payable to the Crown) be prescribed for different companies in relation to the amount of ITQs held by those companies.

The fees for 2017 are set out under Schedule 1 and Schedule 2 (the payment Schedule) indicates dates when payments are due in respect of all the different fishery licences.

Regulation 2 provides for the period within which these fees remain valid – which is from 1 January to 31 December 2017, as the fees are set annually.

Regulation 4 sets out the fees and how they are calculated as well as the dates or times when those fees are payable. These are specified under Schedules 1 and 2.

SUBSIDIARY LEGISLATION

FISHERIES

***Illex* Fishing Licences (Applications, Fees and Refunds) (No 2) Regulations 2016**

S. R. & O. No. 23 of 2016

Made: 24 November 2016

Published: 2 December 2016

Coming into force: see regulation 2

I make the following regulations under section 41, section 223(2)(b) and (p) of the Fisheries (Conservation and Management) Ordinance (No. 14 of 2005) on the advice of Executive Council.

1. Title

These regulations are the *Illex* Fishing Licences (Applications, Fees and Refunds) (No 2) Regulations 2016.

2. Commencement

Except where it is specifically provided for a particular provision to come into force at a later, specified date, these regulations come into force on 1 January 2017 and cease to have effect on 31 December 2017.

3. Interpretation

In these regulations —

“Director” means the Director of Fisheries;

“exploratory or scientific purposes” means purposes related to the assessment of the commercial or practical viability of fishing for fish generally or for a particular species of fish or to the assessment or quantification of stocks of any species of fish or fish of any age, stage of maturity or size of a species of fish or the location in which they or any species of fish or fish of any age, stage of maturity or size may be found;

“FIPASS” means the Falkland Interim Port and Storage System as defined under the Falkland Interim Port and Storage System Ordinance (Title 57.1);

“*Illex* fishing season” means the period between 15 February to 15 June in any given year;

“fishing waters” has the same meaning under the Ordinance;

“Licence Allocation Policy” means the policy relating to *Illex* fishing licences set by Executive Council from time to time;

“refund policy” means the policy approved by Executive Council from time to time as set out under Schedule 2; and

“the Ordinance” means the Fisheries (Conservation and Management) Ordinance.

4. *Illex* fishing licences – applications and fees

(1) All applications for fishing licences must be made to the Director so as to reach the Director before 18 December 2016 or such earlier date as may be set by the Director and the Director is not bound to receive any application received after this date.

(2) The fees payable for an *Illex* fishing licence is determined by the formula set out under Part A of Schedule 1.

(3) The percentage of the fees and the period within which the fees are payable is specified under Part B of Schedule 1.

(4) When issuing fishing licences under these regulations the Director must take into account the Licence Allocation Policy.

5. Refund policy

(1) The Director in consultation with the Financial Secretary may, in any fishing season, implement the refund policy as set from time to time by Executive Council.

(2) In any assessment for a refund the Director may take into account the following —

- (a) the average catch in any fishing season;
- (b) the average catch value in any fishing season;
- (c) the full season catch taken by all licensed vessels;
- (d) the full high seas catches taken by all licensed vessels; or
- (e) any other factors as may be relevant.

(3) The refund policy for the 2017 fishing season is set out under Schedule 2.

6. Exploratory licences

(1) The Director may issue such number of exploratory licences as may be appropriate to verify the presence of *Illex* in any fishing waters.

(2) The Director must specify the expiry date for each exploratory licence issued.

(3) The Director must set the fees payable for exploratory licences.

7. Transhipment and export fees

(1) No transhipment fees are payable —

- (a) for any fishing vessel with a valid fishing license;
- (b) for any Falkland Islands fishing vessel; and
- (c) for any vessel transhipping at FIPASS where cargo is crossing the dock.

(2) The following must pay a transhipment fee of £1650 for the period January to December 2017 —

- (a) subject to subsection (1)(b), any fishing vessel that is transhipping outside the period of validity of the fishing licence;
- (b) a reefer vessel; or
- (c) any unlicensed vessel.

SCHEDULE 1 FISHERY FEES *(regulation 4)*

PART A Fee Formula

Jigging Vessels:

$$\text{Fee (£)} = \mathbf{£0.401 * (GT*(S+1.5D)) + 107250}$$

GT = Gross Tonnage

S = Number of Single Jigging Machines

D = Number of Double Jigging Machines

Trawling Vessels:

$$\text{Fee (£)} = \mathbf{(4.064*GT) + 116640}$$

GT = Gross Tonnage

PART B
Payment Periods and Proportion of Fee Payable

| Payment Period | Proportion of Fee % |
|------------------------|----------------------------|
| 15 February – 15 March | 5% |
| 16 March – 15 May | 80% |
| 16 May – 15 June | 15% |
| Total | 100% |

Explanatory Notes (for guidance only)

A minimum time period of 80% must be purchased.

A 10% deposit must be paid before **27 January 2017**

Outstanding payments for each period must be paid (received by FIG's bank) at least 15 days in advance of the relevant fishing period.

Payments will be eligible for the ^early payment discounts set out below, providing the payment is made on time by the relevant date (for example in order to receive a 6% early payment discount on the full fee (100%), the entire fee would have to be received by FIG by 31 January 2017.

Letters of Credit must have an expiry date of **31 August 2017** no other date will be accepted.

^early payment discounts are as follows:

6% for payment by 31 January 2017

5% for payment by 31 May 2017 *

4% for payment by 30 June 2017 *

*Payments can be held until these dates but must be guaranteed by an Irrevocable Letter of Credit or equivalent.

Vessel History Discount:

A discount of 1% per year is available for any season fished by the vessel in the last 10 years.
The maximum discount which may be claimed is 10%.

SCHEDULE 2
2017 REFUND POLICY
(regulation 5(3))

(a) Licence Fee Refund Policy

In the event of a poor season the Falkland Islands government will take account of the average catch in assessing refunds. The refund policy will be based on catch as follows:

| Catch (MT) | Column A Percentage Refund based on catch volume only. For use where average catch ≥ 1000 tonnes | Column B Percentage Refund using catch volume and value. For use where average catch < 1000 tonnes |
|-------------------|---|--|
| > 1500 | No refund | 0% |
| 1500 – 1250 | No refund | 10% |
| 1249 – 1000 | No refund | 25% |
| 999 – 750 | 40% | 40% |
| 749 – 500 | 50% | 50% |
| 499 – 250 | 70% | 70% |
| < 250 | 90% | 90% |

Explanatory Notes (for guidance only)

Referring to the above table if the average catch is 1000 tonnes or exceeds that level there will not be any refund as set out in column A.

If the average catch is less than 1000 tonnes and taking account of catch value results in an ‘adjusted catch’ less than 1500 tonnes the refund levels set out in column B will apply.

An example of the adjusted catch value is set out in below –

(b) Licence Fee Refund Policy – Catch Value

The refund policy is intended to be linked to catch and catch value. The base price used to calculate the figures in the table at (a) above is \$ 936 per tonne (whole *Illex*). If the 2017 *Illex* price is higher than the current base rate this will be factored into the refund calculation. In any case where the average *Illex* price is above \$ 936 the calculation will be:

$$(Average Price \$ / \$ 936) * Average Catch = Revised average catch for refund.$$

For example if the 2017 *Illex* price is \$ 3000 and the average catch is 400 tonnes the calculation will be:

$$(\$ 3000 / \$ 936) = 3.2$$

*Average catch (400 tonnes) * 3.2 = 1280 tonnes (This is the adjusted catch figure used for the refund calculation in column B of the table above).*

The adjustment will only be made if the price is above \$ 936. Price information will be collected from available sources.

(c) Refund Policy to take account of Full Season equivalent catch

The catch total used in the refund policy will take account of full season catches (15 February – 15 June). If the average catch of vessels fishing for 100% of the season exceeds 1000 tonnes there will be no refund for any vessels; including those which have fished for 80% of the season only and whose catches may be less than 1000 tonnes.

(d) Refund Policy to take account of High Seas Catches

The calculation of catch rates and totals in relation to the refund policy will take account of high seas catches taken by licensed vessels during 15 February – 15 June. Owners/operators of licensed vessels wishing to access the refund policy set out here in section 6 must provide catch reports for any days spent fishing on the high seas during the period of validity of their Falkland Islands fishing licence.

Owner/operators electing not to report high seas catches in accordance with the above may still be eligible for a refund but it is likely to be at a reduced rate compared to the refund policy calculation set out here (to be determined according to the relevant circumstances).

(e) Monitoring of Catch Levels

FIG will be the ultimate arbiter of catch levels and reserves the right to weight the assessment in favour of verified information. In order for this to work vessels may need to undergo additional inspections and give adequate notice of departure from the fishing zone etc.

This will be calculated on the basis of average vessel catch and not on an individual vessel basis.

The refund policy set out here in regulation 5 will only apply to vessels which comply with the requirements of catch monitoring. A number of these are covered by mandatory requirements which in any case are covered by the Fisheries Ordinance and regulations, such as:

- Full and reliable catch reporting
- Other fishery monitoring reports (Fishcom/end etc)
- Embarkation of an observer if required
- Sufficient notice of intention to leave fishing zones to allow for inspection

Additionally, the refund policy set out above will only apply to fishing vessels which report high seas catches during the fishing season (15 February – 15 June) and conduct transshipment operations in Falkland Island ports and harbours. Vessels not satisfying the criteria set out above

will not ordinarily be eligible for a refund. If, in exceptional circumstances, it is determined that a vessel which has not complied should still receive a refund, that refund will be at a reduced rate (to be determined according to the relevant circumstances).

Made 24th November 2016

C. Roberts C.V.O.,
Governor.

EXPLANATORY NOTE
(not part of these regulations)

These regulations are made under sections 41 and 223 of the Fisheries (Conservation and Management) Ordinance (No. 14 of 2005).

Section 41(1) provides for applications and fees for a fishing licence. *Regulations 1 and 2* provide for introductory matters while *regulation 3* provides for interpretation of different words and phrases used within the regulations.

Regulation 4 provides for the application process including dates for making applications. It further provides for the fees and the formula; and this is set out under Schedule 1.

Section 223(2)(b) of the Ordinance provides that the Governor may make regulations for the refund of fees, charges or levies payable under any provision of the Ordinance. *Regulation 5* provides for the manner of making refunds and this is set out under Schedule 2 and it is based on a refund policy approved by Executive Council.

Regulation 6 provides for exploratory licences which give effect to section 42 of the Ordinance which deals with licences that may be issued for research purposes.

Regulation 7 provides for transshipment and export fees and under subsection (2) sets the fee at £1650 for any unlicensed fishing vessel, any fishing vessel (not being a Falkland Island vessel) that transships outside the validity of a licence as well as any reefer vessel. A Falkland Islands fishing vessel is exempted from paying any transshipment fees as well as any vessel with a valid fishing licence. Fishing vessels transshipping through FIPASS are also excluded from paying any transshipment fees.

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk Website:
www.pac.org.fk

Ref: PAC/16/11/01

16th November 2016

Mrs C Prior
Clerk to the Legislative Assembly
Gilbert House
Stanley

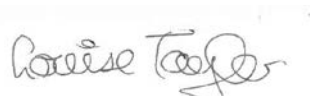
Dear Claudette

Falkland Islands Meat Company Accounts year end 30th June 2015

In accordance with Section (80) of the Constitution I am pleased to report to the Assembly that the Public Accounts Committee has examined the above accounts and have no further matters to bring to your attention.

These will now be been published on our website.

Yours sincerely,



Louise Taylor
Secretary

cc: General Manager, FIMCO

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk Website:
www.pac.org.fk

Ref: PAC/16/11/02

16th November 2016

Mrs C Prior
Clerk to the Legislative Assembly
Gilbert House
Stanley

Dear Claudette

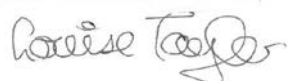
Falkland Islands Museum & National Trust Report and Financial Statements Year End 30th June 2015

In accordance with Section (80) of the Constitution I am pleased to report to the Assembly that the Public Accounts Committee has examined the above accounts.

Members were pleased to see that monies have been well spent on the development of the new museum facilities and would like to congratulate all involved on what is a great asset to the community. They have no further matters to bring to your attention.

These will now be been published on our website.

Yours sincerely,



Louise Taylor
Secretary

cc: Manager FIMNT

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk Website:
www.pac.org.fk

Ref: PAC/16/11/03

16th November 2016

Mrs C Prior
Clerk to the Legislative Assembly
Gilbert House
Stanley

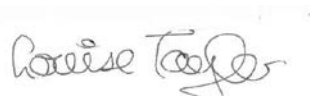
Dear Claudette

Stanley Services Directors' Report and Financial Statements Year End 30th June 2015

In accordance with Section (80) of the Constitution I am pleased to report to the Assembly that the Public Accounts Committee has examined the above accounts and have no further matters to bring to your attention.

These will now be been published on our website.

Yours sincerely,



Louise Taylor
Secretary

cc: General Manager, SSL

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ

Tel +500 22905

Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/04

26th November 2016

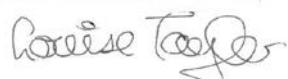
Mrs C Prior
Clerk to the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Interim Audit Completion Report FIG year ended June 2016

The committee examined the above report at our meeting held on 2nd November. There are no matters to bring to your attention.

Yours sincerely,



Louise Taylor
Secretary

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/05

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Plant & Vehicle

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of an Internal Audit regarding Plant & Vehicle.

We understand that the audit had limited assurance overall with recommendations raised to seek clarification over the requirement for Category G licences to drive plant and to improve control over the use of FIG vehicles to ensure they are only used for official business and not personal use. We are aware these are in progress and have no further comments to make.

Yours sincerely,



Dr Andrea Clausen
Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/06

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Investment Management

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of an Internal Audit about Investment Management.

We understand that the audit was satisfactory with one high level recommendation to improve the investment reconciliation and reporting process. We are confident that work is in progress and have no further comments to make.

Yours sincerely,



Dr Andrea Clausen
Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/07

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Main Accounting System

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of an Internal Audit regarding the main accounting system.

We understand that the audit was good and would like to congratulate all concerned.

Yours sincerely,



Dr Andrea Clausen
Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/08

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Budget Monitoring

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of an Internal Audit regarding budget monitoring.

We understand that the audit was satisfactory with some medium level recommendations to improve the profiling of budgets and to improve the monitoring & reporting of budget variances. We are confident that work is in progress and have no further comments to make.

Yours sincerely,



Dr Andrea Clausen
Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ

Tel +500 22905

Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/09

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Payroll System

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of an Internal Audit about the payroll system.

We understand that the audit had limited assurance overall. It is worrying to note that this is the fourth year in a row in which this annual audit has received this level of assurance and that previously raised recommendations remain outstanding. It was explained to us these are now being progressed by the Director of Human Resources and that Human Resources staff work hard to perform many additional checks to ensure accurate payments are made.

We look forward to the next internal audit report on the payroll system in which we hope to see positive change.

Yours sincerely,



Dr Andrea Clausen
Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/10

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Debtors

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of an Internal Audit regarding debtors.

We understand that the audit had limited assurance overall with two high recommendations raised to effectively pursue longstanding debts in accordance with the debt management policy and to ensure that departmental spreadsheets are accurate. We are confident that Internal Audit are working appropriately on the issues raised on a departmental basis and have no further comments to make.

Yours sincerely,



Dr Andrea Clausen
Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/11

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Post Office Income

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of an Internal Audit regarding Post Office Income.

We understand that the audit was satisfactory with one high level recommendation to settle the Terminal Dues between the Falkland Islands and the United Kingdom. We have no further comments to make.

Yours sincerely,

Richard Cockwell
Vice-Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ
Tel +500 22905 Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/12

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Second Follow-up Report – IT Facilities Management

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of a second follow-up report about IT Facilities Management.

Although we were disappointed to hear that only one of seven recommendations had been implemented, we understand that most are now in progress with two outstanding. We trust that work will continue and await the next internal audit follow-up report with hopes of seeing all recommendations instigated.

Yours sincerely,



Dr Andrea Clausen
Vice-Chairman
Public Accounts Committee

cc: Chief Internal Auditor

Public Accounts Committee

Shackleton House PO Box 420 Stanley Falkland Islands FIQQ1ZZ

Tel +500 22905

Email: pacsecretary@horizon.co.fk

Ref: PAC/16/11/13

17th December 2016

Members of the Legislative Assembly
Gilbert House
Stanley

Dear Members,

Follow-up Report – Property and Municipal, Housing

At our Committee Meeting held on 2nd November, the Chief Internal Auditor appraised us of a follow-up report on Property and Municipal - housing.

We were pleased to see that there had been substantial implementation of the recommendations made, particularly with regard to concerns commented on by the PAC from the original report. We understand that an additional high priority recommendation was raised regarding boiler servicing and electrical testing but that this is in-hand. We have no further comments to make.

Yours sincerely,



Dr Andrea Clausen
Vice-Chairman
Public Accounts Committee

cc: Chief Internal Auditor



FOURTH REPORT TO THE LEGISLATIVE ASSEMBLY

FROM THE STATUTE LAW COMMISSIONER

In accordance with section 5 of the Law Revision (Paving) Ordinance 2015

Contents:

- 1. Introduction**
- 2. Summary**
- 3. Preparatory work**
- 4. Legislative text (what will we publish?)**
- 5. Technology (how will we publish it?)**
- 6. Conclusion**

1. Introduction

Requirement for report

1.1 The Revised Laws (Paving) Ordinance requires the Statute Law Commissioner to lay before the Assembly regular reports about progress in complying with the duties imposed on the Commissioner by section 4 of the Ordinance.

1.2 Previous reports were laid before the Assembly 24 March, 28 July, and 27 October.

1.4 A copy of section 4 of the Ordinance which sets out the duties to be reported on, and a schedule of the dates on which subsequent reports are due to the Assembly, are set out in the Annex to this report.

Legislative Assembly powers on consideration of report

1.5 If the Legislative Assembly debates this report and makes recommendations, the Commissioner must give effect to those recommendations (reference section 5(4) of the Ordinance).

2. Summary

2.1 The duties which the Commissioner is required to report on can be distilled into two key tasks:

- (a) Preparing the Statute Law Database; and
- (b) Ensuring that it is accessible.

2.2 The project plans identified three main work streams to meet the two key tasks above, against which progress is summarised:

2.3 ***Preparatory work:*** Most preparatory work is completed, with one final piece of work ongoing as detailed below.

2.4 ***Legislative text (what will we publish?):*** Work to compile the legislative text for publication is now substantially progressed in accordance with a revised schedule agreed with Executive Council in September.

2.5 ***Technology (how will we publish it?):*** A contract for the technical solution for publication has been entered into, and the contractor started work in November.

Time for completion:

2.6 The Revised Laws (Paving Ordinance) provides that the Commissioner must aim to ensure that the Statute Law Database is complete no later than 31 March 2017. As a result of ongoing project resourcing difficulties, the first and third reports to the Assembly forecast delays of one month each, taking Day 1 publication to the end of May 2017. The contract for the technical solution envisages publication in accordance with those previous forecasts, and no further delay has occurred since the last report to the Assembly.

2.7 On this basis publication is now proposed for 31 May 2017.

3. Preparatory work

3.1 Project planning

At its September meeting, Executive Council agreed a policy mechanism for updating adopted United Kingdom laws after publication of the laws in 2017.

The Legislative Assembly will be given the opportunity to consider the proposed policy mechanism when proposals are put forward in due course as part of the Law Revision and Publication Bill.

3.2 Procurement of technology solution

Contract negotiations were concluded in November with Leidos Pty Ltd for the provision of a technology solution, as set out in paragraph 5.

3.3 *FIG change management planning in respect of improved access to the law*

An initial discussion paper will be submitted to the Corporate Management Team (CMT) in December to enable CMT to plan to manage, where appropriate, the changes which will likely arise from improved government and public accessibility to Falkland Islands law.

4. Legislative text - What will we publish?

4.1 The work to prepare the legislative text for the database has been split into the following four areas:

4.1.1 *List of Ordinances and secondary legislation*

The list of Ordinances and secondary legislation to be included in the laws database as reflecting our current law has been finalised this quarter (subject to Assembly approval, and to inclusion of new laws made before publication of the laws database).

The list contains 206 Ordinances, and 390 secondary laws; ie totalling 596 laws.

The slight increase in numbers (an estimate of 550 laws in total was previously given) is as a result of some secondary laws being counted and prepared individually. In the past, some laws were included only as part of a grouped summary in the previous revised laws publication. The new publication will include all current Falkland Islands laws in full, rather than containing summaries of groups of laws.

4.1.2 *List of currently applicable UK Acts and secondary legislation*

The list of UK Acts and secondary legislation currently applicable to the Falkland Islands has been split into the following two areas:

(a) *statutes applied to the Falkland Islands by the United Kingdom authorities*

The list of laws is still under consideration by the Foreign and Commonwealth Office. Whilst agreement has largely been reached on the statutes which must be listed, there are ongoing discussions about the format for a declaratory Order in Council to be put to the Privy Council which will confirm that list of laws. We are seeking to ensure that the list annexed to the order is as clear and accurate as possible.

(b) *statutes adopted by the Falkland Islands authorities*

As previously reported, the list of UK Acts currently adopted by the Falkland Islands has been finalised, and work on finalising the list of UK secondary legislation adopted by the Falkland Islands will be completed as part of the tranche of work detailed at paragraph 4.4 below.

4.1.3 Settled text of existing Ordinances and secondary legislation (ie revised text)

Very significant progress has been made since the last report in finalising the process of gathering and producing material which will enable the full text of Falkland Islands Ordinances and secondary legislation to be published.

In accordance with the contract agreed with Leidos, 85% of the data has now been delivered to them and they have started work in preparing the data for the laws database.

This work has involved; (a) the review of the hundreds of laws to be published, as well as hundreds more amending laws; and (b) providing written information and instructions to Leidos in relation to each law to be published (ie for the purpose of annotations and proposed revision).

This work was estimated to take approximately 1100 hours, but this proved an underestimate by at least one third. The project has therefore relied on several hundred more hours of legislative drafter time than was envisaged (which will have had some impact on the government's legislative drafting programme). Remaining work on the outstanding 15% of the local laws is scheduled to be carried out by the Statute Law Commissioner in the new year (following completion of the work on UK statutes referred to below).

4.1.4 Recommendations for application or omission of UK Acts and secondary legislation not already listed

This work involves formulating recommendations to update the application of adopted UK laws to the Falkland Islands. That application has largely been frozen as the laws stood on 31 July 2004. This work has been started, and the bulk of it will be carried out in December and January.

4.2 Legislative Assembly will have the opportunity to consider and approve the work carried out above when it considers the Law Revision and Publication Bill; which will provide the basis for approval of the laws database.

4.3 It is now envisaged that the Bill will be submitted to the Assembly in February 2017 (rather than January, as previously scheduled). This still provides the Assembly at least two months to examine the Bill in Select Committee, which is anticipated to should be adequate.

5. Technology - How will we publish it?

5.1 Leidos Pty Ltd is an Australian based document technology and cyber security service provider; specialising in document database solutions (including legislation solutions). The company has provided similar legislation solutions to that being provided to the Falkland Islands to many Australian government departments, and internationally.

5.2 Under the contract, Leidos will provide the technology and services required for the online publication of our laws (and will provide ongoing support for at least five years).

5.3 Leidos' proposal was selected on best value for money principles; providing the solution which most closely matched FIG's specifications, whilst also providing a solution within budget (including in respect of ongoing support costs).

5.4 The solution meets specifications for data display and storage and search functionality to optimise accessibility of the laws database. A period of user acceptance testing will ensure that the finished product meets our requirements as to accuracy of data migration services provided by Leidos as well as the functionality of the database and its web publication.

5.5 The solution is also strong in terms of both security and durability. In relation to security, Executive Council has been consulted about certain security aspects of the solution to ensure that it best meets the circumstances of the Falkland Islands. In relation to durability, the proposed system will allow the Legal Services team to update the laws database easily and quickly as our law changes, which is critical to the affordable ongoing up to date publication of our laws.

6. Conclusion

6.1 Whilst the project has faced resourcing difficulties and delays in its first 15 months, the steady work undertaken is now showing results, with a contract for a technical solution in place, and much of the work to gather and revise the legislative data now completed. Whilst the outstanding work concerning adopted UK laws is on a challenging schedule, the Falkland Islands Government remains in a strong position to produce a suitable solution for the publication of our laws in the first half of 2017.

6.2 Every effort continues to be made to comply with the requirements of the Law Revision (Paving) Ordinance; albeit that the target for publication at the end of March 2017 is not achievable within available resources. However, the re-scheduled publication of 31 May does remain achievable, and represents a small percentage delay for a project of this scale and ambition.

Annex to Fourth Report to the Legislative Assembly

Extract from Revised Laws (Paving) Ordinance 2015

“4. Statute Law Database

- (1) The Statute Law Commissioner is responsible for the preparation of
 - (a) a database of the laws of the Falkland Islands; and
 - (b) draft legislation which enables the Legislative Assembly to approve the Statute Law Database as an authoritative statement of the laws of the Falkland Islands.
- (2) The Commissioner must aim to ensure that the Statute Law Database—
 - (a) is complete not later than 31 March 2017; and
 - (b) is as accessible to all residents of the Falkland Islands as is reasonably practicable.
- (3) In complying with subsection (2)(b) the Commissioner—
 - (a) must treat the internet as the primary means of access to the database, but
 - (b) must also have regard to the needs of those who have no access, or limited access, to the internet, or who prefer to access information in other ways.
- (4) The Commissioner’s primary objective is to ensure that the database serves the needs of residents of the Falkland Islands; but subject to that, the Commissioner must also have regard to the needs of others who may wish to access the database.
- (5) The Statute Law Database must contain—
 - (a) the complete and up to date text of all Ordinances of the Falkland Islands in force;
 - (b) the complete and up to date text of all subsidiary legislation, made under Ordinances of the Falkland Islands, in force; and
 - (c) a list of United Kingdom enactments having force in or in relation to the Falkland Islands.
- (6) For the purposes of subsection (1) the Commissioner may take as the authoritative text of an Ordinance or of subsidiary legislation any version produced in accordance with the Revised Edition of the Laws Ordinance that appears to the Commissioner to be accurate.”

Schedule for reports due to the Legislative Assembly

5th report: end March 2017 (tbc)

6th report: end June 2017 (tbc)

LEGISLATIVE ASSEMBLY

ORDER PAPER

THURSDAY 15 DECEMBER 2016

Portfolio Reports:

The Honourable Roger Edwards

The Honourable Michael Poole

LEGISLATIVE ASSEMBLY

ORDER PAPER

THURSDAY 15 DECEMBER 2016

PROCEDURE FOR THE MOTION FOR ADJOURNMENT

| | |
|------------------------|---|
| CLERK | “Motion for Adjournment” |
| CHIEF EXECUTIVE | “Mr Speaker I beg to move that House stands adjourned sine die.” Honourable Members may speak to the Motion. |
| THE SPEAKER | “The House stands adjourned accordingly.” Mr Speaker then departs |