

EXECUTIVE COUNCIL

RESTRICTED

Title of Report: THE SUPPLEMENTARY APPROPRIATION (2008-2009) BILL
2009

Paper No: 101/09

Date: 25 May 2009

Report of: Director of Finance

1. Purpose

1.1 The purpose of this paper is to present the Supplementary Appropriation (2008-2009) Bill 2009 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 26 May 2009.

3. Summary of Financial Implications

The following is a summary of appropriation legislation with respect to the 2008/2009 Financial Year:

	£
Appropriation Ordinance 2008 (No 3 of 2008)	43,862,530
The Supplementary Appropriation (2008-2009) Bill 2009	434,220
Total	44,296,750

4. Background

4.1 This Bill (attached at Annex A) covers supplementary expenditure amounting to £434,220 approved by the Standing Finance Committee. This amount was authorised to be advanced from the Contingencies Fund under Contingencies Warrant Nos. 1 – 5 of 2008/2009 as shown on Report No 1 attached at Annex B.

4.2 The Bill will, if enacted, provide the legal authority for the additional sum of £434,220 to be withdrawn from the Consolidated Fund and for the Contingencies Fund to be replenished in respect of the amount of any sum advanced there from as authorised by the Contingencies Warrant.

5. **Legal Implications**

None.

6. **Human Resources Implications**

None.

The Treasury
Stanley
1 May 2009.

Supplementary Appropriation (2008-2009) Bill 2009

(No: of 2009)

ARRANGEMENT OF PROVISIONS

Clause

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

Schedule

SUPPLEMENTARY APPROPRIATION (2008-2009) BILL 2009

(No: of 2009)

(assented to: 2009)
(commencement: on publication)
(published: 2009)

A BILL

for

AN ORDINANCE

To authorise the withdrawal from the Consolidated Fund of the additional sum of £434,220 for the financial year ending 30 June 2009.

BE IT ENACTED by the Legislature of the Falkland Islands —

1. Title

This Ordinance is the Supplementary Appropriation (2008-2009) Ordinance 2009.

2. Commencement

This Ordinance comes into force on publication in the Gazette.

3. Withdrawal of additional sum

(1) The Director of Finance may withdraw an additional sum of £434,220 from the Consolidated Fund.

(2) Any additional sum withdrawn under subsection (1) may be applied in the financial year ending 30 June 2009 in accordance with section 4 and the Schedule.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 Warrants numbered 1, 2, 4 and 5 of 2008-2009, the Director of Finance will replenish the fund from the additional sum withdrawn under section 3.

SCHEDULE

Number	Head of Service	Amount £
	<u>Operating Budget</u>	
0100	<u>Aviation</u>	6,560
0200	<u>Health & Social Services</u>	249,500
0250	<u>Education & Training</u>	10,270
0452	<u>Registry</u>	10,000
0600	<u>Central Administration</u>	7,500
	<u>Total Operating Budget</u>	<u>283,830</u>
0999	<u>Fund Transfers & Transfer Payments</u>	
	<u>Transfer Payments</u>	150,390
	<u>Total Supplementary Expenditure</u>	<u>434,220</u>

OBJECTS AND REASONS

The Bill provides for —

(1) supplementary expenditure of £434,220; and

(2) the Contingencies Fund to be replenished to the extent that any sums have been advanced under the authority of Contingencies Warrants numbered 1, 2 4 and 5 of 2008/09.

The Bill is proposed in accordance with section 26 of the Finance and Audit Ordinance 1988.

Report No 1 of 2008/2009 to Executive Council on advances authorised by the Director of Finance to be issued out of the Contingencies Fund for application to the service of the 2008/2009 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

Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0102 FALKLAND ISLANDS GOVT AIR SERVICE</u>			
0651 Unattended Airstrips Subsidy	6,560	1 - SFC 26/06/08	Additional funding of £6,560 for 2008/09 to meet the cost of helicopter flights to 3 Islands as a result of the Review of Commercial Report 2008 (108/08 DCA). <i>SFC 26/06/08 - Minute 6.4.1</i>
<u>0201 MEDICAL</u>			
0502 Electricity	33,000	4 - SFC 29/01/09	The Committee noted the increased electricity usage and Councillor Robertson asked the DHSS if an energy policy is in place. DHSS advised the Committee that staff have been asked to turn off unused equipment including monitors and lights. The increase reflected higher theatre use and increased laundry work arising from MRSA control measures. The DHSS was not aware of any rise in electricity cost is due to faulty equipment.
0752 Medical Stores	125,000	4 - SFC 29/01/09	The DHSS advised that the increased cost was due to the increase in expensive "special" drugs required for small numbers of people with serious medical conditions. The cost ranges from £20K - £60K per patient. Since the budget was set there had been an increase in patients requiring special drugs. The budget was set to cover funding for one high cost patient, whereas at present there were 5 patients being treated.
1428 Laboratory Supplies	45,000	4 - SFC 29/01/09	The Chairman noted that the medical department are currently £78K adrift from budget whilst it was recently reported that the £100K savings target had been met. Councillor Robertson then drew attention to the increase in Laboratory costs. The Chief Medical Officer (CMO) indicated that this was due to closure of Haslar and the ceasing of free testing, which would increase costs by £90K per year. The Chairman and Councillor Robertson indicated that they had asked medical staff if adequate funds were included for this at the time of the budget submission, and had been told that it was. The DHSS and CMO answered that this was definitely not the case.
<u>0203 SOCIAL WELFARE</u>			
0758 Rehabilitation/Assessment Overseas	46,500	5 - SFC 18/12/08	The Committee discussed and agreed Executive Council's recommendations that Adult B be sent away to the UK (with a parent accompanying for some of the time) to be funded for a 1 year period only, in the first instance, for needs assessment at a total annual cost of £189,980 plus £10,250 for capital costs. This should allow time for submission of a fuller report in 6 months covering any improvements and a report on the status of Adult B. <i>(Note: this represents 2008/09 portion of approved funding)</i>
<u>0252 EDUC - TRAINING</u>			
0759 In-Service Training	10,270	2 - SFC 28/08/08	Carryover of funds from 2007/08 financial year. Funding for fire training for Stanley Airport as agreed by SFC in December 2007 (£10,150) and for expenses relating to training spanning year-end for Computer Section (£120) <i>SFC 28/08/08 - Minute No 7</i>
<u>0452 REGISTRY</u>			
1841 Stanley Co-op Inquiry	10,000	1 - SFC 26/06/08	Under the Co-Operative Societies Ordinance additional funding of up to £10k for 2008/09 was requested to meet the estimated cost of an inquiry. The inquiry to be arranged by the Registrar General. <i>SFC 26/06/08 - Minute 6.5.1</i>

Report No 1 of 2008/2009 to Executive Council on advances authorised by the Director of Finance to be issued out of the Contingencies Fund for application to the service of the 2008/2009 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

Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<u>0607 COMPUTER SECTION</u>			
1429 Specialists/Consultancy Services	7,500	2 - SFC 28/08/08	Carryover of funds from 2007/08 financial year. Resilience work not completed before the end of 2007/08. <i>SFC 28/08/08 - Minute No 7</i>
<u>0999 TRANSFER PAYMENTS</u>			
3064 Contribution to Defence	143,610	2 - SFC 28/08/08	Carryover of funds from 2007/08 financial year. Balance of funding available. <i>SFC 28/08/08 - Minute No 7</i>
3153 Historic Buildings	6,780	2 - SFC 28/08/08	Carryover of funds from 2007/08 financial year. Funds allocated by the Historic Buildings Committee not yet paid in respect of the renovation of Tabernacle & Cape Meredith Light, rebuilding Jubilee Villas chimney, repair of Paragon and Goose Green chimneys & survey of West Point Settlement. <i>SFC 28/08/08 - Minute No 7</i>
TOTAL	434,220		

Summary

Contingencies Warrant No 1	16,560	Standing Finance Committee 26 June 2008
Contingencies Warrant No 2	168,160	Standing Finance Committee 28 August 2008
Contingencies Warrant No 3	-	cancelled
Contingencies Warrant No 4	203,000	Standing Finance Committee 29 January 2009
Contingencies Warrant No 5	46,500	Standing Finance Committee 18 December 2008

434,220