

# EXECUTIVE COUNCIL

## PUBLIC

<b>Title:</b>	The Supplementary Appropriation (2018-2019) (No. 2) Bill 2019
<b>Paper Number:</b>	39/19
<b>Date:</b>	27 <sup>th</sup> March 2019
<b>Responsible Director:</b>	Financial Secretary
<b>Report Author:</b>	Management Accountant
<b>Portfolio Holder:</b>	MLA Roger Spink
<b>Reason for paper:</b>	This paper is submitted to Executive Council: To meet a statutory requirement
<b>Publication:</b>	Yes
<b>Previous papers:</b>	150/18, 163/18, 186/18, 09/19 & 26/19
<b>List of Documents:</b>	Annex A – Supplementary Appropriation (2018-2019) (No. 2) Bill 2019 Annex B – Details of the supplementary expenditure

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### 1. Recommendations

Honourable Members are recommended to approve:

- (a) The presentation of the (annexed) Supplementary Appropriation Bill to the meeting of the Legislative Assembly to be held on the 28 March 2019.

### 2. Additional Budgetary Implications

2.1 None

### 3. Executive Summary

3.1 The Bill provides for:-

- (1) supplementary expenditure £448,540
- (2) supplementary expenditure £2,318,000 in respect to a transfer to the Capital Equalisation Fund

- (3) the Contingencies Fund to be replenished to the extent that any sums have been advanced under the authority of Contingencies Warrant No 6-7 of 2018/2019.
- 3.2 The Bill is proposed in accordance with section 26 of the Finance and Audit Ordinance (Title 19.3).
- 3.3 A report has already been taken to the Executive Council at the meeting of 27<sup>th</sup> February to approve the Supplementary Appropriation Bill (2018-2019) (No.2) Bill 2019. This included the £1,818,000 of Contingency Warrant 6. This has now been amended to incorporate the additional £948,540 relating to subsequent decisions made at Standing Finance Committee on 27<sup>th</sup> February which are included on Contingency Warrant 7.

#### **4. Background**

4.1 This Bill (attached at Annex A) covers:

- supplementary expenditure amounting to £448,540 in respect of additional funding which was approved by Standing Finance Committee on 27<sup>th</sup> February 2019.
- supplementary expenditure amounting to £2,318,000 in relation to additional capital funding which was approved by Standing Finance Committee on 30<sup>th</sup> January and 27<sup>th</sup> February 2019 requiring a transfer to the Capital Equalisation Fund. The capital programme for any year is required to be funded from the Capital Equalisation fund.

4.2 The full details of the additional funding are shown on the attached schedule (Annex B). Additional income to offset expenditure is expected for the Public Works projects.

4.3 The Bill will, if enacted, provide the legal authority for the additional sum of £2,766,540 to be withdrawn from the Consolidated Fund.

4.4 Publication of this Supplementary Appropriation Bill is not required prior to submission to Legislative Assembly (Rule 46(2)(a) of Standing Orders).

4.5 The original Supplementary Appropriation (2018-2019) (No. 2) Bill 2019 approved at the meeting of the Executive Council on 27<sup>th</sup> February 2019 only included the £1,818,000 additional expenditure of Contingency Warrant 6.

4.6 The Supplementary Appropriation Bill must be presented to the Legislative Assembly at the next meeting following the date a Contingency Warrant is issued. As there was no meeting of the Legislative Assembly in February the next meeting following the issue of both Contingencies Warrant 6 and 7, is the meeting on 28<sup>th</sup> March 2018.

4.7 Therefore the proposed Bill has been amended to include both the £1,818,000 included in Contingency Warrant 6 and the further £948,540 included in Contingency Warrant 7 which was based on the further decisions made at Standing Finance Committee on 27<sup>th</sup> February 2019.

## 5. Resource Implications

### 5.1 Financial Implications

The following is a summary of appropriation legislation with respect to the 2018/19 Financial Year:

	£
Appropriation Ordinance 2018 (No 2 of 2018)	70,567,955
Supplementary Appropriation (2018-2019) Ordinance 2018	2,474,430
Supplementary Appropriation (2018-2019) (No. 2) Ordinance 2018	36,500
Supplementary Appropriation (2018-2019) (No. 3) Ordinance 2018	4,026,584
Supplementary Appropriation (2018-2019) Ordinance 2019	1,375,690
Supplementary Appropriation (2018-2019) (No. 2) Ordinance 2019	2,766,540
<b>Total</b>	<b><u>81,247,699</u></b>

### 5.2 Human Resource Implications

None

### 5.3 Other Resource Implications

None

## 6. Legal Implications

6.1 None

**Supplementary Appropriation (2018-2019) (No 2) Bill 2019**

(No:        of 2019)

ARRANGEMENT OF PROVISIONS

Clause

1. Title
2. Commencement
3. Appropriation
4. Replacement of amount withdrawn by authority of Contingencies Warrant

Schedule

# FALKLAND ISLANDS

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## Supplementary Appropriation (2018-2019) (No. 2) Bill 2019

*(assented to: 28 March 2019)*  
*(commencement: on publication)*  
*(published: 2019)*

A BILL

for

AN ORDINANCE

To authorise the appropriation from the Consolidated Fund of the additional amount of £2,766,540 for the financial year ending 30 June 2019.

ENACTED by the Legislature of the Falkland Islands —

### **1. Title**

This Ordinance is the Supplementary Appropriation (2018-2019) (No. 2) Ordinance 2019.

### **2. Commencement**

This Ordinance comes into force on publication in the Gazette.

### **3. Appropriation**

(1) The additional amount of £2,766,540 is appropriated from the Consolidated Fund for the financial year ending 30 June 2019.

(2) The issue of the additional amount from the Consolidated Fund in the amounts necessary to replace an amount in accordance with section 4 and to supply the votes set out in the Schedule is authorised.

### **4. Replacement of amount withdrawn by authority of Contingencies Warrant**

If an amount has been withdrawn from the Contingencies Fund by the authority of Contingencies Warrants Nos. 6 and 7 of 2018-2019, the amount withdrawn must be replaced from the amount appropriated under section 3.

## SCHEDULE

Number	Head of Service	Amount £
	<b>Operating Budget</b>	
0110	Development & Commercial Services	116,540
0350	Public Works	332,000
	<b>Total Operating Budget</b>	<u>448,540</u>
0999	<b>Fund Transfer and Transfer Payments</b>	<u>2,318,000</u>
	<b>Total Schedule</b>	<u>2,766,540</u>

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### OBJECTS AND REASONS

The Bill authorises –

- (a) supplementary appropriation of £2,766,540 for the financial year ending 30 June 2019; and
- (b) the issue of that amount from the Consolidated Fund in the amounts necessary to replenish the Contingencies Fund and to supply the votes set out in the Schedule.

The Bill is proposed in accordance with sections 76(3) and 78(2) of the Constitution as read together with section 26(3) of the Finance and Audit Ordinance 1988.

Report No 5 of 2018/2019 to Executive Council on advances authorised by the Financial Secretary to be issued out of the Contingencies Fund for application to the service of the 2018/19 Financial Year to enable the need for unforeseen expenditure to be met pursuant to the provisions of Section 26 of the Finance and Audit Ordinance  
Advances only authorised when required due to cap on Contingencies Fund

Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<b><u>0110 Development &amp; Commercial Services</u></b>			
<b><u>0453 Court</u></b>			
1111 Honorarium & Exp S Court Judge	8,690	7 - SFC 27/02/19	SFC 12/19 Additional funding required for Chief Justice costs
1117 Legal Aid	<u>107,850</u>	116,540 7 - SFC 27/02/19	SFC 12/19 Additional funding required for legal aid
<b><u>0350 Public Works</u></b>			
<b><u>0357 Water Supply</u></b>			
0450 Hire of Plant & Rates	5,000	7 - SFC 27/02/19	SFC 14/19 Additional funding for the water section
0502 Electricity	33,000	7 - SFC 27/02/19	SFC 14/19 Additional funding for the water section
0603 Central Heating Costs	4,000	7 - SFC 27/02/19	SFC 14/19 Additional funding for the water section
1040 Pur Filtration Plant Chemicals	20,000	7 - SFC 27/02/19	SFC 14/19 Additional funding for the water section
<b><u>355 Electricity Supply</u></b>			
0613 Repairs & Maint- Major Equip	<u>270,000</u>	332,000 7 - SFC 27/02/19	SFC 15/19 Additional funding for the power & electrical section
<b><u>0999 Fund Transfer and Transfer Payments</u></b>			
5007 Transfer to Capital Equalisation Fund	2,318,000	2,318,000 6 - SFC 30/01/19 and 7- SFC 27/02/19	ExCo 08/19, SFC 05/19 & SFC 13/09 Additional capital funding, projects undisclosed for tender purposes
<b>TOTAL</b>	<b><u>2,766,540</u></b>	<b><u>2,766,540</u></b>	

Report No 5 of 2018/2019 to Executive Council on advances authorised by the Financial Secretary to be issued out of the Contingencies Fund for application to the service of the 2018/19 Financial Year to enable the need for unforeseen expenditure to be met pursuant to the provisions of Section 26 of the Finance and Audit Ordinance  
Advances only authorised when required due to cap on Contingencies Fund

Account Code	Advance Amount £	Contingencies Warrant No	Reasons
<b><u>SUMMARY</u></b>			
Contingencies Warrant No 6		1,818,000	SFC 30/01/19
Contingencies Warrant No 7		948,540	SFC 27/02/19
		<b><u>2,766,540</u></b>	
<b><u>Summary by Directorate</u></b>			
<b><u>0110 Development &amp; Commercial Services</u></b>		116,540	
<b><u>0350 Public Works</u></b>		332,000	
0999 Fund Transfer and Transfer Payments		2,318,000	
		<b><u>2,766,540</u></b>	