



**Ministry of Finance and Economic Management**

# **Budget Performance and Outlook:**

**Quarter and Year Ending 31 March 2016**

**2015-16**



## Contents

1. Overview .....	1
2. Budget Commentary.....	1
Statement of Recurrent Revenue and Expenditure .....	1
Revenue .....	3
Main Revenue Streams .....	4
Taxation revenue .....	5
Non-tax revenue.....	6
Capital Grants/Revenue .....	9
Expenditure .....	9
Current Expenditure .....	9
Key Expenditure Lines.....	10
Capital Expenditure .....	25
Cash Balance .....	27
Government borrowing and debt servicing.....	27
Liabilities .....	27
Un-Audited Budget Surplus.....	30
3. Outlook for 2016-17 .....	32
4. SUMMARY .....	34
A. BUDGET PERFORMANCE REPORT.....	36
B. Revenue Outturn by Programme .....	38
C. Expenditure Outturn by Programme .....	39
D. Maintenance Service Total Spend as a 31 March 2016 .....	40
E. SUPPLEMENTARY APPROPRIATION BILL EXPLANATORY NOTE – EXTRACT .....	41
F. Staffing Details as at 31 March, 2016 .....	47
G. LONG TERM LEARNING AND DEVELOPMENT REQUIEMENTS 2015-16.....	48
H. Project Data as at 31 <sup>st</sup> March, 2016.....	49

## 1. Overview

1.1. The Budget Performance and Outlook Report is a quarterly review of the Budget. The aim of the Budget Performance and Outlook Report is to enable the Cabinet, the Legislature and the public to understand and scrutinise how public funds are being spent, increasing transparency and accountability.

1.2. The Report provides commentary on the Budget (Recurrent and Capital as well as Debt Servicing) and an Outlook for the upcoming period along with notes on the key Policies and Programmes to be instituted.

1.3. The total original Approved Budget for the fiscal year 2015-16 was \$171,660,100 (Recurrent \$128,238,300; Capital \$43,421,800). The total revenue intake for the quarter was \$25.97 million (Recurrent \$12.6 million; Capital \$13.3 million). The revenue for quarter 4 was entirely from local sources. Expenditure for the quarter stood at \$40.7 million (Recurrent \$32.1 million; Capital \$8.6 million).

1.4. The Revised Budget after supplements was \$186,445,600 (Recurrent \$128,509,400; Capital \$57,936,200). Total revenue intake for the year was \$149,210,079 (Recurrent \$ 122,279,783; Capital \$ 26,930,296). Total expenditure for the year was \$140,573,886 (Recurrent \$115,811,548; Capital \$24,762,337). Unspent revenues totalled \$8,636,194 (Recurrent \$6,468,235; Capital \$2,167,959). Underspending of the Recurrent Budget was largely associated with earmarked (ring-fenced) funds along with unfilled vacancies.

1.5. Total debt at the end of the period stands at just under \$9.0 million. The total cash balance for the Consolidated Fund and the Development Fund was \$47.78 million (at 31 March 2016).

1.6. Economic growth failed to match expectations at the beginning of the year. Domestic revenues for the year were relatively flat in comparison to previous years. Expenditure for the year was also fairly flat although this year lower than last year's spending. GoM collected \$46.1 million in local revenue in 2015-16 compared to a forecast of \$48.6 million.

## 2. Budget Commentary

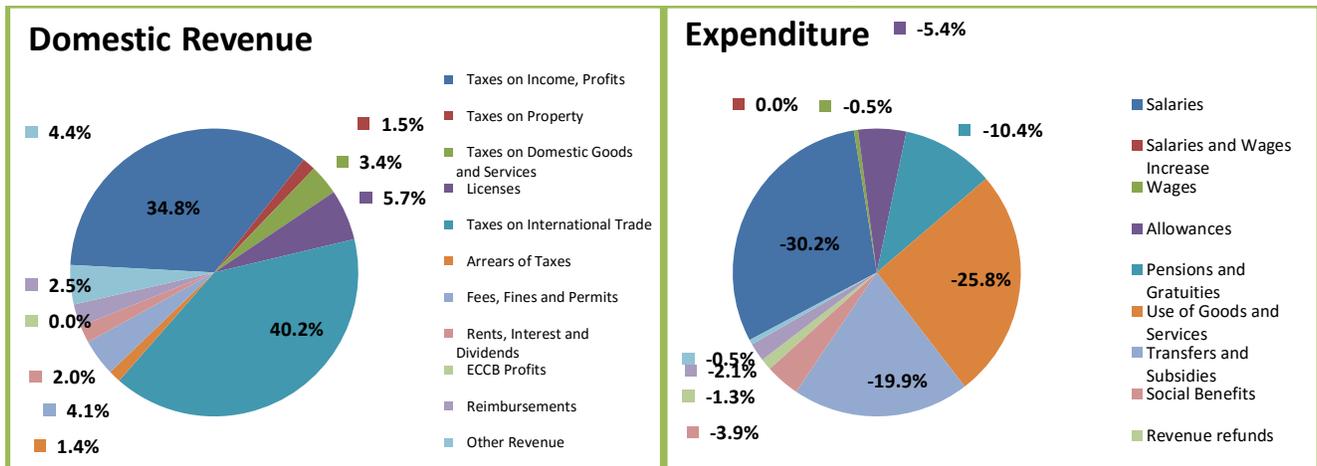
2.1. A Supplementary Appropriation was authorised to sanction the Contingency Warrant #1 of \$271,000 and the Capital Budget was increased by \$14,280,400 for various development projects.

### Statement of Recurrent Revenue and Expenditure

2.2. The Statement of Recurrent Revenue and Expenditure sets out the scale and nature of the flows to and from the government. It shows that, in quarter 4 of the fiscal year 2015-16 the government:

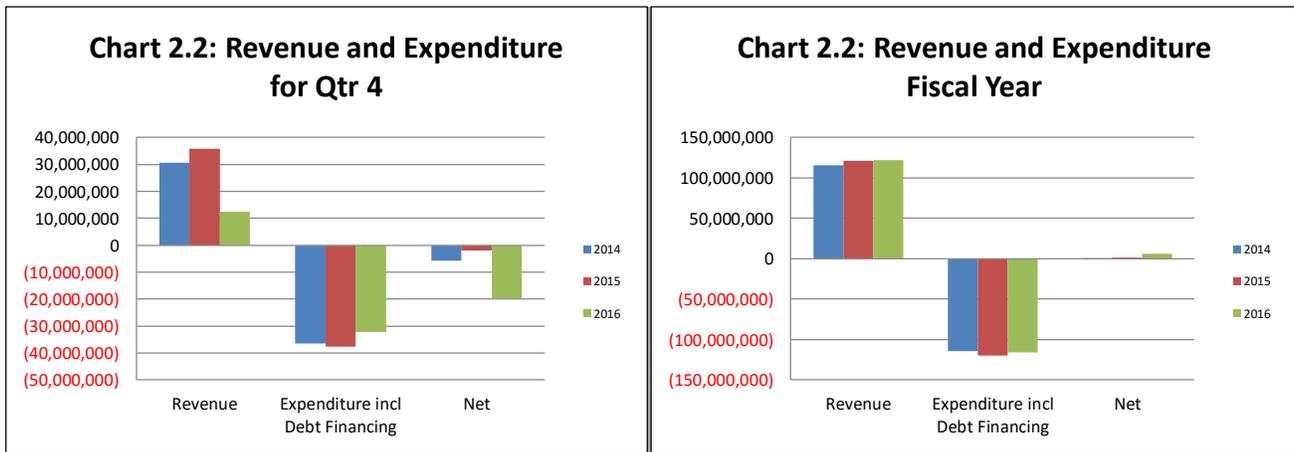
- received \$12.4 million (restated 2014-15: \$35.8 million) in taxation and other operating revenue, with no budgetary aid;
- spent \$32.1 million (restated 2014-15: \$37.6 million), including \$10.7 million employing staff and \$18.1 million on goods and services; and
- debt increased by \$1.5 million from \$7.5 million to \$9.0 million with GoM making additional drawings on the CDB loan for the Second Power Project.

**Chart 2.1: Summary of revenue and expenditure**



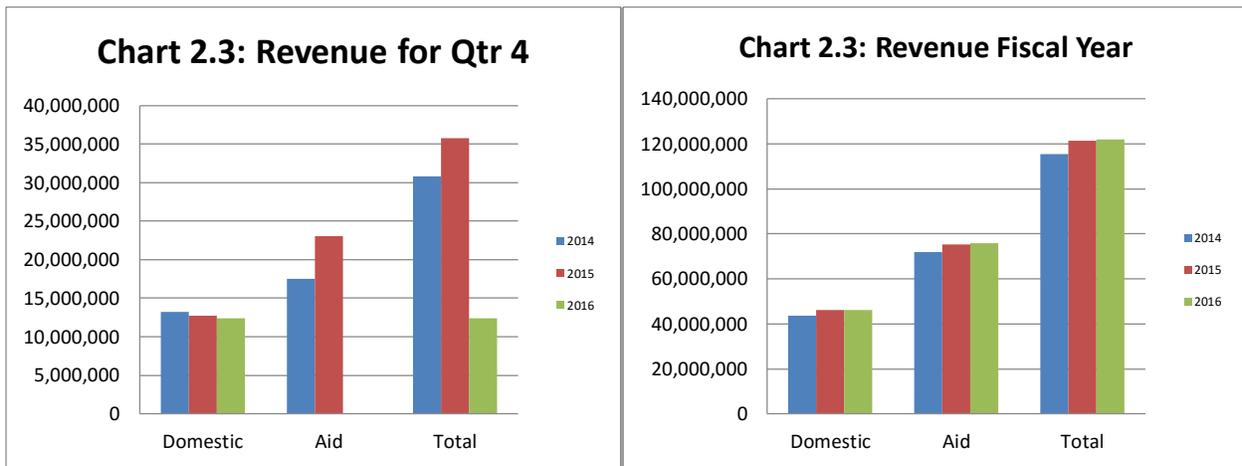
2.3. Recurrent budget performance in the quarter reflected:

- increased tax receipts from taxes on international trade;
- decreased spending on pensions and gratuities;
- decreased spending on goods and services, (as well as revenue refunds and other fees);
- increased debt levels

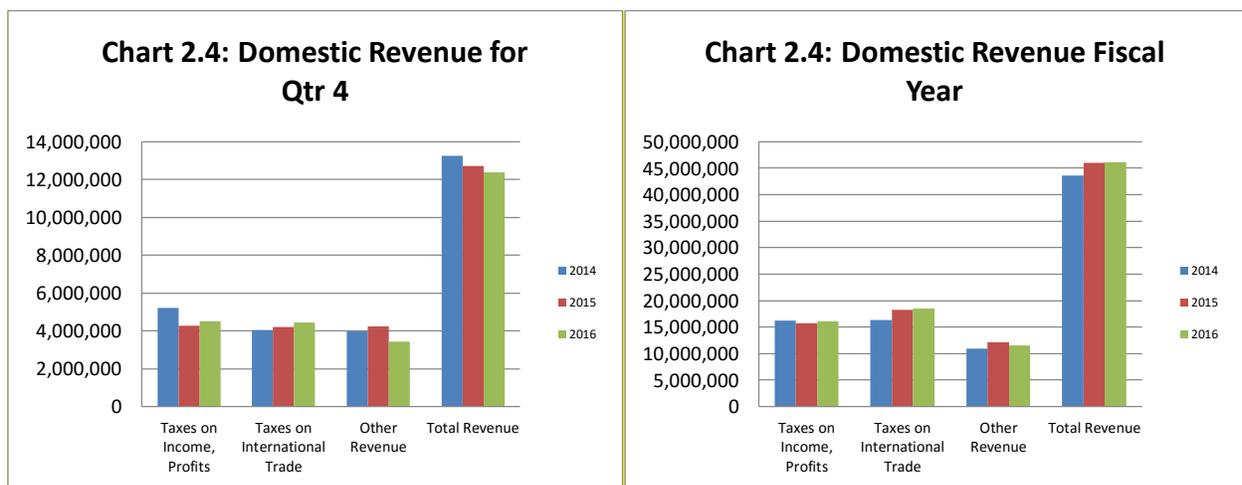


2.4. Chart 2.2 reflects the new mode for aid settlement where aid for the final two quarters is released in quarter 3. On the other hand, spending activity declined in quarter 4. Overall, both revenue and expenditure has remained fairly flat across the triennium.

## Revenue



2.5. Chart 2.3 shows domestic revenue staying fairly flat across the triennium, while the quarter 4 triennium is showing a decline. Variations in the mode and timing of UK Aid delivery this year make the quarterly comparison challenging, however overall, aid has remained flat across the period.



2.6. The triennial comparison of quarter 4 shows domestic revenues this year declining, however, when viewing the entire fiscal year domestic revenues remained fairly flat. Taxes on Income and Profits with strong performances from Company and Withholding Taxes while Personal Income Tax lagged.

**Table 2.1: Recurrent revenue for fiscal year and Qtr. 4**

Revenue Stream	Estimates	Actuals	% Actuals/ Projections	Q4 Projections	Q4 Actuals	% Actuals/ Estimates
<i>Taxes on Income, Profits</i>	16,076,000	16,056,633	100%	4,690,000	4,501,221	96%
<i>Taxes on Property</i>	910,000	691,588	76%	155,000	89,544	58%
<i>Taxes on Domestic Goods and Services</i>	2,004,600	1,569,455	78%	1,182,900	830,122	70%
Licenses	4,075,600	2,631,951	65%	839,598	894,297	107%
<i>Taxes on International Trade</i>	18,436,300	18,522,949	100%	4,348,578	4,440,046	102%
<i>Arrears of Taxes</i>	970,000	634,064	65%	112,000	165,638	148%
<i>Fees, Fines and Permits</i>	1,838,400	1,905,263	104%	603,777	685,401	114%
<i>Rents, Interest and Dividends</i>	689,500	904,107	131%	180,733	109,889	61%
Reimbursements	985,000	1,146,320	116%	22,800	128,332	563%
<i>Budgetary Assistance</i>	79,680,000	75,929,259	95%	-	-	-
<i>Other Revenue</i>	2,572,900	2,033,779	79%	653,461	522,505	80%
	<b>128,238,300</b>	<b>122,025,368</b>	<b>95%</b>	<b>12,788,847</b>	<b>12,366,993</b>	<b>97%</b>

### Main Revenue Streams

2.7. Table 2.2 below shows the main revenue streams. Not every revenue stream has performed exactly as expected.

**Table 2.2: Recurrent revenue for fiscal year and Qtr. 4**

Revenue Stream	Estimates	Actuals	% Actuals/ Estimates	Projections	Actuals	% Actuals/ Projections
Company Tax	3,218,400	3,324,873	103%	1,198,000	971,103	81%
Income Tax (Personal)	12,057,600	11,905,620	99%	3,300,000	3,355,384	102%
Withholding Tax	800,000	826,139	103%	192,000	174,733	91%
Property Tax	910,000	691,588	76%	155,000	89,544	58%
Bank Interest Levy	940,000	488,077	52%	940,000	488,077	52%
Insurance Company Levy	210,000	205,959	98%	41,900	41,082	98%
Stamp Duty	420,000	381,506	91%	63,000	124,641	198%
Embarkation Tax	389,600	449,380	115%	121,200	165,435	136%
Landholding Licence	300,000	187,126	62%	35,000	45,905	131%
Driver's Licenses	364,600	374,167	103%	77,340	102,487	133%
Motor Vehicle Licenses	1,150,000	1,132,783	99%	310,317	313,738	101%
Telecom. Licenses	2,140,500	790,080	37%	405,181	348,062	86%
Import Duties	6,050,000	6,328,208	105%	1,260,000	1,584,858	126%
Consumption Tax	11,326,300	10,998,189	97%	2,766,000	2,558,568	93%
Customs Processing Fee	910,000	1,058,094	116%	253,000	233,469	92%
Company Tax (Arrears)	90,000	42,877	48%	12,000	21,995	183%
Income Tax (Arrears)	600,000	391,258	65%	100,000	85,471	85%
Property Tax (Arrears)	280,000	199,929	71%	-	58,172	-
Consular Fees	218,200	208,970	96%	54,600	35,300	65%
Royalties - Quarries	200,000	527,490	264%	50,000	79,425	159%
Port Authority Principle #1 SFR-ORM	385,000	432,003	112%	96,250	119,748	124%
Hospital Receipts	375,000	423,271	113%	93,750	110,072	117%
Plant & Workshop	900,000	148,410	16%	225,000	34,115	15%
<b>Total</b>	<b>44,280,200</b>	<b>41,558,232</b>	<b>94%</b>	<b>11,766,338</b>	<b>11,151,672</b>	<b>95%</b>

*Only those revenue streams with collection of over \$200k.*

2.8. In terms of areas where revenue has significantly under-performed: property tax 76%; bank interest levy 52%; telecommunication licenses 37%; landholding licences 62%; Plant and Workshop 16%; company tax arrears 48%; and income tax arrears 65% of estimates respectively.

2.9. With regards to areas which over-performed: embarkation tax 115%; import duties 105%; customs processing fee 116%; hospital receipts 113% and royalties on quarries 264%.

2.10. This remainder of this section reviews the performance of some key revenue streams.

## Taxation revenue

### *Taxes on Income, Profits*

- **Company Tax** – collection for Q4 was \$971,103, 81% of the forecast of \$1,198,000. This can be attributed to advance payments like those reported in Q3. Overall collection for the entire FY was \$3,324,872.87 which amounted to 103% of the target figure of \$3,218,400.
- **Personal Income Tax** – \$3,355,384 (102%) was collected against the projection for Q4. Overall collection for the FY was \$11,905,620 which equates to 99% of the forecasted amount of \$12,057,600.
- **Withholding Tax** – \$174,733 was collected which is 91% of projected amount of \$192,000. Overall collection for the FY was \$826,139. This amount is 103% of the targeted amount of \$800,000 for the year.

### *Property Tax*

- **Property Tax** – For Q4 only \$89,544 was collected instead of the expected amount of \$314,500 this equates to 28.5% of projections. However, overall for the entire FY \$691,588 was collected and this reflected 76% of the expected amount of \$910,000. This is attributed to the issuing of the 2015 property tax bills late in the calendar year, exacerbated by the lack of an automated property tax system that can be used to include arrears on yearly bills, and generate automatic reminders during the year.

### *Taxes on Domestic Goods and Services*

- **Bank Interest Levy** – 52% this represents collection of revenues from the Commercial Banks. Government is in discussion with one of the banks regarding the outstanding sums.
- **Embarkation Tax** – Collections for the quarter amounted to \$165,435 or 136.5% of the forecasted amount of \$121,200.00. This larger than expected amount was due to the much higher than expected number of visitors during the St Patricks week of activities. Overall for the FY total collections \$449,380.00 or 115% of the expected amount of \$398,600. This higher than projected amount was as a result of the increase in visitor arrivals than expected number of visitors during the St Patrick week of activities.
- **Stamp Duty** – performance on the stream was very positive this quarter at \$124,641 or 198% of the forecast, the majority of which came from the processing of backlogged land transactions. Overall, collections for the year was \$381,506 or 91% the original estimate.
- **Insurance Company Levy** – During Q4 collections amounted to \$41,082 which is 98% of the projected amount of \$41,900. The overall collection for the FY was \$205,959 which is 98% the expected amount of \$210,000.

### *Taxes on International Trade and Transactions*

- **Import Duties** – During Q4 there was a surge in imports primarily related to the St Patricks week of celebrations this resulted in collections of \$1,584,858 or 126% of forecasted amount of \$1,260,000. Overall collection of \$6,328,208 for the year was 105% of the forecasted amount of \$6,050,000.
- **Customs Processing Fee** – Collection for the last quarter amounted to \$233,469 which is 92% of the expected amount of \$253,000. Overall collection for the FY amounted to \$1,058,094 which is 116% of the expected amount of \$910,000. This stream performed better than expected due in part to the direct relationship with concessions granted. The number and value of concession granted was higher the average this year. The increase was seen throughout the FY.
- **Consumption Tax** – For the last quarter \$2,558,568 was collected and this translates to 93% of the amount of \$2,766,000 which was forecasted. Overall for the year total collections were \$10,998,189 or 97% of the expected amount of \$11,326,300. Collections in consumption tax recovered in the last quarter from the end of Q3 when it was projected that over all collection would be reduced to about

92% of what was originally projected. A general increase in alcohol and poultry products was observed for the St Patricks celebrations.

### Arrears of Taxes

2.11. A target of \$0.97 million was set for the collection of taxes in arrears for the fiscal year. This amount was spread over in Income Tax \$600k, Company Tax \$90k and Property Tax \$280k.

**Table 2.3 Arrears of Taxes**

Classification	Budget Estimates	Revised Estimates	Actuals	% Actuals/ Budget	Q4 Projections	Q4 Actuals	% Actuals/ Projections
Company Tax	90,000	90,000	42,877	48%	12,000	21,995	183%
Income Tax	600,000	600,000	391,258	65%	100,000	79,732	80%
Property Tax	280,000	280,000	199,929	71%	-	47,319	-
<b>Totals</b>	<b>970,000</b>	<b>600,700</b>	<b>634,064</b>	<b>65%</b>	<b>112,000</b>	<b>149,046</b>	<b>133%</b>

- **Company Tax Arrears** – Quarter 4 payments of company tax arrears exceeded expectations resulting in 183% collections for the period. It was expected that we would have collected \$12,000 but we collected \$21,995. Despite the Q4 surge the overall collection for the entire FY was only \$42,877 or 48% of the expected \$90,000. This low collections rate continues to be as a result of higher priority being placed on ensuring the collections of current taxes. With reduced economic activity most entities are reporting difficulties in honouring it difficult to honour their commitment to reduce their arrears
- **Income Tax Arrears** – For Q4 collections amounted to 85% of \$85,471 of the projected amount of \$100,000. This was in keeping with the low collections throughout the year. For the entire FY total collections were \$391,258 or 65% of the projected amount of \$600,000. A number of taxpayers who are in arrears and have entered into written agreements with the government have found it difficult to honour their commitment to reduce their arrears. This is due in part to reduced economic activity, where most are self-employed persons.
- **Property Tax Arrears** – During the last quarter \$58,172 was collected and this was only 71% of the expected amount of \$81,300. Total collection for the year was similar to quarterly trend which is 71%- Actual amounts collected were \$199,929 instead of the projected amount of \$280,000.

### Non-tax revenue

**Table 2.4 Non-tax revenue for fiscal year and Qtr. 4**

Revenue Stream	Estimates	Actuals	% Actuals/ Projections	Q4 Projections	Q4 Actuals	% Actuals/ Estimates
Licenses	4,075,600	2,631,951	65%	839,598	894,297	107%
Fees, Fines and Permits	1,838,400	1,905,263	104%	603,777	685,401	114%
Rents, Interest and Dividends	689,500	904,107	131%	180,733	109,889	61%
Reimbursements	985,000	1,146,320	116%	22,800	128,332	563%
Budgetary Assistance	79,680,000	75,929,259	95%	-	-	-
Other Revenue	2,572,900	2,033,779	79%	653,461	522,505	80%
<b>Total</b>	<b>89,841,400</b>	<b>84,550,679</b>	<b>94%</b>	<b>2,300,369</b>	<b>2,340,423</b>	<b>102%</b>

2.12. Local non-tax revenue streams performed quite well during the last quarter producing 102% of their target for the quarter. This is mainly due to collection of repayments to the medical referral assistance scheme. No Budgetary Assistance was expected this quarter in accordance with the new 3-tranche protocol. Locally, Royalties from Sanding continued to yield above expectation in the Rents, Interest and Dividends subcategory.

### *Licenses*

- **Landholding Licence** – This stream realised \$45,905 for quarter 4 (131% of the target). The appointment of the Acting Registrar of Lands has allowed for the processing of a number of backlogged applications, leading to this positive performance. Overall collections for the year was \$187,126 or 62%.
- **Driver's Licenses** – collections for the quarter reached \$102,487 or 133% of projections. Overall for the year collections stand at \$374,167 or 103% of the year's target.
- **Motor Vehicle Licenses** – collections have again been below expectations this quarter (\$313,738 or 101%). The overall collection for the year was \$1,132,783 or 99%.
- **Telecommunication Licence** – collections for the quarter were only \$348,062 or 86% against projections. The overall intake for the year stands at \$790,080 or 37% of the original estimate.

### *Fees, Fines and Permits*

- **Consular Fees** – are the fees charged for the processing of Consular applications which include BOTC Passports, Naturalisation and Registration as BOTC, Permanent Residence, Economic Residence, Belonger Status and Special Marriage Licenses. Total collection recorded for the year were \$208,970, this was a 42% decrease on receipts for 2014-15. This decrease was largely due to the deferred processing of Permanent Residence and Naturalisation applications to allow for the implementation of the new Passport System. The implementation of the new Passport System was successful. However, its implementation impacted negatively on revenue collections from the processing of Permanent Residence and Naturalisation applications. The requirement to implement the new Passport system came as a result of the UK Government introducing a new UK passport design for both British and British Overseas Territory electronic passports with improved security measures. Revenue from this backlog is expected to be realised in the first 2 quarters of 2016-17.
- **Custom Officers Fees** – For Q4 the amounts collected equates to 175% of the projected amount; that is \$65,475 was collected instead of the expected amount of \$37,500. The main reason for the high rate of collection of "After Hour Fees" is because of the consistent higher than expected levels of mining export from Plymouth. Total collection for the FY was \$240,365 or 160% of the \$150,000 amount forecasted for the FY.
- Strong performances were observed for the following Fees, Fines and Permits during quarter 4: Broadcasting Fees \$63.7k, 135%; Company Registration \$62.1k, no projections; Trademarks and Patents \$57.8k, no projections; Registration of Titles \$51.1k, 182%; Work Permits \$63.9k, 170%

### *Rents, Interest and Dividends*

- **Rents, Interests and Dividends** included a significant collection of arrears for Royalties from Mining and Quarrying. Royalties for Mining Export – Amounts collected for Royalties for the last quarter equated to 199% or \$99,435 in comparison to the \$50,000 that was projected. The amount was consistent with collections for the previous two quarters. The amount collected at the end of the FY was \$527,490 instead the \$200,000 which is 264% of amount forecasted. The amounts collected were for exports in the FY and just over \$180,000 of the amounts posted were arrears from exports in the previous FY. There were no major disruptions in export mining products from Plymouth during the year.

### *Reimbursements*

- At the end of the year overall collections from this stream stands at \$1,146,320 or 116% of its original target of \$985,000. In quarter 4 this revenue stream drew in \$128,332, 563% against the forecast of \$22,800. This came mainly from repayments (\$80,621) to the medical referrals scheme.

### Other Revenue

- **Port Authority Principle #1 SFR-ORM** – Receipts total \$ 119,748 for the quarter or 124% of the projection for the quarter. Overall receipts totalled \$432,003 or 112% against the budgeted amount. This stream represents a pass through payment in which the Montserrat Port Authority compensates government for servicing its loan with the Caribbean Development Bank for Port Plymouth.
- **Plant & Workshop** – Collections for the year only reached \$148,410 or 16% of the year’s target. This is a direct result of lower economic activity, especially in the construction sector which has been driven by government’s capital programme.
- **Hospital Receipts** – During the quarter the revenue collections (\$110,072, 117%) were much better than projected. It should be noted that fees for the storage of deceased persons contributed significantly to this outturn, as well as, an increase in the number of persons requiring pharmaceuticals. For the Financial year 2016-17 the department collected \$423,271 or 13% over the estimated revenue for Hospital receipts.

### Montserrat Customs and Revenue Service

2.13. At the end of the 4<sup>th</sup> quarter the MCRS was able to collect 99.8% of the overall amount forecasted for that period. This turned out to be better than expected even with the expected low collection for the arrears accounts, company tax and property tax. We observed better than expected collections of Embarkation Tax, Royalties and Import Duties. Total forecasted for Q4 was \$9,520,784 actual amount collected was \$9,745,100, which equates to about 102%.

2.14. For the 2015-16 year on aggregate the MCRS met its target for collection of taxes and fees administer by it. Total collection (\$37,253,356) just exceeded the projected amount of \$37,240,500 by or \$12,856.

### Budgetary Assistance

2.15. The table below shows how Budgetary Assistance revenues have contributed to the GoM’s spending and the projected contributions over the last half of the year.

**Table 2.5 Breakdown of Budget Aid**

SPENT/PROJECTED	Approved	Q1	Q2	Q3	Q4	Total	Var
<b>General Budget Support</b>	59,924,400	19,516,442	4,943,093	21,705,693	14,088,368	<b>60,253,596</b>	329,196
<b>Transport Access Subsidy</b>	6,125,600	1,303,543	1,212,446	1,192,368	1,423,582	<b>5,131,939</b>	(993,661)
<b>Capacity building (LTTC)</b>	900,000	78,302	135,242	268,075	379,350	<b>860,969</b>	(39,031)
<b>Capacity building (ACTS)</b>	1,680,000	61,029	898,952	416,088	36,803	<b>1,412,872</b>	(267,128)
<b>Short Term Technical Cooperation (STTC)</b>	2,600,000	405,009	403,526	542,965	951,827	<b>2,303,327</b>	(296,673)
<b>Small Capital Asset Fund</b>	1,800,000	-	257,598	592,400	950,000	<b>1,799,998</b>	(2)
<b>Healthcare Improvement (Recurrent)</b>	1,060,000	61,303	110,685	24,900	400,901	<b>597,789</b>	(462,211)
<b>Healthcare Improvement (Capital)</b>	3,090,000	349,892	80,846	627,439	824,898	<b>1,883,075</b>	(1,206,925)
<b>Contingency Fund 1 (Child Safeguarding)</b>	1,000,000	-	10,211	214,800	602,516	<b>827,527</b>	(172,473)
<b>Contingency Fund 2 (Main)</b>	1,500,000	-	53,466	-	275,295	<b>328,761</b>	(1,171,239)
	<b>79,680,000</b>	<b>21,834,311</b>	<b>8,432,570</b>	<b>25,600,641</b>	<b>20,061,737</b>	<b>75,929,259</b>	<b>(3,750,741)</b>

2.16. Table 2.6 gives a summary view of aid claimed, the amount sent by DFID and the amount GoM actually received by GoM. Overall, GoM has lost \$3.75 million due the exchange rate differences.

**Table 2.6**

	Budget	Tranche 1	Tranche 2	Tranche 3	Total Transfers	Surplus/ (Shortfall)
<b>Claim Amount</b>	79,680,000.00	30,936,100.00	13,123,400.00	33,329,533.00	<b>77,389,033.00</b>	(2,290,967.00)
<b>GBP Sent</b>	19,200,000.00	7,436,580.00	3,183,591.00	8,262,769.00	<b>18,882,940.00</b>	(317,060.00)
<b>XCD Received</b>	<b>79,680,000.00</b>	<b>30,266,880.60</b>	<b>12,836,875.63</b>	<b>32,825,502.41</b>	<b>75,929,258.64</b>	<b>(3,750,741.36)</b>

Gain/(Loss)	-	(669,219.40)	(286,523.19)	(504,030.59)	(1,459,774.36)	(1,459,774.36)
-------------	---	--------------	--------------	--------------	----------------	----------------

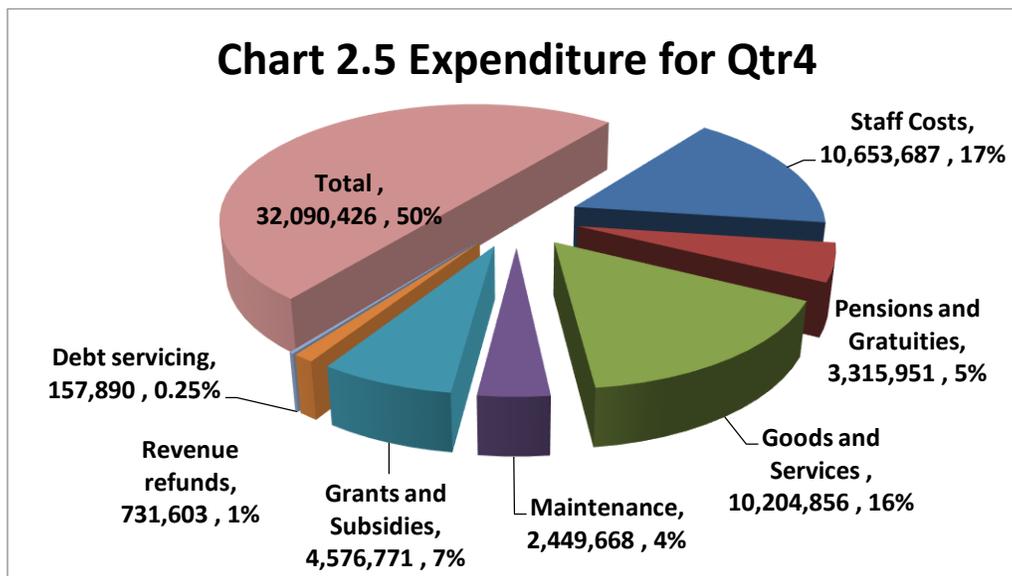
### Capital Grants/Revenue

2.17. GoM's capital accounts operate on an accrual basis unlike the recurrent accounts allowing for the rolling forward of unexpended funds. This accounts for the disparity between capital receipts and spending. Actual capital grants claimed/received by GoM during quarter 4 amounted to \$12.7 million with total receipts for the year totalling \$26.26 million.

### Expenditure

#### Current Expenditure

2.18. Total expenditure in the 4<sup>th</sup> quarter was \$32.1 million, only 4% below the projections for the quarter. It should be noted that projections for the quarter were more conservative than usual coming from actual shortfalls in budget aid and anticipated shortfalls in local revenues. The local revenues exceeded the expectations though This underspend was chiefly observed in the Transfers and Subsidies as well as the Salaries categories.



2.19. Table 2.7 below shows the spending against projections for the major expenditure categories.

**Table 2.7: Expenditure for fiscal year and Qtr. 4**

Classification	Estimates	Actuals	% Actuals/ Projections	Q4 Projections	Q4 Actuals	% Actuals/ Estimates
Salaries	(36,242,300)	(35,006,481)	97%	(9,554,475)	(8,754,939)	92%
Wages	(619,800)	(538,583)	87%	(199,596)	(140,882)	71%
Allowances	(6,664,600)	(6,234,269)	94%	(1,782,365)	(1,757,866)	99%
Pensions and Gratuities	(12,525,400)	(12,054,603)	96%	(3,367,875)	(3,315,951)	98%
Use of Goods and Services	(33,458,100)	(29,921,173)	89%	(9,822,282)	(9,966,054)	101%
Transfers and Subsidies	(23,924,700)	(23,043,708)	96%	(6,377,030)	(4,576,771)	72%
Social Benefits	(4,595,100)	(4,505,043)	98%	(1,105,435)	(1,399,273)	127%
Revenue refunds	(1,504,800)	(1,483,815)	99%	(476,942)	(731,603)	153%
Other Expenditure	(2,677,900)	(2,376,019)	89%	(665,126)	(1,289,196)	194%
Debt servicing	(637,700)	(636,802)	100%	(156,750)	(157,890)	101%
<b>Total</b>	<b>(122,850,400)</b>	<b>(115,800,495)</b>	<b>94%</b>	<b>(33,507,876)</b>	<b>(32,090,426)</b>	<b>96%</b>

2.20. The fixed components of expenditure for the quarter are staff costs 33%, pensions and gratuities 10% and debt servicing 0.49%, which collectively accounted for 43.5% of the spending for the quarter.

2.21. **Salaries** – to cover costs of permanent, temporary and contract personnel was forecasted to be \$9.55 million for the quarter, only \$8.75 million or 92% was spent. The variance was mainly due to unfilled vacancies during the quarter.

2.22. **Allowances** – these are provisions made for GoM’s employees. Thus, unspent amounts were in part due to unfilled posts and pending approvals for persons in post. An amount of \$1.78 million was projected of which 99% (\$1.76 million) was spent.

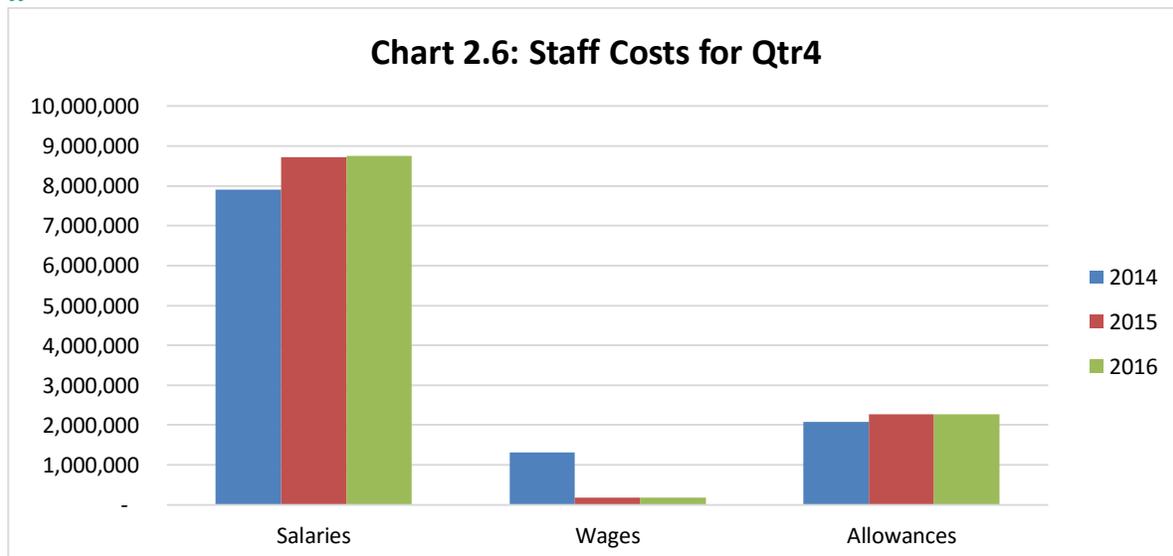
### Key Expenditure Lines

2.23. Table 2.8 below shows key spending lines. Not every spending line has performed exactly as expected. Taken together, the variances fall within acceptable margins.

**Table 2.8: Key Recurrent Spending for fiscal year and Qtr. 4**

Expenditure Line	Estimates	Actuals	% Actuals/ Projections	Q4 Projections	Q4 Actuals	% Actuals/ Estimates
Salaries	37,567,300	35,006,481	93%	9,533,834	8,754,939	92%
Wages	655,600	538,583	82%	193,146	140,882	73%
Allowances	6,925,200	6,234,269	90%	1,770,892	1,757,866	99%
Pensions and Gratuities	12,973,900	12,072,642	93%	3,370,225	3,333,990	99%
Utilities	3,271,900	2,555,409	78%	994,925	797,692	80%
Furniture Equipment and Resources	5,627,900	4,556,079	81%	2,348,446	2,569,832	109%
Maintenance Services	7,340,500	6,995,208	95%	1,583,346	2,461,739	155%
Professional Services and Fees	8,652,400	6,680,900	77%	2,775,247	1,674,441	60%
Training	2,553,200	2,535,344	99%	329,831	580,451	176%
Grants & Contributions	6,968,900	6,765,625	97%	1,533,333	2,139,265	140%
Subventions	17,695,600	16,286,446	92%	4,380,297	2,445,868	56%
Social Protection	4,386,800	4,262,742	97%	1,457,866	1,264,616	87%
Revenue refunds	1,505,500	1,483,815	99%	476,942	731,603	153%
Debt Servicing - Domestic	3,500	2,787	80%	950	143	15%
Debt Servicing - Foreign	502,000	501,664	100%	125,500	125,416	100%
Debt Servicing - Interest	138,000	132,352	96%	30,300	32,332	107%
<b>Total</b>	<b>116,768,200</b>	<b>106,610,345</b>	<b>91%</b>	<b>30,905,080</b>	<b>28,811,075</b>	<b>93%</b>

### Staff costs



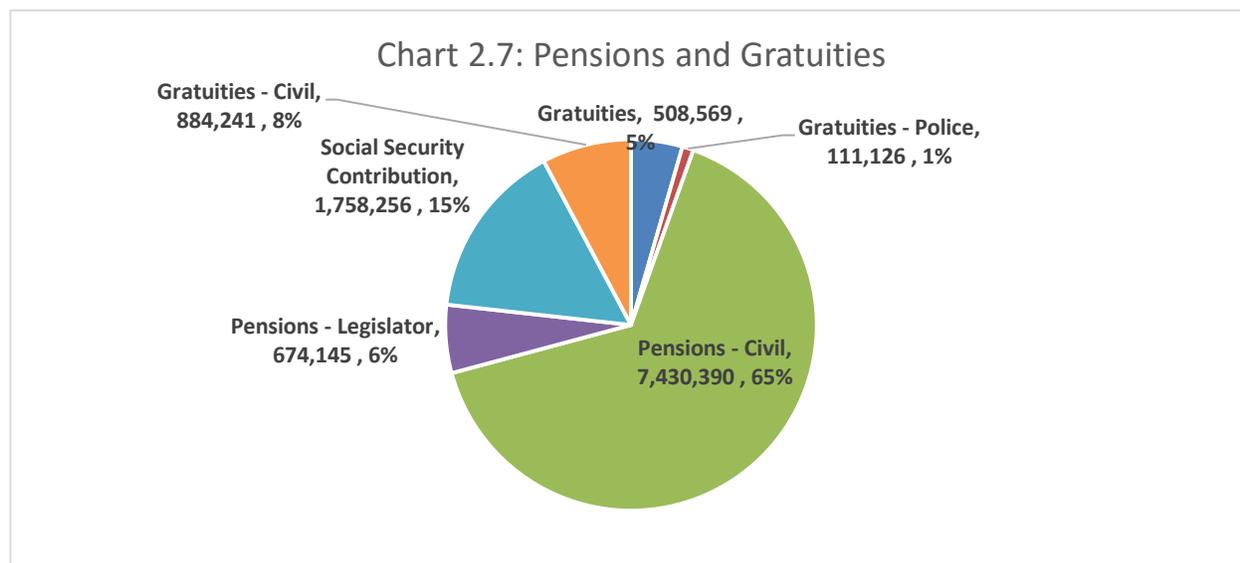
2.24. Staff costs include the salaries and allowances of permanent staff, temporary staff and contractors. Staff costs are the net direct cost to the government of employing staff in the public sector for the delivery of front line services. The net cost does not include social security contributions and pension costs; these are discussed below.

2.25. The table below presents summary information on the **Head Count** as at 31 March 2016:

**Table 2.9: Head Count**

Head Count (FTE)	No of Funded Vacancies	No of Unfunded Posts	Total No of Approved Posts
857	46	31	965
<b>Breakdown of Head Count</b>			
Permanent – 679 (79%);		Short-term – 66 (8%);	
Fixed-term/Contract – 88 (10%);		Wages/non-established – 24 (3%)	

*Pensions, Gratuities and Other Benefits*



2.26. Under the Government Pensions Scheme, Pensionable Officers are eligible for Pension Benefits and other Benefits. Pension Benefits are paid upon Normal Retirement, Early Retirement and Medical Retirement. Other Benefits include the Early Exit Benefit for 10 years or more service and Death Benefit where an officer dies while in the service.

2.27. Pensions include monthly payments made to pensioners both local and overseas. Gratuities are made up of one off lump-sum payments comprising: Commuted Gratuity Payments to new retirees; Early Exit Benefits to officers who resign with ten or more years of service; and Contract Gratuity. Social Security Contributions represent Employer Contributions paid to the Montserrat Social Security Fund in respect of all employees and Contract Officers.

2.28. The 2015-16 allocation for Pensions & Gratuities was \$11,996,800 and actual expenditure totalled \$11,574,779, leaving \$422,021 unspent. Approximately \$300,000 of this is made up of unclaimed pension benefits from previous years. Another \$118,300 was for gratuities which became due to 5 retirees (3 Commuted Gratuities and 2 Early Exit lump-sum benefits), but for which processing could not be

completed before the end of the fiscal year. The gratuity payments will be absorbed in the 2016-17 budget and will be paid in quarter 1.

### *Use of goods and services*

2.29. Goods and services were purchased to meet operational requirements. This included the maintenance of public sector buildings, maintenance of the road network, materials for schools and medicines, as well as administrative costs, such as rent and utilities. The total value of goods and services purchased was \$7.73 million (26% of the total expenditure).

### Small Capital Asset Fund (SCAF)

2.30. DFID in collaboration with Ministry of Finance and Economic Management has accepted that there is a need for a fund to purchase various pieces of equipment required by Ministries and Departments on an annual basis. These items are too expensive to be considered as recurrent costs, but too small to be considered a major capital project.

2.31. Funds totalling \$1.8m has therefore been made available for this financial year to meet that requirement. Protocols have been agreed and guidelines provided for accessing and utilising and reporting on the use of the funds.

2.32. A small Capital Asset Fund Committee has been set up to assess, review and recommend suitable projects to the Financial Secretary for approval.

### *Submitted Projects*

2.33. The following projects have received approval for funding during the fiscal year 2015-16. Some projects were rolled over from 2014/15 due to a failure to implement as a result of the of the protracted procurement process at the time. Funds were ring-fenced and permission was granted for these projects to be implemented within this fiscal year of 2015/16. Below is an update on each project to date.

- **Equipment for Glendon Hospital (\$250,000)**

Purchase of equipment for the hospital which will complement the equipment purchased under the Hospital Redevelopment project. The equipment under this project cannot be accommodated under the Hospital Redevelopment project. The project was successfully completed at the end of the 4th quarter, the full budget was expended.

- **Verge Cutter (MCW) (\$210,000)**

This project allowed for the purchase of a verge cutter to help maintain the vegetation along Montserrat main and secondary road network. This allows for increased visibility in all areas, as Montserrat it's famous for its blind corners. The project has completed implementation; with delivery of the Verge Cutter in December 2015. The final payment to supplier was made in January.

- **Hydraulic Hose (MCW) (\$141,750)**

This is to allow for the increasing the quality of service offered by the PWD Workshop in improving the efficiency and maintenance of heavy equipment and machinery in both the private and public sector. The tender for the project came in significantly below its original \$230,000 budget. The project has been completed and all funds expended.

- **Equipment for MSS (Ministry of Education) (\$71,940)**

This project allowed for the purchase of computers for various IT school labs across the Secondary and Primary schools. The project was completed in the 4<sup>th</sup> quarter and the full budget expended.

- **Laboratory Equipment (MCW) (\$147,00)**

This project provided necessary equipment to the PWD Laboratory that will allow the Ministry to continue to earn revenue, as a result of their laboratory testing services to the public. Project was successfully completed during the 4<sup>th</sup> quarter.

- **ETD Equipment (MCW&L) (\$131,275)**

This project involved the acquisition of an Electronic Trace Detector (ETD) device which is capable of detecting prohibited substances and explosive materials. This piece of equipment will be used to enhance the security system at the John A. Osborne Airport. The procurement process was completed and the tender came in below the original budget of \$175,000. The project was completed during the 4<sup>th</sup> quarter.

**The following project proposals were received and approved in 2015-16 with the balance of the funds remaining after the ring-fenced projects were deducted.**

- **Purchase of Safety Equipment (RMPS) (\$87,300)**

This project involves the purchase of safety equipment for the Royal Montserrat Fire Service. This project was not completed and no funds were expected as the procurement process was not completed.

- **Acquisition of Milling Machine (MCWL) (\$215,000)**

This project relates to the purchasing of a Milling Machine for the MCWL. The project has not yet been tendered but is forecasted to complete spending by end of 4<sup>th</sup> quarter. The funds for this project were withdrawn to accommodate expenditure on the furnishing of the MCRS building. This project will be considered for funding in 2016/17. The funds from this project will be re-allocated to the **Furnishing MCRS Building Project**.

- **Provision of Musical Instruments for MSS (\$111,000)**

The purpose of this project is to partially outfit the MSS school with the necessary equipment to get the musical curriculum started. Project was completed successfully and the entirety of the funds expended.

- **Purchase of essential Furniture for Schools (\$102,000)**

This project focuses on the provision of new furniture to equip school across the island, as most of the furniture that is being used by the students is in poor condition and require immediate replacement. This project was unsuccessful as the procurement process was not completed.

- **Equipment & Furniture for ODG Satellite Departments (\$39,100)**

This project was to provide necessary equipment for satellite departments of ODG including Prison, Defence force, DMCA. The project was completed during the end of the 4<sup>th</sup> quarter.

- **Provision of Fire Tenders (\$260,000)**

This project was for the provision of new fire tenders for the Montserrat Fire Service as the ones currently in operation are in extremely poor shape. This project was approved under the SCAF when it was a development project and not under the recurrent. EC\$301,000 was ring-fenced under that project for the purchase of the fire tenders, for use even after the SCAF was moved to the recurrent budget. Issues with procurement agents Crown Agents saw the implementation of

the project severely delayed. The project is now ready for implementation but the funds ring-fenced are no longer enough to cover the project. Therefore, \$260,000 has been taken from the SCAF recurrent funds to ensure the speedy implementation of this critical project. The Generator Project funds were re-allocated to the project due to extremely slow project implementation by the responsible Ministry. All funds under this project were spent in 3<sup>rd</sup> quarter.

#### Budget & Expenditure

2.34. Total funds allocated to date equals **\$1,800,000** with allowance made for projects that may come in above or below their allocated budgets. To date total expenditure from the Small Capital Asset fund amounted to **\$1,630,892**. The balance left unspent was due to the non-performance of the Fire Safety Equipment Project and the Purchase of essential Furniture for Schools Project.

#### The Technical Cooperation Programme

2.35. The Government of Montserrat has agreed a programme of technical cooperation (TC) with our main donor agency DFID. This support is available in the form of personnel, technical advice, training scholarships and research. TC is provided where these needs cannot be fully met from local resources and human capacity. The TC is intended to help GoM achieve its policy priorities and facilitate a measurable element of skills transfer to local staff.

2.36. **Recruitment Plan:** Some 46 TC posts have been agreed of which 21 are long-term TC (LTTC) and 25 are short-term TC (STTC). To date, the recruitment process has been completed for 10 LTTC and 9 STTC posts. Filling some of the named TC posts have been challenging and has been protracted due to several reasons, to include administrative delays in the internal recruitment processes, staffing and capacity issues within HRMU as well as the on-boarding policy (more specifically: the payment of shipping costs and size restrictions on the shipping container). The experience has demonstrated the need for the review of the GoM recruitment and on-boarding policy as well as undertake some re-engineering of the processes.

2.37. **Financial Summary:** A total budget of \$3,360,000 was approved in the Budget for the 2015-16 Fiscal Year. As at 31 December 2015, a total of \$1,560,847 has been spent (see Table 2.11).

**Table 2.11 Technical Cooperation**

Description	Approved Budget	Q1	Q2	Q3	Q4	Total	Var
Short-term TC	2,550,000	405,009	403,526	257,091	253,748	1,319,374	(1,230,626)
Long-term TC	810,000	78,302	135,242	221,036	183,215	<b>617,795</b>	<b>(192,205)</b>
Total	<b>\$3,360,000</b>	<b>483,311</b>	<b>538,768</b>	<b>478,127</b>	<b>436,963</b>	<b>1,937,169</b>	<b>(1,422,831)</b>

#### GoM Capacity Development Programme (previously Annual Country Training Scheme)

2.38. Long-term training requests are funded under the GoM Capacity Development Programme, also referred to as Annual Country Training Scheme (ACTS). The award of scholarships is based on the long-term Learning and Development Priority List approved by Cabinet (Appendix G), which name the training areas for the award of scholarships.

2.39. The training budget for 2015-16 covered living expenses, tuition, economic cost, airfare, accommodation and miscellaneous fee of 26 awards for the period of April 2015 to March 2016. Of the 26 awards, 15 are continuing from the academic year 2014-15 and beyond. 11 new awards were granted

for the academic year 2015-16. Funding for 2 (highlighted for ease of identification) of these awards were made possible under the Capacity Development Fund Programme (CDF) and from the Ministry of Education's funding allocation for 2015-16.

2.40. The areas for scholarship awards for 2015-16 are shown in the table below. Table 2.12.

**Table 2.12 ACTS**

No	Programme	Duration	End Date	2015-16 Cost
1	BSc Environmental Health Management	4 years	Dec-2015	24,224.12
2	BSc Land Surveying	3 years	Jul-2016	103,123.24
3	BSc Social Statistics	3 years	Jul-2016	56,332.04
4	BSc in Geology	3 years	Jul-2016	129,015.19
5	BSc Computer Science	3 years	Jul-2016	50,510.82
6	Registered Nurse/General Nursing	2 years	Jul-2016	58,788.32
7	BSc Structural Engineering	3 years	Jul-2017	9,486.18
8	MBBS Medicine & Surgery	5 years	Jul-2017	58,888.96
9	BSc in Geology	4 years	Jul-2017	94,058.62
10	BA Literatures in English	4 years	Jul-2017	59,207.40
11	BSc Social Work	3 years	Jul-2017	59,387.16
12	BSc Geology	3 years	Jul-2017	50,555.94
13	BSc Social Statistics	3 years	Jul-2017	59,546.02
14	BSc Economics & Accounting	3 years	Jul-2017	61,527.80
15	Legal Education Certificate	2 years	Jul-2017	46,589.50
16	BSc Mathematics with teacher training	4 years	Jul-2018	85,561.35
17	BSc Construction Management	4 years	Jul-2018	97,210.21
18	BSc Geography/Social Studies	3 years	Jul-2018	68,227.89
19	BSc Education Management	3 years	Jul-2018	69,204.67
20	BSc Mathematics with Teacher Training	3 years	Jul-2018	7,776.00
21	BA Literatures in English	4 years	Jul-2019	57,519.62
22	Diagnostic Imaging (Radiology/Radiography)	4 years	Jul-2019	77,723.84
23	MBBS (Medicine & Surgery)	4 years	Jul-2019	93,186.13
24	MBBS (Medicine & Surgery)	4 years	Jul-2019	73,087.83
25	Land Surveying & Geographic Information Sciences	4 years	Jul-2019	81,670.53
26	BSc in Food Science	4 years	Jul-2019	42,352.89
			<b>Total</b>	<b>1,674,762.31</b>

2.41. A total of around \$1.55 million has been spent to date to cover the cost of tuition, airfare, accommodation and subsistence. The table below shows the actual forecasted expenditure by quarter.

**Table 2.13: ACTS**

ACTS		Q1	Q2	Q3	Q4	Total
	Forecast	90,000	1,100,000	445,000	140,000	1,775,000
Actual	61,029	898,952	416,088	36,803	1,412,872	

2.42. A total of budget of \$679,100 was allocated to finance the award of new scholarships, while \$1,104,000 has been spent to date on the continuing scholarships.

## Mandatory Training

2.43. This covers training for Airport, Fire, Physical Planning Unit (PPU), Montserrat Customs & Revenue Services (MCRS), Internal Audit and Police. The tables below show the financial allocations by department and the training that has taken place for the year.

**Table 2.14: Mandatory Training Cost by Department**

Department	Expenditure
<b>Physical Planning/L&amp;S</b>	\$ 27,910.09
<b>Customs</b>	\$ 60,591.97
<b>Fire</b>	\$ 23,362.93
<b>Airport</b>	\$ 36,417.99
<b>Police</b>	\$ 44,197.81
<b>Internal Audit</b>	\$ 11,372.18
<b>TOTAL</b>	<b>\$ 203,852.97</b>

**Table 2.15: Course Breakdown of Mandatory Training by Department**

Department	Name Of Training	Month/Location	Amount
<b>PPU</b>	Health & Safety at Work	August/UK	13,571.22
<b>PPU</b>	Control & Instrumentation Course	Oct/UK	14,338.87
			<b>27,910.09</b>
<b>MCRS</b>	Senior Customs Officer Training	Aug/Jamaica	18,752.76
<b>MCRS</b>	Training done in 2014/15 FY (air ticket)	Feb/	498.70
<b>MCRS</b>	Basic Customs officer Training Course	13 Feb-12 Mar 2016 - Dominica	12,150.40
<b>MCRS</b>	BSc Programme at UWIDEC		3,888.00
<b>MCRS</b>	Certificate in Ant-Corruption	Feb/Mar 2016 - UK	25,111.61
			<b>60,401.47</b>
<b>FIRE</b>	Junior Officer Leadership Academy Training	May/Santo Domingo	9,482.93
<b>FIRE</b>	Crew Commander revalidation course	Feb/UK	3,680.00
<b>Fire</b>	In House - EMS Fire Training	Sep/Local	10,200.00
			<b>23,362.93</b>
<b>Airport</b>	ICAO Aviation Security Instructors Course	May/T&T	9,965.14
<b>Airport</b>	Effective Shift Supervision/on the Job and introduction to Instructing Technique	Aug/T&T	10,023.82
<b>Airport</b>	Entry level meteorological Technician's Course	Aug/Barbados	2,377.40
<b>Airport</b>	ICAO Aviation Security Instructors Course	Sep/Miami	10,766.63
<b>Airport</b>	Aerodrome/Approach Control Diploma	Sep/T&T	2,535.00
<b>Airport</b>		March 2016 - Antigua	750.00
			<b>36,417.99</b>
<b>Police</b>	78th Staff and Junior Command Course	Oct/Jamaica	14,366.46
<b>Police</b>	Major Investigations Core Skills Level 2 Course	Oct-Nov/Jamaica	15,753.69
<b>Police</b>	Major Investigations Core Skills Level 2 Course	Jan/Jamaica	14,077.66
			<b>44,197.81</b>

## Short Courses & Attachments - Ministry/Department Allocation

2.44. Ministries/Departments are allocated specific amounts to be used for Short Courses and Attachments and In-house training activities. They are encouraged as far as possible to have group trainings where more individuals can be trained and a greater benefit can be realized from the use of the funds.

2.45. Over 85 officers were able to benefit from these short courses and attachments to improve their competencies within the various Ministries/Departments. The table below highlights training that has been done for the year.

**Table 2.16: Other Departmental Training Activities**

Department	Name Of Training	Month/Location	Amount
<b>MCWL</b>	Industrial relations and Conflict Management	Miami	5,984.51
<b>MCWL</b>	Executive Assistants and PA Workshop	September/Miami	18,340.32
<b>MCWL</b>	Welding & Heavy Equipment training for Public & Private Officers	Jan-16	5,675.17
			<b>30,000.00</b>
<b>MoH&amp;SS</b>	Dental Professional Development	April/St. Lucia	4,604.04
<b>MoH&amp;SS</b>	Data Analysis Using EPI Info 7	May/Grenada	8,144.41
<b>MoH&amp;SS</b>	Cell-Dyn Ruby training	Sept-Oct 2015 Texas	543.38
<b>MoH&amp;SS</b>	Conflict Resolution	Oct-15	2,600.00
<b>MoH&amp;SS</b>	Secondment attachment	Sept-Oct-2015 UK	5,830.33
<b>MoH&amp;SS</b>	Conflict Resolution	Mar-16	1,250.00
<b>MoH&amp;SS</b>	Communication Skills	Mar - May 2016	4,500.00
<b>MoH&amp;SS</b>	Dental Auxiliary Conference	May 11-13, 2016	1,700.70
			<b>29,172.86</b>
<b>MATLHE</b>	Abattoir Management Training	June/Nevis	4,650.69
<b>MATLHE</b>	Work attachment - Antigua Land Registry	July/Nevis	7,068.18
<b>MATLHE</b>	Trade & Infrastructure Workshop	Jan 2016 - Antigua	1,464.61
<b>MATLHE</b>	Level 4 Certificate in Housing	Chartered Institution of Housing	8,010.93
			<b>21,194.41</b>
<b>MOF</b>	In-House Training - Customer Service, Work Ethics, Court Preparation, Statement Writing, Board & Rummage of vessels	July/Local	6,661.00
<b>MOF (Statistics)</b>	Balance of Payment Compilation Attachment/Training	July/St. Kitts	5,428.39
<b>MOF</b>	Directors' Education and Accreditation Programme	Oct 2016 -St. Kitts	16,421.40
			<b>28,510.79</b>
<b>OOP</b>	Migration Management and Economic Development	May/UK	8,746.23
<b>OOP</b>	Protocol and Diplomatic Training	July/UTAH	10,709.18
<b>OOP</b>	Policy Implementation & Evaluation	Feb 2016 UK	4,401.51
			<b>23,856.92</b>
<b>ODG/DMCA</b>	Annual 2015 UK Overseas Territories Disaster Management Meeting	May/Miami	496.15
<b>ODG</b>	Executive Assistants and PA Workshop	September/Miami	18,855.96
<b>ODG/DMCA</b>	9th Caribbean Conference on Disaster Management & CDM Country Audit	Dec 2015 Bahamas	4,075.36
<b>ODG/HRMU</b>	Overseas Territories Human Resource Director's Workshop	Oct-2015, UK	2,553.07
			<b>25,980.54</b>
<b>Audit</b>	In House - User Training Course	March/Online	9,665.22
			<b>9,665.22</b>
<b>MOE</b>	Scholarship Award	Sep/Local	7,776.00
<b>MOE</b>	International Institute for Education	Sep	4,574.80
			<b>12,350.80</b>

### Financial Assistance and Grants

2.46. The GoM Financial Assistance Programme for 2015-16 has contributed significantly to persons who are studying overseas and locally in various areas of specialty. The expectation is to enhance the recipient's knowledge and skills to be able to contribute to the overall development of Montserrat. Recipients have taken the initiative to self-sponsor their course and the Government of Montserrat provides this contribution as a means of financial support towards their effort.

2.47. The table following outlines the Financial Assistance granted for the year.

**Table 2.17: Financial Assistance**

No	Subject	Institution	Awards
1	Marine Navigation Technology <sup>1</sup>	Warsash Maritime Academy	28,850
2	BSc Computer Science	Mona - Jamaica	8,100
3	BSc Environmental Science	Nottingham Trent University	8,000
4	Accounting & Financial Management	UWI - Cave Hill	8,000
5	BSc Statistics	Mona - Jamaica	10,105
6	General Concentration course leading up to Civil Engineering	Bunker Hill Community College	5,100
7	Faculty of Science & Technology/Medical Sciences	Cave Hill campus	5,000
8	ASc Architectural Training/Alethic Training	College of Sequoias, USA	5,100
9	BSc Public Sector Management	UWI, St Augustine	5,000
10	BSc Banking and Finance	UWI, Mona Campus	5,000
11	BSc Management-International Business/Minor in Economics	UWI, Cave Hill	5,000
12	BA International Business & Management	Bournemouth University, UK	5,100
13	Architecture	UTECH	5,000
14	BSc Architecture	UTECH	5,100
15	BSc Criminal Justice	Monroe College - St. Lucia	5,000
16	Distance Education Students	UWI Open Campus	42,247
	<b>TOTAL</b>		<b>113,455</b>

2.48. The Government of Montserrat also provide financial assistance not exceeding \$50,000 as a bursary to officers within the Public Service pursuing studies with the University of the West Indies through the Open Campus of Montserrat. Where funds are available individuals within the Private Sector are also assisted.

2.49. The bursary assistance covers the cost of two new subjects per person per academic year and is paid to the Open Campus, Montserrat. Bursary for this year has been awarded to 26 persons pursuing studies in Table 2.18.

**Table 2.18: Bursaries**

No.	Entity	Area of Study
1	Audit	BSc Accounting
2	HRMU	BSc Management Studies
3	Education	BSc Management Studies
4	Education/Library	BSc Accounting
5	MOFEM/Treasury	Admin. Prof. Office Management
6	DMCA	BSc Accounting
7	Education/MSS	ASc Social Work
8	Education	Early Childhood Dev & Family Studies
9	Education/Youth & Sports	ASc Social Work
10	Youth Affairs	BSc Youth Development
11	Education/Library	ASc Social Work
12	Education/Library	M Ed Literacy Studies
13	CABSEC	BSc Management Studies
14	Health	ASc Social Work
15	MUL	BSc Management Studies
16	DPP	Asc Paralegal Studies
17	LIME	BSC Tourism & Hospitality Management
18	Audit	Asc in Administration Professional Office Management
19	Education	MSc Adult and Continuing Education
20	Police	Asc Administrative Professional Office Management
21	Post Office	Asc Paralegal Studies
22	SPCCU	BSc Social Work
23	Port Authority	BSc Management Studies(Human Resource Management)
24	Umpire	BSc Accounting
25	Education	BSc Psychology
26	MUL	BSc in Psychology

<sup>1</sup> Cabinet approved the grant of full bursary to this candidate. By virtue of his performance, the said candidate received part funding from the Institution, hence the reduced amount shown in this report.

### Core Skills Development - In-Service Calendar Activities

2.50. The learning and development priority areas for the In-service Calendar for 2015-16 were identified and approximately 140 persons benefited from these trainings.

2.51. The Training Activities facilitated are shown in the table below:

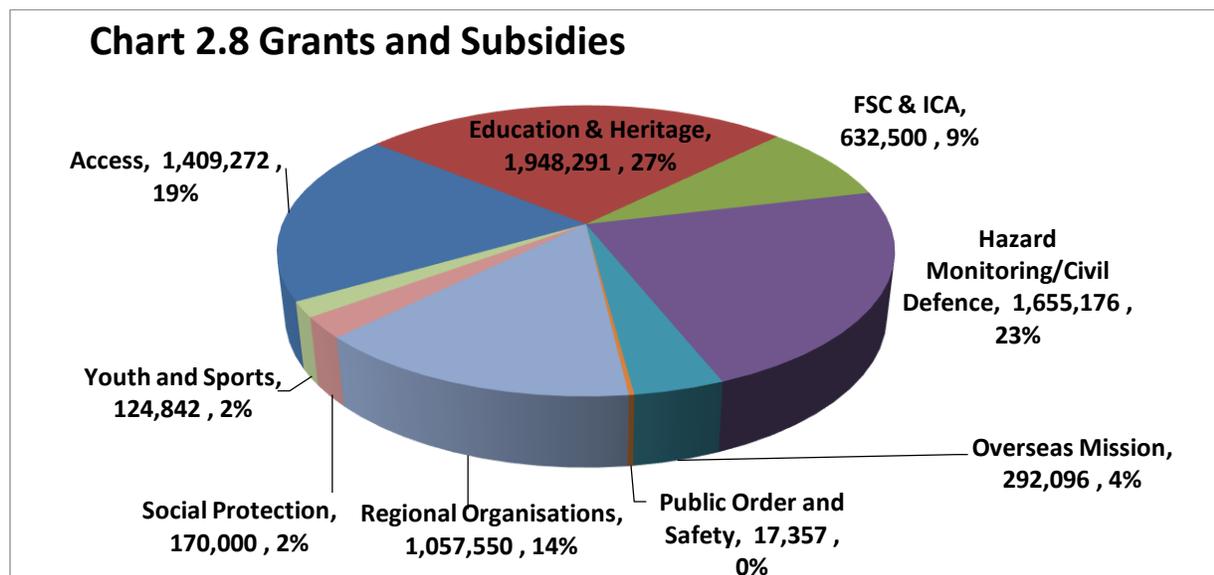
**Table 2.19: In-Service Training**

Training Area	Month	Cost
Performance Management Training	May 2015	3,160
Workplace Ethics Training Workshop	Jun 2015	6,310
Administration Charges & Invigilation fees for ACCA Exam - 2 persons	Jul 2015	300
Writing Effective Performance Objectives	Mar 2016	3,160
TOTAL		<b>12,470</b>

### Maintenance of Public Assets

2.52. Government's spending on maintenance for quarter 4 was \$2.55 million (161% of its forecast). Spending on key maintenance categories was as follows: Buildings \$266,421, 10.5%; Roads and Bridges \$734,406, 28.86%; Office Equipment \$287,509, 11.3%; Mechanical Spares \$359,319, 14.12%; Vehicles & Heavy Equipment \$320,651, 12.6%. Overall maintenance spending for the year was \$6.99 million (94% of the revised budget \$7,340,500 or 101% of the original \$6,933,200). Spending on key maintenance categories was as follows: Buildings \$1,051,729, 15%; Roads and Bridges \$2,579,151, 36.9%; Office Equipment \$656,831, 9.4%; Vehicles & Heavy Equipment \$656,023, 9.4%. Appendix D sets out maintenance expenditure by ministry and type both for quarter 4 and the fiscal year up to 31st March 2016.

### Grants and subsidies



2.53. The central government makes grant and subsidy payments to regional institutions, private sector and non-governmental organisations as well as some statutory bodies to deliver public services or to facilitate their delivery. Payments of this nature are usually given to support on-going services; they can

also be for the creation of new assets. Total grants and subsidies were \$7.31 million (Chart 2.6), 8.1% of spending for the period.

### Access Subsidy

2.54. A six-day week ferry operation was introduced in December; this was extended until the 19<sup>th</sup> January to accommodate returning passengers who came for the Christmas Season/Festival. We then introduced a four day a week service from the 20<sup>th</sup> January to the 28<sup>th</sup> February. In the anticipation of increased visitor's numbers for St Patrick's week of activities, a six day a week service was repeated from the 1<sup>st</sup> March to the 31<sup>st</sup> March.

2.55. For this quarter the ferry service was suspended for a total of ten days due to rough seas at Little Bay. On the 12<sup>th</sup> January, eight charter flights were operated by SVG and Fly Montserrat to transport sixty (60) passengers who had connecting flights from Antigua. The aggregated total cost for these charters were approximately \$27,000. As these passengers were already checked in on the ferry, their tickets were honoured by the airlines.

2.56. On the 21<sup>st</sup> March 2015, because of rough seas at Little Bay, eight charter flights had to be arranged from Montserrat to take approximately sixty-five (65) passengers to Antigua, the majority of these passengers had connecting flights on the same day to North America and the United Kingdom. The charters were operated by Fly Montserrat with six (6) charters and SVG with two (2) charters. Both airlines also operated their scheduled services on that day. Three (3) of the charters were subsidised by the GOM as these passengers were already checked in for the ferry service. This period is the first time we have had more than five days' interruption. A contingency plan is being developed to accommodate docking at Port Plymouth if seas are rough at Little Bay.

2.57. Subsidy agreements between the GOM, Fly Montserrat and SVG expired on the 31<sup>st</sup> March. Both airlines have indicated that they would like the subsidy to be continued for this financial year.

2.58. The lease for the ferry terminal in Antigua will expire on the 30<sup>th</sup> April. The owners of the building have indicated that they are willing to extend the contract for another year. Minor repairs and renovations were done inside the terminal building to accommodate Immigration, Customs and the Ferry Agent to carry out their operations was completed in this quarter. The late completion in February delayed the relocating of the various agents into the ferry terminal, this was scheduled to be completed before November last year.

2.59. There was a total of sixty-four (64) chartered days for the ferry service during the quarter. This figure was lower than the projected figure of sixty-nine (69), However, the variance between the projected figures and the actual was very low. Ninety-three percent (93%) of the target was achieved, due to the number of suspended services caused by the rough seas.

2.60. The total ferry cost for this period was \$1,846,299. The amount of \$1,341,285 represents charter hire for the vessel. Operational expenses were, \$505,014, fuel cost was \$270,312, showing an increase of \$11,774 from the same period last financial year and an increase of \$42,852 in comparison to the last quarter. Diesel price has remained relatively steady throughout the year and is calculated at \$13.00 per gallon. The increase in the total ferry cost this quarter was attributed to the additional ferry services, to include the ferry travelling to port Little Bay and being unable to dock and returning to Antigua and incurring extra port charges.

2.61. The total revenue generated for this period amounted to \$616,658 an increase of \$47,690 from the same period last year but showing decrease of \$58,452 from the last quarter. A total of \$591,790 was

collected from passenger ticket sales which is an increase of \$77,190 when compared to last year's figures. Cargo revenue for this quarter was \$20,306. No other revenue was recorded for this quarter.

2.62. Passenger movements for the ferry during the 4<sup>th</sup> quarter of last year totalled 4,329, while quarter 4 for this year recorded figures of 3952. More than a half of the passengers who travelled in this quarter travelled in March for St Patrick's and Easter celebrations. The monthly breakdown for quarter 4 ferry passengers is as follows:

January 2016	-	1,093
February 2016	-	686
March 2016	-	2173

2.63. A ferry special fare of \$200 round trip was operated on the 17<sup>th</sup> March 2016 (St Patricks Day), approximately 210 passengers travelled to Montserrat on the ferry in comparison to eighty (80) who travelled the same day last year at the same cost. It was anticipated that about four hundred (400) people turned up at the ferry terminal in Antigua on St Patrick's Day this year but were unable to get seats. The majority of persons who travelled on that day booked their tickets in advance. Plans are being developed with the Tourism Division in anticipation of a comparable number of passengers for next St. Patrick's Day or any other public holidays.

2.64. The total authorised subvention budget for Air/Sea Access was \$5,990,800 for 2014/15, this figure increased to \$6,125,600 for the financial year 2015-16. The total expenditure for period April 2015 to March 2016 was \$5,073,992. The revenue collected over the same period totalled \$2,441,039, this represents an increase of \$250,896 on the same period last year. In addition, \$180,045 was spent on airline subsidy and \$48,735 was spent on airline charters. Please see actual budget performance for budget year 2015-16. This is illustrated in Table 2.20 below.

**Table 2.20 Access**

	Qtr. 1 Actual	Qtr. 2 Actual	Qtr. 3 Actual	Qtr. 4 Projection	Qtr. 4 Actual	Qtr. 4 Variation	Total Annual Budget	Total Annual Actual	Total Annual Variance
Passenger Loads	2,588	3,743	3,653	5,070	3,952	(1,118)	19,680	13,936	(5,744)
Ferry Cost	1,770,392	1,864,160	1,805,400	2,007,862	1,846,299	(161,563)	7,928,021	7,286,251	(641,770)
Ferry Revenue	469,054	680,217	675,110	588,790	616,658	27,868	2,283,320	2,441,039	157,719
Net Cost/Ferry Subsidy	1,301,338	1,183,943	1,130,290	1,419,072	1,229,641	(189,431)	5,644,701	4,845,212	(799,489)
Airlines Guarantee	-	-	54,000	70,228	126,045	55,817	280,900	180,045	(100,855)
WINAIR Charters	-	-	-	130,000	-	(130,000)	155,000	-	(155,000)
Fly Montserrat Charter	-	-	-	8,000	48,735	40,735	33,000	48,735	15,735
SVG Charter	-	-	-	-	-	-	12,000	-	(12,000)
Total Air Subsidy	-	-	54,000	208,228	174,780	(33,448)	480,900	228,780	(252,120)
Total Subsidy/Cost	1,301,338	1,183,943	1,184,290	1,627,300	1,404,421	(222,879)	6,125,601	5,073,992	(1,051,609)

### Contingency Funds

2.65. GOM and DFID agreed a budget for a contingency fund to meeting emergency expenditure related to the occurrence of unforeseen events leading to activities that have not been provided for in the Government of Montserrat annual budget. The 2015-16 Budget Aid Contingency Fund has two distinct uses: 1) for general contingency uses and 2) for child safeguarding (as the emerging GOM Child Safeguarding Action Plan is taken forward).

#### Contingency Fund 1 (Main)

2.66. At the end of the financial year the following 3 applications totalling \$326,879 were approved and honoured from the Contingency Funds:

- |  |         |
|--|---------|
| • Montserrat Post Tropical Storm Erika Assistance to Dominica (Q3)   | 53,500  |
| • Judgement for The Galloway Group on Claim No. MNIHCV2013/0015 (Q3) | 100,300 |
| • Response to ZIKA threat on Montserrat (Q4)                         | 175,000 |

2.67. The former two applications were processed and reported on previously while the Response to the ZIKA threat on Montserrat was approved in during quarter 4. The Environmental Health Department embarked on a Zika Virus (ZIKV) response campaign to address potential problems to reduce chances of ZIKV proliferation on island. Activities carried out include an island wide clean-up campaign, radio programmes to include; talking health and radio tips, lectures to community groups and general public education. The department has started to issue cards to premises with breeding sites or potential breeding sites for mosquitoes.

2.68. The campaign employed 72 labourers and 27 equipment operators at a total cost of \$260,088. The contingency fund met the costs totalling \$173,118 while the additional costs were met from the Ministry of Health and Social Services budget.

#### Contingency Fund 2 (Child Safeguarding)

2.69. The Lucy Faithful Foundation completed the Child Safety Review in December 2014. The report was submitted to GOM in March 2015 with findings and recommendations which have been formatted into a 3-year work plan across all agencies with the proposed financial allocation of 1 million EC\$ per annum.

2.70. The recommendations are organised under the key Child Protection Agencies: which are Social Services Department, Royal Montserrat Police Services, Education Department and the Legal Department.

2.71. A paper was submitted to Cabinet on 30 June 2015 seeking approval for the Montserrat Child Safety Review which included a budgeted work plan, this was subsequently approved by Cabinet on 24 July 2015. In September 2015 a supplementary budget of \$800,000 to provide Child Protection services.

### Healthcare Improvement Programme – RDEL (Recurrent Departmental Expenditure Limit)

2.72. Following the closure of the Montserrat hospital project DFID transferred \$1.06 million into the recurrent budget for health service provision. A costed work plan was developed for the non-infrastructure components, and the appropriate allocations were included in the 2015/16 recurrent budget. The components were (i) Non-Communicable Diseases, (ii) Elderly Care, (iii) Emergency Preparedness and Response (iv) Health Financing and Organisational Reviews, and (v) Electronic Health Information System.

**Table 2.21: Healthcare Improvement Programme - Recurrent**

Healthcare Improvement (C)		Q1	Q2	Q3	Q4	Total
	Forecast		98,300	391,000	382,700	188,000
Actual		61,303	110,685	72,360	68,683	313,031

#### Non-Communicable Diseases

2.73. The efforts at reducing the risk of developing non-communicable diseases among children continued during the final quarter of the year. Twenty-two children were engaged in a 4 – day Health Camp over the Easter vacation. The evaluation forms completed by the participants indicated that learning took place and the children are now better equipped to make wiser choices regarding healthy eating and engaging in physical activity. Whether this will be translated into behaviour change, only time will tell. An additional step towards attaining Baby Friendly Hospital Status was taken with the commissioning of an educational mural for the wall of the Obstetrics Ward. The design and message have been agreed with the Artist, but the completion has been delayed due to the on-going renovations at the hospital. Two Staff Nurses have been enrolled in an on-line Diabetes Education Course, designed to build their capacity to work with persons living with diabetes and their family members to improve the management and control of their condition.

#### Elderly Care

2.74. One hundred and twenty (120) questionnaires were administered to the elderly during the quarter, these questionnaires are now being compiled for analysis during the next quarter.

#### Emergency Response

2.75. The Infection Control manual workshop was not achieved due to difficulties sourcing a suitable facilitator to conduct the workshop within the quarter. Basic First Aid training was facilitated by the Montserrat Red Cross on 29th Feb over two weeks. Sixteen members of staff from Secondary Care, including drivers, orderlies and housekeeping staff participated. 14 persons completed the course (88%) and will receive a certificate of completion and 2 persons failed and will receive a certificate of attendance.

#### Healthcare Financing and Organisational Reviews

2.76. During quarter 4 2015/16, the terms of reference document was revised and submitted for public tendering. However, the Ministry has been required to re-drafting using the new invitation to tender format. This has resulted in a significant delay in the publication of the tender.

#### Electronic Health Information System

2.77. The functional software requirements for an Electronic Management Information System have been compiled by the Ministry of Health's Electronic Management Information System team. The terms of reference for the procurement of a suitable company/firm, to provide an EMIS system, was drafted and submitted the procurement department for review. However, no progress could be made for this activity since no funding was approved.

#### Healthcare Improvement Programme – CDEL (Capital Departmental Expenditure Limit)

2.78. Following the closure of the Montserrat hospital project DFID made a one-off transfer of \$3.06 million into the recurrent budget principally for the purchase of equipment in Glendon hospital. This was

to be done in accordance with a previously established agreement and procurement process via the Crown Agents.

**Table 2.22: Healthcare Improvement Programme - Capital**

Healthcare Improvement (C)		Q1	Q2	Q3	Q4	Total
	Forecast		231,000	1,004,000	895,000	970,000
Actual		349,892	80,846	627,439	824,132	1,882,309

2.79. At the end of quarter 3 the ministry reported that purchasing of equipment under the health improvement ring-fenced funds were suspended until the biomedical engineer completed his assessment of all equipment within the Ministry of Health. The report was submitted and the following equipment were earmarked for replacement. These included the fixed x-ray machine, ECG units, Laboratory equipment, theatre ventilation system, pharmacy refrigerator among others.

2.80. To address these replacements, the ministry proceeded to request Summary of Cost (SOC) from Crown Agents as a result the following items were paid for and awaiting delivery by August 2016. These items were: Pulse Oximeters; Hospital Beds; Fixed X-ray Machine; Chemistry Analyser; Infusomat Space P Pump; Fundus Retinal Camera; Refrigerator Pharmacy; Stethoscope, Vital Signs Monitor.

2.81. The ministry is now in receipt of hospital mattresses and Haematology machine that was purchased in quarter 3.

#### *Cross-Classification of Functional and Economic Classifications of Expense*

2.82. Table 2.23a, b, c, and d provide approximation of the breakdown of recurrent expenditure according the classifications of functions of government (COFOG) and against the economic classifications of expenses according the Government Financial Statistics (GFS) 2001. The functions cover the ministries as follows:

- **General public services** include Executive and Legislative organs as well as external affairs, Ministry of Finance and Economic Management
- **Defence:** Disaster Management Coordination Agency including MVO subvention and the Royal Montserrat Defence Force;
- **Public order and safety:** Law Courts, Police, Fire and Prisons;
- **Economic affairs:** Agriculture, Communication, Works and Labour;
- **Recreation, culture, and religion:** Sports, Tourism & Culture should be included here but have not yet been unbundled from the general public services;
- **Environmental protection; Health; & Social protection** relate Environmental Management, Ministry of Health and Social Service

Table 2.23a: Function of Government	Totals
General public services	9,275,216
Defence	1,741,058
Public order and safety	2,124,482
Economic affairs	9,646,640
Environmental protection	251,592
Housing and community amenities	159,690
Health	5,112,821
Recreation, culture, and religion	324,832
Education	2,155,565
Social protection	1,298,529
<b>Totals</b>	<b>32,090,426</b>

Table 2.23b: Function of Government	Totals
General public services	35,575,332
Defence	7,625,092
Public order and safety	8,317,341
Economic affairs	33,253,566
Environmental protection	765,472
Housing and community amenities	548,156
Health	14,746,608
Recreation, culture, and religion	1,443,213
Education	8,363,091
Social protection	5,162,624
<b>Totals</b>	<b>115,800,495</b>

Table 2.23c: Economic Classification	Totals
Compensation of Employees	14,091,768
Use of Goods and Services	10,509,830
Consumption of Fixed Capital	-
Interest	157,890
Subsidies	2,460,885
Grants	2,390,877
Social Benefits	1,289,600
Other Expenses	1,189,577
<b>Totals</b>	<b>32,090,426</b>

Table 2.23d: Economic Classification	Totals
Compensation of Employees	54,260,599
Use of Goods and Services	30,809,969
Consumption of Fixed Capital	-
Interest	636,802
Subsidies	16,301,462
Grants	7,095,032
Social Benefits	4,287,726
Other Expenses	2,408,906
<b>Totals</b>	<b>115,800,495</b>

### In Year Adjustments to the Budget

2.83. A Contingency Warrant in the amount of \$271,100 was raised in November to meet urgent and unbudgeted for expenditure for the provision of services at the Glendon Hospital. These included dietary, medical, laboratory and pharmaceutical supplies as well as emergency repair works. These funds were approved in the Supplementary Appropriation (No. 2/2015) Act 2016. Additionally, \$14,280,400 was approved for various Development Fund Votes. Refer to Appendix E for details.

### Capital Expenditure

2.84. As anticipated at the end of quarter 3, project expenditure increased within this quarter. Various issues that retarded progress under the projects during that previous quarter were resolved, resulting in increased expenditure.

- **Government of Accommodation**

The final building under this project is expected to be delivered to the Government of Montserrat at the end of the first quarter of 2016/17. A delay in the arrival of the AC units have retarded the completion of the building. Additionally, the Ministry of Agriculture has requested additional ICT works to be carried out on the building, pushing the completion date to the end of June 2016. At the end of the quarter a total of approximately \$2.22m was expended.

- **Geothermal Exploration**

The land negotiations were completed within the quarter with the transfer being finalised. The tender for site preparation was evaluated and awarded with the necessary water infrastructure required for MON3 installed. The project manager is expected to be in position shortly to coordinate activities under the project. Project expenditure stood at an estimated \$3.05 m at the

end of the quarter, which displayed a drastic improvement in expenditure compared to the previous quarter.

- **ICT**

Promotion of the ICT culture and advancement of the ICT Government issues (One ICT Space, cybercrime and cybersecurity, ICT legislation), with local and international partners continued through the quarter. Additionally, preparation for International Girls in ICT day 2016 has begun and would help to promote innovation and change across the region through ICT. This all falls in line with the effort to update the Implementation Plan from 2016-2020 to take ICT on Montserrat to the next level. Expenditure amounted to \$1.22 mil at the end of the quarter.

- **Montserrat Priority Infrastructure Needs**

Progress improved under this project during this quarter. Although some of the issues were unable to be addressed until the end of the quarter, expenditure increased significantly as works began to pick up the momentum.

- i. **Emergency Social Housing** – Six of the seven drawings were approved by the Physical Planning Unit. Tender document for the four, Two-bedroom houses were submitted for vetting and would be sent shortly to tender.
- ii. **Emergency Shelters** – Tenders were awarded and works have commenced on some of the shelters.
- iii. **Electricity Distribution** – Extensive work has been carried out in the Isles Bay area, with additional plant and equipment ordered to ensure that additional work can continue into 2016/17. Furthermore, a radio system is being designed to work in conjunction with the Disaster Management Committee's equipment. Work in 2016/17 will be extended to other areas on the island.
- iv. **Water Supply Upgrade** – Preparatory works to strengthen the water main supply through Salem has commenced as the required supplies have arrived on island. The delay in the arrival of the supplies have retarded progress under the project. It is anticipated that works will pick up the pace within quarter 1 of 2016/17.
- v. **Liquid Waste Management** – Procuring of a sludge truck and fencing of the ponds at the New Windward site have been the only two components of the project achieved thus far. Little progress has been made in relation to treatment works, as this project has to be broken down into segments that can be constructed and managed independently
- vi. **Roads and Bridges** – A number of achievements were accomplished during the quarter to include; completion of the procurement and commissioning of the paver within the scheduled time, completion of the excavation works on the Barzey's road, 50% completion of works on the Bunkum Bay Bridge.

The project's achievement in quarter 4 was better than the previous one. This is owed to the fact that major planned works for 2015/16 commenced or completed within the quarter. Therefore, overall expenditure under the project increased from \$1.6m to \$3.6m.

- **EU Grants Housing Programme**

Sixty-two (62) applicants were shortlisted for assistance under the four available categories. These are: Financial Assistance, Home Improvement, Home finishing and Materials grant. A total of forty-two (42) persons of the sixty-two (62) applicants received grants to date totalling

approximately \$900,000. At the end of the quarter a total of \$\$1.4m was expended under the project.

- **Look Out Housing Force 10**

Most of the homes under the project currently fall within the retention period. A thorough inspection was expected to be carried out the end of the quarter but this may not be done until the first quarter of 2016/17. A total of \$842,590 has been expended at the end of the quarter.

- **Future Expenditure Outlook**

As Ministries prepare for 2016/17 it is expected that works under the projects should maintain the same momentum that started in quarter four or 2016/17.

## Cash Balance

2.85. The total cash balance at 31 March 2016, was \$47,775,706.58 broken down as follows:

- The Consolidated Fund 12,398,342.60
- The Development Fund 35,377,363.98

## Government borrowing and debt servicing

2.86. Government borrowing and financing comprises the Plymouth 2<sup>nd</sup> Port Development Loan, the Consolidated Line of Credit (a loan used to provide student loans, business loans and agricultural developments and the Second Power Project. Government's debt stock increased by \$1,484,997.27 after netting the repayments and disbursements.

As at 31 December, 2015, the Government had current borrowing of \$9,039,393.23. Total repayments of \$157,641 (Principal \$125,468; Interest \$32,173) were made during the period. Total loan disbursement received were \$1,642,638.02.

2.87. The debt portfolio at the end of the period is as follows:

Table 24: Loan Title	Opening Balance	Principal	Interest	Repayment/ (Disbursement)	Closing Balance
Port Development Loan (2 <sup>nd</sup> Loan 1)	1,768,718.81	57,055.43	11,584.16	68,639.59	1,711,663.38
Port Development Loan (2 <sup>nd</sup> Loan 2A1)	2,763,515.88	38,922.77	13,817.57	52,740.34	2,724,593.11
Consolidated Line of Credit	1,354,506.08	29,490.13	6,770.68	36,260.81	1,325,015.96
Second Power Project	1,635,482.77	(1,642,638.02)	-	(1,642,638.02)	3,278,120.79
<b>Total</b>	<b>7,522,223.54</b>	<b>(1,517,169.69)</b>	<b>32,172.42</b>	<b>(1,484,997.27)</b>	<b>9,039,393.23</b>

## Liabilities

2.88. GOM is committed to systematically reducing all its outstanding obligations which include the following quantified items approximating to \$ 5.73 million:

- Pensions & Gratuities \$0.48 m
- Tax Refunds (Estimate) \$1.50 m
- MSSF - Davy Hill Houses (Cab Dec. 470/2014; \$1,577,711; 3.5% interest) \$1.58 m
- MUL (Generating set, Executive Council Dec. 529/06) \$2.17 m

## Contingent liabilities

2.89. Contingent liabilities are liabilities associated with events that, while possible, are considered sufficiently improbable (or unquantifiable) that they are not included in the governments financial statements. These contingent liabilities recognise that future expenditure may arise if certain conditions

are met or certain events happen. That is, the risk of a call on the Consolidated Fund in the future will depend on whether or not certain circumstances arise. For example, payment under a government guaranteed loan would only be required if the body covered by the guarantee was unable to repay the loan.

2.90. The Government notes the following major civil claims against it:

- **Claim No. MNIHCV 2006/0011 GERALDINE CABEY v COP AND AG** - Claim of Malicious Prosecution – Former Accountant General was convicted on 5 counts of theft. Convictions were quashed by Court of Appeal. The claimant is seeking special damages of \$32,414.68 plus general damages and cost.
- **Claim No. MNIHCV 0028/2012 JON MILLER v AG** – Judicial Review - Isles Bay residents against mining in Belham Valley, construction of a jetty at Isles Bay and export of sand. The claimant is seeking declaratory relief, Cost and any other relief that Court is minded to grant. No damages claimed.
- **Claim No. MNIHCV 2012/0036 WARREN CASSELL v COP, AG** – a constitutional motion in relation to search conducted by police items taken during a search of the claimant's house – Search conducted on the basis of an order of the Court. The claimant is seeking declaratory relief, exemplary and/or aggravated damages and cost.
  - Search by the Police was conducted on the basis of an order of the Court. The Trial has been held we are awaiting judgement in this matter.
- **Claim No. MNIHCV 2013/0020 PROVIDENCE ESTATE LIMITED, OWEN ROONEY v WALTER WOOD III, ET AL. & AG** – Claim alleging fraud on the part of the 1<sup>st</sup> – 4<sup>th</sup> Defendants and breach of statutory duty and misfeasance in public office against 5th Defendant (Government of Montserrat/Public Officers). The claimant is seeking declaratory relief, injunctions, rectification of Land Register and damages, cost and \$19,959,945.00 claimed before award.
- **Claim No. MNIHCV 2013/0021 PROVIDENCE ESTATE LIMITED, OWEN ROONEY v REGISTRAR OF LANDS** – An application for rectification of the Land Register. The claimant is seeking rectification of the land register to return properties to PEL, there is no claim for damages.
- **Claim No. MNIHCV 2013/0022: DENZIL EDGEcombe v THE PREMIER, THE HON. ATTORNEY GENERAL.** Declaratory relief, Damages and cost. This matter was refiled based on the Court of Appeal's Order granting leave. The Court of Appeal granted leave to apply for judicial review on the limited ground as to whether he had a Legitimate expectation that his song would have been ratified as the national song.
- **CLAIM NO. MNIHCV 2015/0011 KEVIN WEST & YVETTE SWEENEY V. SHAMROCK INDUSTRIES LTD, PLANNING AND DEVELOPMENT AUTHORITY, ATTORNEY GENERAL** – Constitutional Motion. This a constitutional motion seeking to challenge the National Development plan and also an application for planning permission. The claimant is seeking declaratory relief, damages and cost.
- **CLAIM NO. MNIHCV 2015/ 0021 REUBEN T. MEADE V DEPUTY GOVERNOR OF MONTSERRAT & AG** – This is a constitutional motion. A legislator, the recipient of a commuted gratuity, is seeking to challenge the payment of a commuted gratuity to him. The claimant is seeking declaratory relief, damages and cost.
- **CLAIM NO. MNIHCV 2015/ 0023 VERONICA DORSETTE-HECTOR V GOVERNOR OF MONTSERRAT & AG** – A constitutional motion and judicial review of decision to revoke appointment of

Magistrate. Application for leave to file Judicial Review. The claimant is seeking declaratory relief, damages and cost.

- **Claim No. MNIHCV 2014/0034: CLAUDE GERALD v HERMAN SERGEANT, ATTORNEY GENERAL** – This is a constitutional motion. The claimant is seeking declaratory relief, damages and cost. Judgement was returned in favour of the Crown in this matter, the Claimants have filed an appeal.
- **Claim No. MNIHCV 2014/0037: JOHN ROSEVELT LEE v. DIRECTOR OF MONTSERRAT CUSTOMS AND REVENUE SERVICE, THE HON. ATTORNEY GENERAL** – The claimant is seeking declaratory relief and damages in the sum of \$57,089.80. This is a constitutional motion where the Claimant is seeking to claim that he is entitled to an exemption from Customs Duty under the Returning Montserratians Exemption Order and is seeking to recover the customs duties paid on the basis that he has been deprived of his right to property contrary to the Constitution.
  - Trial held in this matter, Court declared that the Claimant was entitled to a refund in the sum of \$50,817.80. This order has been appealed.
- **CIVIL APPEAL NO. 8 of 2012 CENTRAL TENDERS BOARD, THE ATTORNEY GENERAL AND VERNON WHITE** – Judicial review of tender decision re contract of the value of \$2,227, 537.77. The Privy Council dismissed the Appeal in the matter, so this has to go for Assessment of Damages.
- **GALLOWAY'S CONSTRUCTION LTD V AG** - breach of contract and wrongful expulsion related to infrastructure works at Little Bay. Initial amount claimed was damages in the sum of \$18,828,084.78 plus interest; New claim \$7,271,055.45.
  - This matter is before an Arbitrator in the United Kingdom. In March 2014 on a preliminary point, as to whether the expulsion was unlawful, the Arbitrator ruled in favour of the GoM and found that the expulsion was not unlawful. The Arbitrator has been asked to determine whether there were circumstances which would have entitled Galloway's to an extension of time and whether Galloways were appropriately paid for some of the work done. The Government has filed a counter-claim with the Arbitrator seeking \$2,750,924.53. The Claimants initial claim was for \$18,828,084.78 but in 2015 they submitted a reduced claim of \$7,271,055.45.
  - The Parties were trying to see if the issues can be resolved without the cost of further arbitration on the matter, but there seems to be no agreement mainly due to the absence of critical technical data, and the cost implications of acquiring such technical data. Solicitors in the UK are addressing this matter and consideration is being given to the next steps. There will be substantial cost implications for any step taken, and these are difficult to estimate, but this exercise is currently being undertaken.

## Un-Audited Budget Surplus

2.91. At the time of preparing this report an un-audited budget surplus of \$6.x million has been observed. The Public Finance (Management and Accountability Act provides for the Accountant General to prepare and submit to the Auditor General and the Minister of Finance the accounts within a period of 4 months after the end of the financial year. The Auditor General then would normally be required to examine and audit the accounts within 6 months. That is the audited accounts of the Government for the year 2015-16 would not normally be prior to January 2017.

2.92. Overall, the government realised \$122 million, 95% of the budgeted revenues \$128.24 million for the fiscal year. However, only \$115.8 million, 90% of the expenditure target was achieved.

**Table 2.25: Summary of Revenue**

Recurrent Revenue	Estimates	Actuals	Over/ (Under)	%
Taxes on Income, Profits	16,076,000	16,056,633	(19,367)	99.9%
Taxes on Property	910,000	691,588	(218,412)	76.0%
Taxes on Domestic Goods and Services	2,004,600	1,569,455	(435,145)	78.3%
Licenses	4,075,600	2,631,951	(1,443,649)	64.6%
Taxes on International Trade	18,436,300	18,522,949	86,649	100.5%
Taxes on Arrears	970,000	634,064	(335,936)	65.4%
Fees, Fines and Permits	1,838,400	1,905,263	66,863	103.6%
Rents, Interest and Dividends	689,500	904,107	214,607	131.1%
Reimbursements	985,000	1,146,320	161,320	116.4%
Budgetary Assistance	79,680,000	75,929,259	(3,750,741)	95.3%
Other Revenue	2,572,900	2,033,779	(539,121)	79.0%
<b>Total Recurrent Revenue</b>	<b>128,238,300</b>	<b>122,025,368</b>	<b>(6,212,932)</b>	<b>95.2%</b>

2.93. A number of revenue streams performed above expectation, these included: Taxes on International Trade, specifically the Consumption Tax; Work Permit processing bolstered the Fees, Fines and Permits category; arrears from Royalties from Mining and Quarrying along with improved sector performance contributed to the good performance of the Rents, Interest and Dividends category, while, medical repayments boosted the Reimbursements stream.

2.94. On the other hand, the following taxes performed poorly: Property Taxes due to the late issuance of bills; Taxes on Domestic Goods and Services mainly from because the Bank of Montserrat Ltd. Non-compliance with the Bank Interest Levy; GOM overestimated Digicel's requirements resulting in lower than budgeted Licence receipts; Income Tax Arrears failed to meet expectations; Budgetary Assistance was affected by losses on the exchange rates, as well as, some unclaimed amounts; and Plant & Workshop (Other Revenue) was affected by the dearth of construction/capital projections being implemented during the year.

**Table 2.26: Summary of Budget Spending**

Expenditure	Budgeted	Spent	Over/(Under) Spend	%
General Budget less Supplement	108,482,700	102,226,630	(6,256,070)	94.2%
Transport Access Subsidy	6,125,600	5,630,000	(495,600)	91.9%
Capacity building (LTTC)	900,000	617,795	(282,205)	68.6%
Short Term Technical Cooperation (STTC)	2,600,000	1,319,312	(1,280,688)	50.7%
Capacity building (ACTS)	1,680,000	1,412,872	(267,128)	84.1%
Small Capital Asset Fund	1,800,000	1,630,892	(169,108)	90.6%
Healthcare Improvement (Recurrent)	1,060,000	287,615	(772,385)	27.1%
Healthcare Improvement (Capital)	3,090,000	1,881,891	(1,208,109)	60.9%
Contingency Fund 1 (Child Safeguarding)	1,000,000	466,609	(533,391)	46.7%
Contingency Fund 2 (Main)	1,500,000	326,879	(1,173,121)	21.8%
<b>Total</b>	<b>128,238,300</b>	<b>115,800,496</b>	<b>(12,437,805)</b>	<b>90.3%</b>

2.95. GOM's final Access claim only received partial approval by DFID; Recruitment bottlenecks, negatively affected the expenditure on Technical Cooperation; issuance of additional new scholarships contributed to the higher than budgeted spending; slow procurement by Ministries lead to the underspending of SCAF; 2 health studies under the healthcare improvement – recurrent component are now scheduled to commence in the 2016-17 fiscal year; issues with Crown Agents procurement contract lead to under spending on the healthcare improvement capital component; the Child Protection Unit was not operationalised on 1 Jan 2016.

**Table 2.27: Summary of General Budget Spending**

Category	Estimates	Actuals	Under	%
Salaries	38,094,700	35,006,481	(3,088,219)	91.9%
Wages	694,500	538,583	(155,917)	77.5%
Allowances	6,962,200	6,234,269	(727,931)	89.5%
Pensions and Gratuities	13,080,300	12,054,603	(1,025,697)	92.2%
Goods & Services, Social Protection, Debt etc.	49,922,100	48,392,695	(1,529,405)	96.9%
<b>GB Over/(Under)</b>	<b>108,753,800</b>	<b>102,226,630</b>	<b>(6,527,170)</b>	<b>94.0%</b>

2.96. The table above provides a high-level breakdown of the General Budget expenditure with personal emoluments (salaries, wages and allowances) particularly, salaries showing the greatest underspend. The following table shows how the personal emolument spending breaks down by Ministries and Departments.

**Table 2.28: Summary of Personal Emoluments by Ministry/Department**

Personal Emoluments	Budgeted	Spent	Over/(Under) Spend	%
Police	4,777,800	4,583,257	194,543	4.8%
Legal	1,409,100	1,189,988	219,112	5.4%
Magistrate's Court	271,300	246,158	25,142	0.6%
Supreme Court	494,300	415,936	78,364	1.9%
Legislature	2,010,100	1,494,176	515,924	12.6%
Office Of The Deputy Governor	3,193,600	3,121,217	72,383	1.8%
Public Prosecution	533,600	430,420	103,180	2.5%
Office Of The Premier	2,794,900	2,399,455	395,445	9.7%
Ministry Of Finance & Economic Mgmt.	5,041,400	4,519,131	522,269	12.8%
Agriculture	4,204,400	3,549,040	655,360	16.1%
Communications, Works & Labour	6,637,800	6,175,904	461,896	11.3%
Education, Youth Affairs And Sports	6,086,300	5,905,360	180,940	4.4%
Health And Social Services	8,296,800	7,638,936	657,864	16.1%
	<b>45,751,400</b>	<b>41,668,976</b>	<b>4,082,424</b>	<b>100.0%</b>

### 3. Outlook for 2016-17

#### Economic Context

##### International & Regional

3.1. Growth across the advanced economies remains both uneven and potentially unstable as the UK and the US, two of the major development and trading partners of Montserrat and the rest of the region, continue to lead the way in regards to growth in the advanced economies with estimated 2.2% and 2.5% growth respectively. Consumption spending and cheap energy continue to be and are expected to be for the foreseeable future the main drivers behind growth in these major economies. Germany and France, the two largest Eurozone economies experienced lower growth during 2015 than the average growth of all advanced economies of 1.9%, as the problems and internal conflicts facing the currency union persisted, which saw growth of 1.5%.

3.2. The reasonably robust recovery of the UK and the US continued in 2015 and is expected to continue into 2016, with these economies benefitting from increased consumer spending partially as a result of the low inflation expectations due to the persistently low oil prices. Growth in these two economies is expected to be 2.2% and 2.6% respectively.

3.3. The growth in the ECCU is being led by the Tourism and tourism related construction, as recovery in the two major markets solidifies. The region experienced its first year of broad based growth due to the increased activity in these two major sectors. The growth is expected to last into the medium term but it must be highlighted that this growth is almost wholly externally driven and is vulnerable to risk of a slowdown in the recovery of our major partners, especially if the issues affecting the emerging economies persists.

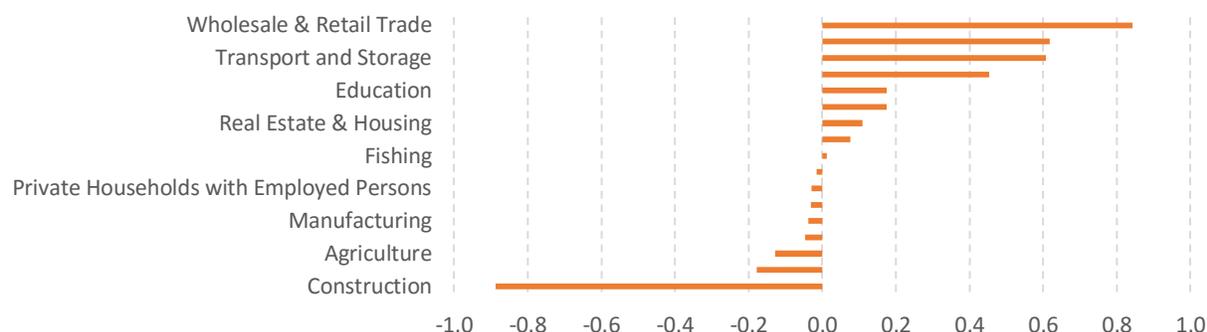
##### Local Economy

3.4. Although, the global and regional economy experienced fair growth during the last year, Montserrat is estimated to have experienced growth of 0.5%. This was as result of a reassessment and rebalancing of the Capital investment objectives of Montserrat. While in the medium term to long-term, this rebalancing is expected to have a significant impact on the economy, it created an expected lag during the reprioritisation process. Government is working diligently to ensure that projects that yield maximum socio-economic benefits. As a result of these efforts the forecast for growth in the Montserrat economy for the upcoming year is 1.40%.

##### Sectoral Analysis

3.5. The resurgence of growth in the construction industry of our neighbouring islands has resulted in significant growth of the Mining & Quarrying sector on Montserrat during this year and this growth is expected to be maintained during the upcoming year. The Hotels & Restaurant sector benefitted from an increase in Tourists and Day trippers.

**ECCB Forecast: Contributions to the forecast headline 2015/16 rate of real annual GDP growth of 1.7% on Montserrat, by sector, percentage points**



3.6. Given low growth economic conditions GOM has revised its forecast of the revenue it expects to collect through the remainder of 2015-16. Local revenue for most streams is expected to vary only a little at year end compared to forecasts at the beginning of the year. However, GOM expects to collect approximately \$46.8 million in local revenue compared to a forecast of \$48.6million. This decline is due mainly to the lower expectation on Telecommunication Licences and lower Plant and Workshop collections.

**Policies and Programmes for 2015-18**

3.7. Over the next 3 years GOM will focus its activities on the delivery of its Policy Agenda 2016/17 - 2018/19 (Sept 2015). The Policy Agenda is comprised of high-level objectives that relate to a number of areas of national development. It articulates government's priorities, and vitally, provides a reference point for the development of key strategies that will be used to deliver government's desired policy outcomes. It will crucially provide the basis on which Government will be decided upon the prioritisation of the allocation of resources. The Policy Agenda follows:

**GOAL 1: PRUDENT ECONOMIC MANAGEMENT**

- 1.1 To change the development focus from post-volcano mode to developing and implementing plans focused on sustainable self-sufficiency that capture the spirit of Montserrat's past and preserve Montserrat's culture including enhancing relationships within the region and with key development partners.
- 1.2 Priority sectors for generating foreign direct investment identified including those that leverage Montserrat's unique assets and character and implement appropriate sector strategies.
- 1.3 Identification of obstacles to doing business and sequenced plans implemented for their removal and mitigation.
- 1.4 Priority infrastructure for generating economic growth identified and plans put in place to deliver.
- 1.5 Local resources unlocked to stimulate growth in domestic business.
- 1.6 The diaspora and the expatriate community engaged in national development.

**GOAL 2: ENHANCED HUMAN DEVELOPMENT**

- 2.1 Increased access to essential medical services through leveraging technology as well as direct service provision.
- 2.2 Increased and expanded health promotion services to reduce public health concerns, to reduce the incidence and effect of non-communicable diseases, and to improve the care of the elderly.

- 2.3 Strengthened community-based treatment programs for vulnerable groups of society.
- 2.4 Education provision improved to raise educational outcomes to be regionally and internationally competitive and equip people for sustainable livelihoods.
- 2.5 An equitable social protection framework which transitions those able to work back into the labour market while adequately supporting those unable to work.
- 2.6 Improved access to affordable housing for low and middle income residents.
- 2.7 Increased social housing stock supported by an equitable allocation policy.
- 2.8 Enhanced youth development through national programs including sports.
- 2.9 Increased protection of our children and vulnerable youth.

### **GOAL 3: SUSTAINABLE ENVIRONMENTAL MANAGEMENT AND APPROPRIATE DISASTER MANAGEMENT PRACTICES**

- 3.1 Improved legislation, governance framework, capacity, scientific monitoring and outreach to sustainably manage environmental resources (terrestrial and marine) and make the island a centre of excellence in environmental and volcanic research.
- 3.2 Increased focus on mitigating disasters in addition to strengthening preparedness and emergency response.
- 3.3 Physical infrastructure, including housing, designed and built for resilience against disasters and climate change conditions.

### **GOAL 4: GOOD GOVERNANCE**

- 4.1 Strengthened transparency, accountability and public engagement within the national Governance Framework.
- 4.2 Public Service reformed to improve efficiency and effectiveness in the provision of essential public services.
- 4.3 Montserrat's reputation preserved as a just, safe and secure place to live and visit.

### **GOAL 5: INCREASED POPULATION**

- 5.1 Rebuilt communities which embrace diversity and enable population growth to develop a sustainable Montserrat.
- 5.2 Essential skills attracted and retained through immigration management and training.

## **4. SUMMARY**

4.1. Economic outlook indicates that growth will be at an even slower pace than originally forecasted. Over the course of the first half of 2015/16 the performance of the Montserrat economy has weakened and has failed to match expectations at the beginning of the year.

4.2. Accordingly, domestic revenues remained flat across all revenues streams with slight declines recorded against last year's 3<sup>rd</sup> quarter. Expenditure also remained flat for the same period in previous years.

# APPENDICES

## A. BUDGET PERFORMANCE REPORT

(For the Period 1<sup>st</sup> April 2015 – 31<sup>st</sup> March 2016)

Recurrent Revenue	Actuals			Quarterly Returns				Actuals	Variance
	2014	2015	Approved ('R)	Q1	Q2	Q3	Q4		
<i>Taxes on Income, Profits</i>	16,281,301	15,744,101	16,076,000	4,567,930	3,618,510	3,368,972	4,501,221	16,056,633	(19,367)
<i>Taxes on Property</i>	0	708,912	910,000	15,398	25,030	561,615	89,544	691,588	(218,412)
<i>Taxes on Domestic Goods and Services</i>	0	1,612,302	2,004,600	246,328	249,721	243,285	830,122	1,569,455	(435,145)
<i>Licenses</i>	0	2,863,783	4,075,600	518,255	705,591	513,809	894,297	2,631,951	(1,443,649)
<i>Taxes on International Trade</i>	0	18,210,571	18,436,300	4,212,668	4,459,956	5,410,279	4,440,046	18,522,949	86,649
<i>Arrears of Taxes</i>	0	1,070,514	970,000	178,705	196,291	93,430	165,638	634,064	(335,936)
<i>Fees, Fines and Permits</i>	0	2,109,887	1,838,400	445,101	383,307	391,455	685,401	1,905,263	66,863
<i>Rents, Interest and Dividends</i>	0	1,225,032	689,500	270,760	361,353	162,105	109,889	904,107	214,607
<i>ECCB Profits</i>	0	0	0	0	0	0	0	0	0
<i>Reimbursements</i>	0	150,613	985,000	916,821	68,381	32,786	128,332	1,146,320	161,320
<i>Budgetary Assistance</i>	0	75,349,758	79,680,000	30,266,881	0	45,662,378	0	75,929,259	(3,750,741)
<i>Other Revenue</i>	0	2,367,433	2,572,900	406,893	469,694	634,687	522,505	2,033,779	(539,121)
<b>Total Recurrent Revenue</b>	<b>16,281,301</b>	<b>121,412,905</b>	<b>128,238,300</b>	<b>42,045,739</b>	<b>10,537,835</b>	<b>57,074,801</b>	<b>12,366,993</b>	<b>122,025,368</b>	<b>(6,212,932)</b>
Recurrent Expenditure	2014	2015	Approved ('R)	Q1	Q2	Q3	Q4	Actuals	Variance
<i>Salaries</i>	(31,690,490)	(34,459,042)	(37,567,300)	(8,564,623)	(8,693,777)	(8,993,142)	(8,754,939)	(35,006,481)	2,560,819
<i>Salaries and Wages Increase</i>	(1,453,575)	0	0	0	0	0	0	0	0
<i>Wages</i>	(3,988,217)	(536,125)	(655,600)	(144,741)	(114,224)	(138,735)	(140,882)	(538,583)	117,017
<i>Allowances</i>	(6,122,261)	(6,337,613)	(6,925,200)	(1,484,786)	(1,484,886)	(1,506,731)	(1,757,866)	(6,234,269)	690,931
<i>Pensions and Gratuities</i>	(13,488,963)	(14,142,815)	(12,973,900)	(2,605,519)	(2,968,894)	(3,164,239)	(3,315,951)	(12,054,603)	919,297
<i>Use of Goods and Services</i>	(16,742,190)	(25,035,987)	(34,678,900)	(4,616,741)	(7,629,163)	(7,709,215)	(9,966,054)	(29,921,173)	4,757,727
<i>Transfers and Subsidies</i>	(32,433,156)	(25,506,844)	(24,664,500)	(4,324,690)	(7,317,324)	(6,824,924)	(4,576,771)	(23,043,708)	1,620,792
<i>Social Benefits</i>	(3,498,919)	(3,374,498)	(4,615,800)	(994,557)	(1,040,970)	(1,070,244)	(1,399,273)	(4,505,043)	110,757
<i>Revenue refunds</i>	(1,368,314)	(1,458,124)	(1,505,500)	(214,129)	(292,680)	(245,403)	(731,603)	(1,483,815)	21,685
<i>Other Expenditure</i>	(3,114,227)	(8,167,130)	(4,216,000)	(265,787)	(492,540)	(328,496)	(1,289,196)	(2,376,019)	1,839,981
<i>Debt servicing</i>	(657,350)	(658,735)	(643,500)	(160,003)	(158,762)	(160,148)	(157,890)	(636,802)	6,698
<b>Total Recurrent Expenditure</b>	<b>(114,557,662)</b>	<b>(119,676,912)</b>	<b>(128,446,200)</b>	<b>(23,375,575)</b>	<b>(30,193,219)</b>	<b>(30,141,275)</b>	<b>(32,090,426)</b>	<b>(115,800,495)</b>	<b>12,645,705</b>
<b>Recurrent Surplus/Deficit</b>	<b>(98,276,361)</b>	<b>1,735,994</b>	<b>(207,900)</b>	<b>18,670,164</b>	<b>(19,655,384)</b>	<b>26,933,525</b>	<b>(19,723,432)</b>	<b>6,224,872</b>	<b>6,432,773</b>

## CAPITAL EXPENDITURE

Capital Revenue	2014	2015	Approved ('R)	Q1	Q2	Q3	Q4	Actuals	Variance
<i>Development Assistance</i>	49,092,861	33,395,548	52,216,400	2,924,694	1,160,268	9,500,851	12,671,239	26,257,052	(25,959,348)
Capital Expenditure	2014	2015	Approved ('R)	Q1	Q2	Q3	Q4	Actuals	Variance
Domestic	(1,399,850)	(1,794,480)	(1,837,239)	(696,459)	(844,567)	(80,667)	(108,385)	(1,730,078)	107,161
Regional	0	0	0	0	0	(81,656)	(8,365)	(90,021)	(90,021)
International	(65,396,489)	(31,901,282)	(18,529,600)	(2,947,917)	(4,829,892)	(6,707,802)	(8,456,629)	(22,942,239)	(4,412,639)
<i>DFID</i>	(53,132,753)	(21,777,676)	(42,000)	(2,228,547)	(2,827,810)	(4,780,437)	(5,206,558)	(15,043,351)	(15,001,351)
<i>EU</i>	(11,980,201)	(9,937,103)	0	(49,257)	(70,057)	(39,867)	(4,697)	(163,878)	(163,878)
<i>Other</i>	(283,535)	(186,503)	(18,487,600)	(670,112)	(1,932,025)	(1,887,498)	(3,245,374)	(7,735,009)	10,752,591
	(66,796,339)	(33,695,762)	(20,366,839)	(3,644,376)	(5,674,459)	(6,870,125)	(8,573,378)	(24,762,337)	(4,395,498)
<b>Capital Surplus/Deficit</b>	<b>(17,703,477)</b>	<b>(300,214)</b>	<b>31,849,561</b>	<b>(719,682)</b>	<b>(4,514,190)</b>	<b>2,630,726</b>	<b>4,097,860</b>	<b>1,494,714</b>	<b>(30,354,847)</b>

## B. Revenue Outturn by Programme

Departments	Approved	Q1	Q2	Q3	Q4	Received	% Received
Fire Fighting and Rescue Service	-	-	-	-	-	-	0%
Policing Services	282,600	61,196	52,460	114,130	152,445	380,231	135%
Financial Crime and Analysis Unit	-	-	-	-	-	-	0%
Administration of Justice	-	-	-	-	-	-	0%
Magistrate's Court Services	40,000	11,769	10,840	11,896	9,850	44,355	111%
Supreme Court Services	15,500	63,886	11,751	(39,191)	6,901	43,346	280%
Legislature	800	246	3,199	540	1,293	5,278	660%
Constitution Commission Secretariat	-	-	-	-	-	-	0%
Audit	25,000	1,850	-	-	-	1,850	7%
Office of the Opposition	-	-	-	-	-	-	0%
Office of the Deputy Governor	218,200	69,760	64,750	39,160	35,300	208,970	96%
Human Resources	-	2,636	2,986	3,148	6,068	14,838	0%
Prison Services	-	-	-	-	-	-	0%
Defence Force	1,100	60	880	20	-	960	87%
Disaster Mgmt. Coordination Agency	-	-	-	-	-	-	0%
Governor	-	-	-	-	-	-	0%
Public Prosecution	-	-	-	-	-	-	0%
Strategic Management and Administration	-	769	50	(169)	(650)	-	0%
Broadcasting	150,000	-	94,191	50,961	63,427	208,579	139%
External Affairs	-	-	-	-	-	-	0%
Development Planning and Policy Co-Ordination	-	-	-	-	-	-	0%
Information Technology & E-Government Services	-	-	-	-	-	-	0%
Strategic Management & Administration	-	19,900	-	25,740	-	45,640	0%
Fiscal Policy & Economic Management	81,645,000	30,266,881	398,983	46,010,433	727,699	77,403,995	95%
Statistical Management	-	-	-	-	-	-	0%
Treasury Management	1,037,500	919,033	80,823	87,949	86,751	1,174,556	113%
Customs & Revenue Services	37,240,500	9,413,798	8,593,575	9,725,198	9,520,784	37,253,356	100%
Postal Services	215,500	51,762	102,204	74,611	92,130	320,706	149%
Internal Audit	-	-	-	-	-	-	0%
Strategic Administration and Planning	318,000	71,225	9,190	83,157	36,975	200,546	63%
Agricultural Services	49,000	12,087	10,331	12,942	12,568	47,928	98%
Land Administration	612,000	179,182	85,182	136,651	162,002	563,018	92%
Physical Planning & Development Services	43,000	10,369	15,695	9,370	10,635	46,069	107%
Environmental Management	-	-	-	-	-	-	0%
Housing Policy & Support Services	-	-	-	-	-	-	0%
Trade, Investment & Bureau for Standards & Quality	7,400	-	-	1,169	5,335	6,504	88%
Strategic Management and Administration	3,939,400	467,061	736,245	393,416	990,132	2,586,854	66%
Infrastructure Services	50,000	-	22,318	1,200	-	23,518	47%
Plant Hire and Mechanical Services	995,000	41,509	52,464	22,462	36,615	153,050	15%
Airport Management & Operation	377,000	68,315	28,280	54,836	66,343	217,774	58%
Industrial Relations & Employment Services	160,000	51,925	41,350	46,125	63,900	203,300	127%
Strategic Management, Administration, and Support Services	360,000	60,752	33,013	94,848	98,752	287,364	80%
Primary Education	-	-	-	-	-	-	0%
Secondary Education	-	-	-	-	-	-	0%
Library and Information Services	-	-	-	-	-	-	0%
Early Childhood Education	-	-	-	-	-	-	0%
Youth Affairs and Sports	-	-	-	-	-	-	0%
Strategic Management & Administration	375,800	113,817	103,061	93,154	113,629	423,661	113%
Primary Health Care	-	-	-	-	-	-	0%
Secondary Health Care	-	-	2,980	457	(3,437)	-	0%
Social Services	80,000	26,660	31,255	20,588	80,621	159,123	199%
Environmental Health	-	-	-	-	-	-	0%
<b>Total</b>	<b>128,238,300</b>	<b>42,045,739</b>	<b>10,537,835</b>	<b>57,074,801</b>	<b>12,366,993</b>	<b>122,025,368</b>	<b>95%</b>

## C. Expenditure Outturn by Programme

Departments	Approved	Released	Q1	Q2	Q3	Q4	Spent	% Spent
Fire Fighting and Rescue Service	1,351,700	1,326,600	287,103	356,812	320,763	346,664	1,311,342	99%
Policing Services	4,559,900	4,465,800	1,182,251	1,050,019	999,631	1,120,396	4,352,297	97%
Financial Crime and Analysis Unit	139,600	138,900	38,562	31,166	22,182	28,158	120,068	86%
Administration of Justice	1,682,700	1,652,600	358,347	340,208	352,409	369,777	1,420,741	86%
Magistrate's Court Services	330,400	310,000	83,321	65,414	68,948	64,433	282,115	91%
Supreme Court Services	673,900	624,200	133,725	164,238	136,740	144,661	579,364	93%
Legislature	1,037,800	1,014,400	208,272	221,252	257,974	308,345	995,844	98%
Constitution Commission Secretariat	283,100	252,000	33,472	26,999	18,205	72,142	150,817	60%
Audit	1,277,300	972,400	176,623	201,111	201,021	259,557	838,312	86%
Office of the Opposition	170,000	168,200	34,277	37,063	39,911	49,236	160,487	95%
Office of the Deputy Governor	15,577,500	15,050,800	3,219,068	3,512,507	3,813,632	3,874,398	14,419,605	96%
Human Resources	6,789,300	6,611,100	852,013	2,006,042	1,278,970	1,230,251	5,367,276	81%
Prison Services	1,200,800	1,189,700	269,466	289,980	309,198	306,995	1,175,640	99%
Defence Force	92,000	90,700	5,972	58,703	8,326	12,514	85,514	94%
Disaster Mgmt. Coordination Agency	7,747,800	7,620,500	961,585	1,944,302	2,681,966	1,649,154	7,237,007	95%
Governor	331,700	322,800	75,705	67,827	79,649	79,390	302,570	94%
Public Prosecution	622,300	515,400	129,291	126,931	127,116	113,176	496,514	96%
Strategic Management and Administration	3,678,100	3,672,600	729,551	1,561,591	778,763	559,389	3,629,294	99%
Broadcasting	1,020,400	962,100	206,257	238,920	232,463	268,923	946,564	98%
External Affairs	5,538,100	5,511,100	362,576	1,692,924	1,537,823	1,716,497	5,309,820	96%
Development Planning and Policy Co-Ordination	375,600	316,800	59,095	61,461	65,914	104,931	291,402	92%
Information Technology & E-Government Services	1,856,100	1,777,500	290,380	540,071	525,634	373,549	1,729,634	97%
Strategic Management & Administration	2,114,400	1,889,900	423,270	572,892	350,768	467,506	1,814,436	96%
Fiscal Policy & Economic Management	4,801,300	3,518,100	270,566	677,909	803,432	1,414,225	3,166,132	90%
Statistical Management	697,000	603,900	121,969	132,612	125,166	146,618	526,365	87%
Treasury Management	1,043,600	1,008,800	204,318	242,918	235,827	278,035	961,098	95%
Customs & Revenue Services	3,805,900	3,805,900	721,907	793,947	836,767	1,292,608	3,645,228	96%
Postal Services	516,900	488,300	122,021	119,754	112,352	130,891	485,018	99%
Internal Audit	412,000	355,100	80,780	81,859	64,677	88,220	315,536	89%
Strategic Administration and Planning	1,331,700	1,230,200	253,519	265,579	310,792	329,665	1,159,555	94%
Agricultural Services	1,703,700	1,615,800	325,387	376,707	369,513	418,213	1,489,819	92%
Physical Planning & Development Services	594,000	592,400	110,333	125,877	138,616	138,282	513,107	87%
Environmental Management	869,900	869,900	148,785	147,920	217,175	251,592	765,472	88%
Housing Policy & Support Services	570,600	505,300	69,157	118,817	95,716	129,325	413,015	82%
Trade, Investment & Bureau for Standards & Quality	158,300	140,300	36,089	36,636	32,051	30,365	135,141	96%
Strategic Management and Administration	9,722,400	8,995,600	2,240,481	2,335,720	2,346,287	1,438,184	8,360,672	93%
Infrastructure Services	5,273,100	5,238,100	605,409	1,204,387	1,896,070	1,467,124	5,172,990	99%
Plant Hire and Mechanical Services	3,278,800	3,169,800	520,249	607,682	710,499	1,289,234	3,127,664	99%
Airport Management & Operation	2,151,200	2,041,600	453,037	435,184	528,494	600,872	2,017,586	99%
Industrial Relations & Employment Services	285,400	272,900	54,776	49,388	65,442	97,964	267,570	98%
Strategic Management, Administration, and Support Services	3,018,300	3,013,300	749,202	744,390	752,786	735,289	2,981,667	99%
Primary Education	1,465,900	1,465,900	323,698	375,138	389,632	365,846	1,454,314	99%
Secondary Education	2,771,800	2,750,300	610,089	726,571	648,698	737,549	2,722,906	99%
Library and Information Services	368,100	368,100	56,453	92,612	113,627	96,765	359,456	98%
Early Childhood Education	889,200	889,200	189,504	234,630	200,497	220,117	844,748	95%
Youth Affairs and Sports	1,463,700	1,458,700	329,910	414,379	374,092	324,832	1,443,213	99%
Strategic Management & Administration	4,924,200	4,819,000	580,151	450,608	584,387	2,003,265	3,618,410	75%
Primary Health Care	2,086,100	1,960,400	457,410	493,479	463,076	485,650	1,899,615	97%
Secondary Health Care	8,233,000	7,774,200	1,912,770	1,898,529	1,745,026	2,174,035	7,730,359	99%
Social Services	5,284,300	5,204,900	1,248,408	1,342,663	1,273,023	1,298,529	5,162,624	99%
Environmental Health	1,509,700	1,503,200	329,956	353,692	364,703	449,872	1,498,223	100%
	<b>128,446,200</b>	<b>122,850,400</b>	<b>23,375,575</b>	<b>30,193,219</b>	<b>30,141,275</b>	<b>32,090,426</b>	<b>115,800,495</b>	<b>94%</b>

## D. Maintenance Service Total Spend as a 31 March 2016

### Expenditure for Quarter 4 Only

Departments	Buildings	Roads & Bridges	Vehicles & Heavy Equipment	Office Equipment	Electrical Installations	Upkeep of Grounds	Shelters	Fuel	Marine Vessel	Mechanical Spares	Plant & Operations	Hotmix Plant	Total	%
Police	29,632	0	76,307	1,710	0	550	0	13,022	13,712	0	0	0	<b>134,932</b>	5.3%
Legal	362	-	-	685	-	-	-	-	-	-	-	-	<b>1,047</b>	0.0%
Magistrate's Court	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>	0.0%
Supreme Court	-	-	75	685	-	-	-	912	-	-	-	-	<b>1,672</b>	0.1%
Legislature	1,005	0	0	283	0	0	0	0	0	0	0	0	<b>1,288</b>	0.1%
Office of The Deputy Governor	12,796	-	124,644	15,890	1,819	21,704	-	4,154	-	-	-	-	<b>181,006</b>	7.1%
Public Prosecution	614	0	0	250	0	-375	0	0	0	0	0	0	<b>489</b>	0.0%
Office of The Premier	8,435	-	10,126	34,141	-	300	-	2,155	-	-	-	-	<b>55,157</b>	2.2%
Cabinet Secretariat	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>	0.0%
Ministry of Finance & Economic Mgmt.	765	-	17,360	577	-	50	-	4,938	-	-	-	-	<b>23,690</b>	0.9%
Agriculture	31,191	0	38,956	12,220	0	48,670	0	5,322	0	0	0	0	<b>136,358</b>	5.4%
Communications, Works & Labour	4,028	734,406	19,595	40,575	-	63,214	-	79,616	-	359,319	208,916	21,215	<b>1,530,885</b>	60.2%
Education, Youth Affairs And Sports	68,751	0	1,262	11,034	0	30,905	0	1,151	0	0	0	0	<b>113,103</b>	4.4%
Health And Social Services	108,842	-	32,326	169,458	-	40,951	-	13,865	-	-	-	-	<b>365,442</b>	14.4%
<b>Total</b>	<b>266,421</b>	<b>734,406</b>	<b>320,651</b>	<b>287,509</b>	<b>1,819</b>	<b>205,968</b>	<b>-</b>	<b>125,133</b>	<b>13,712</b>	<b>359,319</b>	<b>208,916</b>	<b>21,215</b>	<b>2,545,069</b>	<b>100%</b>
<b>%</b>	<b>10.47%</b>	<b>28.86%</b>	<b>12.60%</b>	<b>11.30%</b>	<b>0.07%</b>	<b>8.09%</b>	<b>0.00%</b>	<b>4.92%</b>	<b>0.54%</b>	<b>14.12%</b>	<b>8.21%</b>	<b>0.83%</b>	<b>100.00%</b>	

### Expenditure for Fiscal Year

Departments	Buildings	Roads & Bridges	Vehicles & Heavy Equipment	Office Equipment	Electrical Installations	Upkeep of Grounds	Shelters	Fuel	Marine Vessel	Mechanical Spares	Plant & Operations	Hotmix Plant	Total	%
Police	56,943	0	156,820	6,723	0	2,535	0	86,334	34,696	0	0	0	<b>344,052</b>	4.9%
Legal	2,517	0	0	685	0	0	0	0	0	0	0	0	<b>3,202</b>	0.05%
Magistrate's Court	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>	0.0%
Supreme Court	0	0	75	915	0	0	0	3,119	0	0	0	0	<b>4,109</b>	0.06%
Legislature	3,477	0	0	283	0	0	0	0	0	0	0	0	<b>3,760</b>	0.1%
Office of The Deputy Governor	77,773	0	169,704	72,429	7,316	51,417	0	25,911	0	0	0	0	<b>404,550</b>	5.78%
Public Prosecution	1,638	0	0	700	0	0	0	0	0	0	0	0	<b>2,338</b>	0.0%
Office of The Premier	12,027	0	37,422	166,470	0	1,600	0	9,008	0	0	0	0	<b>226,526</b>	3.24%
Cabinet Secretariat	0	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>	0.0%
Ministry of Finance & Economic Mgmt.	1,638	0	28,174	2,971	0	100	0	13,987	0	0	0	0	<b>46,870</b>	0.67%
Agriculture	96,057	0	88,720	22,551	0	49,712	0	26,605	0	0	0	0	<b>283,646</b>	4.1%
Communications, Works & Labour	95,992	2,579,151	106,982	82,871	0	76,882	0	196,375	0	592,857	425,630	44,362	<b>4,201,103</b>	60.07%
Education, Youth Affairs And Sports	387,405	0	5,442	11,604	0	272,889	0	5,593	0	0	0	0	<b>682,933</b>	9.8%
Health And Social Services	316,261	0	62,684	288,629	0	85,955	0	36,978	0	0	0	0	<b>790,507</b>	11.30%
<b>Total</b>	<b>1,051,729</b>	<b>2,579,151</b>	<b>656,023</b>	<b>656,831</b>	<b>7,316</b>	<b>541,091</b>	<b>0</b>	<b>403,910</b>	<b>34,696</b>	<b>592,857</b>	<b>425,630</b>	<b>44,362</b>	<b>6,993,596</b>	<b>100%</b>
<b>%</b>	<b>15.0%</b>	<b>36.9%</b>	<b>9.4%</b>	<b>9.4%</b>	<b>0.1%</b>	<b>7.7%</b>	<b>0.0%</b>	<b>5.8%</b>	<b>0.5%</b>	<b>8.5%</b>	<b>6.1%</b>	<b>0.6%</b>	<b>100.00%</b>	

## E. SUPPLEMENTARY APPROPRIATION BILL EXPLANATORY NOTE – EXTRACT

### SCHEDULE (Section 2) DEVELOPMENT VOTES

#### SUMMARY

1. This clause and Schedule provide for increases to the Development Fund Votes in amounts fourteen million two hundred and eighty thousand four hundred dollars (\$14,280,400).

#### DETAILS OF THE SCHEDULE

2. The following project was provided for under Development Fund Warrant #5-10 for Financial Year 2015-16 and seeks to:
  - Approve the spending of \$763,900 under **40-400-87A Montserrat Secondary School (MSS) Rehabilitation Project**. The funds are being placed into a local project and are made available by DFID. This project is co-funded by DFID (\$763,900) and the Government of Montserrat (\$200,000) and is the second phase of a two phased project. It will cater to the erection of five (5) class rooms for the upcoming school year in September, 2015.
  - Approve the spending of \$265,200 under **12-120-01A Public Service Reform Project**. These funds made available by DFID will be used to honor a contract between the Government of Montserrat and Public Administration International (PAI).
  - Approve the spending of \$109,500 under **20-203-32A Education Infrastructure project**. The funds made available by DFID is to facilitate the retention payment to the contractor.
  - Approve the spending of \$20,700 under **40-400-06A Early Childhood Development Programme**. These funds were made available by UNICEF to conduct training in Early Childhood development.
  - Approve the spending of \$117,100 under **40-400-09A Teachers Training Enhancement Programme**. CDB has provided the funds to facilitate teacher training programmes that will further enhance teaching skills on the island.
  - Approve the spending of \$11,500 under **45-450-044A Child Safeguarding and Protection Project**. The additional funds provided by UNICEF caters to the Safeguarding and Protection of Children.
  - Approve the spending of \$252,000 under **30-300-93A Emergency Shelters** which forms a part of the Montserrat Priority Infrastructure Project. The funds which were made available by DFID is to facilitate the rehabilitation of Emergency Shelters on the island.
  - Approve the spending of \$1,999,600 under **30-300-96A Social Housing** which forms a part of the Montserrat Priority Infrastructure Project. These funds that were made available by DFID is to provide decent permanent housing for seven (7) households in the first instance living in deplorable conditions.

- Approve the spending of \$1,763,300 under **35-350-88A Roads and Bridges Project** which forms a part of the Montserrat Priority Infrastructure Project. DFID has provided the funds to; i)provide the sur-rounding areas of the Barzeys Bypass with a safe robust and all-weather road access, (ii) equip the PWD with a customized asphalt paver for road maintenance and improvement operations and the necessary training for the equipment and (iii)improve the bridge access at Bunkum Bay
- Approve the spending of \$580,000 under **35-350-92A Liquid Waste Management** which forms a part of the Montserrat Infrastructure Priority Project. These funds that were provided by DFID will cater to the erection of a new Sewage Treatment Plant in the LookOut Community area and will also help with future planning in relation to sludge treatment for collections island wide.
- Approve the spending of \$820,000 under **35-350-90A Water** which forms a part of the Montserrat Priority Infrastructure Needs Project. The funds provided by DFID caters to the renewing and upgrading of the water mains to enhance the network, which would improve the delivery of water to residents amd businesses and also reduce any form of leakage.
- Approve the spending of \$627,000 under **35-350-89A Power** which forms a part of the Montserrat Priority Infrastructure Needs Project. The funds provided by DFID will start the upgrade and refurbishment of the electricity distribution network .
- Approve the spending of \$2,906,100 under **35-350-71A Geothermal Project**. This warrant seeks to increase the approved expenditure amount from \$4,100,000 to \$7,006,100. These additional funds are provided by DFID and will cater to phase three (3) of the project.
- Approve the spending of \$163,000 under **35-350-76A Support to PWD Strategic Development project**. The funds which were made available by DFID is to facilitate the urgent purchase of the Autodesk Building & Infrastructure design Suite Software for the Public Works Department within the Ministry of Communication, Works & Labour
- Approve the spending of \$203,600 under **12-120-02A Capacity Development Fund Project**. These funds provided by DFID are to facilitate the relevant training required by Ministries to enhance the skills and competencies of staff to execute their daily functions.
- Approve the spending of \$1,507,500 under **12-120-01A Public Service Reform II Project**. These funds which were made available by DFID is to provide the relevant technical support across the Public Service to improve it's operations. Additionally, the use of these funds will signal the end of the PSR II project and assist with the smoothe implementation of PSR III project.
- Approve the spending of \$604,700 under **15-150-02A Montserrat Development Corporation (MDC) Project**. The funds which were made available by DFID is to facilitate the winding down of the MDC.
- Approve the spending of \$395,100 under **15-150-99A Tourism Management and Development Counsultancy Project**. The funds which were made available by DFID will be used to provide the relevant technical support to the Office of the Premier for it's ongoing tourism operations and projects.

- Approve the spending of \$51,000 under the **15-150-102A Environmental Remediation & Protection Project**. These funds provided by UNDP will be used to explore the economic potential of the Garibaldi Hill area and provides an opportunity for sustainable development.
- Approve the spending of \$817,100 under the **20-203-37A Hospital Redevelopment Project**. These funds provided by DFID will be used to facilitate urgent works at the Glendon Hospital.
- Approve the spending of \$24,000 under the **20-203-61A Government Accomodation Project**. These funds provided by DFID will be used to complete works on the MAHLE Headquarters.

Approve the spending of \$278,500 under the **35-350-76A Support to PWD Strategic Dev SCHEDULE (Section 2) DEVELOPMENT VOTES**

### SUMMARY

3. This clause and Schedule provide for increases to the Development Fund Votes in amounts fourteen million two hundred and eighty thousand four hundred dollars (**\$14,280,400**).

### DETAILS OF THE SCHEDULE

4. The following project was provided for under Development Fund Warrant #5-10 for Financial Year 2015-16 and seeks to:
  - Approve the spending of \$763,900 under **40-400-87A Montserrat Secondary School (MSS) Rehabilitation Project**. The funds are being placed into a local project and are made available by DFID. This project is co-funded by DFID (\$763,900) and the Government of Montserrat (\$200,000) and is the second phase of a two phased project. It will cater to the erection of five (5) class rooms for the upcoming school ear in September, 2015.
  - Approve the spending of \$265,200 under **12-120-01A Public Service Reform Project**. These funds made available by DFID will be used to honor a contract between the Government of Montserrat and Public Administration International (PAI).
  - Approve the spending of \$109,500 under **20-203-32A Education Infrastructure project**. The funds made available by DFID is to facilitate the retention payment to the contractor.
  - Approve the spending of \$20,700 under **40-400-06A Early Childhood Development Programme**. These funds were made available by UNICEF to conduct training in Early Childhood development.

- Approve the spending of \$117,100 under **40-400-09A Teachers Training Enhancement Programme**. CDB has provided the funds to facilitate teacher training programmes that will further enhance teaching skills on the island.
- Approve the spending of \$11,500 under **45-450-044A Child Safeguarding and Protection Project**. The additional funds provided by UNICEF caters to the Safeguarding and Protection of Children.
- Approve the spending of \$252,000 under **30-300-93A Emergency Shelters** which forms a part of the Montserrat Priority Infrastructure Project. The funds which were made available by DFID is to facilitate the rehabilitation of Emergency Shelters on the island.
- Approve the spending of \$1,999,600 under **30-300-96A Social Housing** which forms a part of the Montserrat Priority Infrastructure Project. These funds that were made available by DFID is to provide decent permanent housing for seven (7) households in the first instance living in deplorable conditions.
- Approve the spending of \$1,763,300 under **35-350-88A Roads and Bridges Project** which forms a part of the Montserrat Priority Infrastructure Project. DFID has provided the funds to; i)provide the sur-rounding areas of the Barzeys Bypass with a safe robust and all-weather road access, (ii) equip the PWD with a customized asphalt paver for road maintenance and improvement operations and the necessary training for the equipment and (iii)improve the bridge access at Bunkum Bay
- Approve the spending of \$580,000 under **35-350-92A Liquid Waste Management** which forms a part of the Montserrat Infrastructure Priority Project. These funds that were provided by DFID will cater to the erection of a new Sewage Treatment Plant in the LookOut Community area and will also help with future planning in relation to sludge treatment for collections island wide.
- Approve the spending of \$820,000 under **35-350-90A Water** which forms a part of the Montserrat Priority Infrastructure Needs Project. The funds provided by DFID caters to the renewing and upgrading of the water mains to enhance the network, which would improve the delivery of water to residents amd businesses and also reduce any form of leakage.
- Approve the spending of \$627,000 under **35-350-89A Power** which forms a part of the Montserrat Priority Infrastructure Needs Project. The funds provided by DFID will start the upgrade and refurbishment of the electricity distribution network .
- Approve the spending of \$2,906,100 under **35-350-71A Geothermal Project**. This warrant seeks to increase the approved expenditure amount from \$4,100,000 to \$7,006,100. These additional funds are provided by DFID and will cater to phase three (3) of the project.
- Approve the spending of \$163,000 under **35-350-76A Support to PWD Strategic Development project**. The funds which were made available by DFID is to facilitate the urgent purchase of the Autodesk Building & Infrastructure design Suite Software for the Public Works Department within the Ministry of Communication, Works & Labour

- Approve the spending of \$203,600 under **12-120-02A Capacity Development Fund Project**. These funds provided by DFID are to facilitate the relevant training required by Ministries to enhance the skills and competencies of staff to execute their daily functions.
- Approve the spending of \$1,507,500 under **12-120-01A Public Service Reform II Project**. These funds which were made available by DFID is to provide the relevant technical support across the Public Service to improve it's operations. Additionally, the use of these funds will signal the end of the PSR II project and assist with the smooth implementation of PSR III project.
- Approve the spending of \$604,700 under **15-150-02A Montserrat Development Corporation (MDC) Project**. The funds which were made available by DFID is to facilitate the winding down of the MDC.
- Approve the spending of \$395,100 under **15-150-99A Tourism Management and Development Counsultancy Project**. The funds which were made available by DFID will be used to provide the relevant technical support to the Office of the Premier for it's ongoing tourism operations and projects.
- Approve the spending of \$51,000 under the **15-150-102A Environmental Remediation & Protection Project**. These funds provided by UNDP will be used to explore the economic potential of the Garibaldi Hill area and provides an opportunity for sustainable development.
- Approve the spending of \$817,100 under the **20-203-37A Hospital Redevelopment Project**. These funds provided by DFID will be used to facilitate urgent works at the Glendon Hospital.
- Approve the spending of \$24,000 under the **20-203-61A Government Accomodation Project**. These funds provided by DFID will be used to complete works on the MAHLE Headquarters.
- Approve the spending of \$278,500 under the **35-350-76A Support to PWD Strategic Development Project**. These funds have been provided by DFID, to cater to short term on island training for employees in the Public Works Department to include; formen, operators, mechanics and architects.

## **BACKGROUND**

1. GOM received funding from the European Union, DFID, UNICEF and Local funds. Authorisation for the spending of these public funds must be approved by the Legislative Assembly.
  - **elopment Project**. These funds have been provided by DFID, to cater to short term on island training for employees in the Public Works Department to include; formen, operators, mechanics and architects.

## **BACKGROUND**

5. GOM received funding from the European Union, DFID, UNICEF and Local funds. Authorisation for the spending of these public funds must be approved by the Legislative Assembly.

## F. Staffing Details as at 31 March, 2016

Vote	A/C No	Ministry/Department	Per- manent	Fixed Term Contract	Special Agreement	Wages	Wages Part- time/FTE	No of Posts Filled	Vacan- cies	Unfunded	No of approved
05	050	Fire	25	0	0	0	0	25	3	0	28
05	051	Police	73	0	0	0	0	73	4	0	77
05	052	Financial Crime & Analysis	2	0	0	0	0	2	0	0	2
07	070	Administration of Justice	9	2	1	0	0	12	2	0	14
08	080	Magistrate's Court	3	1	0	0	0	4	0	0	4
09	090	Supreme Court	7	0	0	0	0	7	1	0	8
10	100	Legislature/Legislators	4	6	0	0	0	10	0	0	10
10	101	Constitution Commission Secretariat	0	1	0	0	0	1	0	2	3
11	110	Office of the Auditor General	6	6	0	1	0	13	3	1	17
12	120	Office of the Deputy Governor	13	2	0	0	0	15	0	2	17
12	121	Human Resources Management Unit	11	0	1	0	0	12	3	1	16
12	122	Prison	24	1	1	1	0	27	0	2	29
12	124	Disaster Management Co-Ordination Agency	6	0	1	0	0	7	0	0	7
12	125	Governor's Office	1	2	0	3	0	6	0	0	6
13	130	Director of Public Prosecution	4	0	1	0	0	5	1	0	6
15	150	Office of the Premier	9	2	3	0	0	14	0	0	14
15	153	Broadcasting	11	0	3	1	0	15	2	1	18
17	170	External Affairs	1	0	0	0	0	1	1	0	2
17	171	Development Planning and Policy	1	1	1	0	0	3	1	0	4
17	172	Department of Information Technology and E- Government	8	0	2	0	0	10	3	1	14
17	173	Ministry of Finance - Strategic Management and Administration	5	1	0	0	0	6	2	0	8
20	200	Fiscal Policy and Management	6	1	0	0	0	7	1	0	8
20	203	Statistical Management	5	0	2	0	0	7	1	0	8
20	204	Treasury Management	11	0	1	0	0	12	2	0	14
20	205	Customs & Revenue Services Department	33	1	6	0	0	40	5	0	45
20	206	Postal Services	7	1	1	0	0	9	0	1	10
20	207	Internal Audit Unit	4	0	0	0	0	4	2	1	7
20	208	Agricultural Headquarters	6	3	2	1	0	12	1	1	14
30	300	Agricultural Services	18	2	1	1	0	22	2	1	25
30	301	Land Administration	9	0	2	0	0	11	2	2	15
30	302	Physical Planning & Development Services	7	0	3	0	0	10	2	0	12
30	303	Environmental Management Department	11	1	1	0	0	13	2	0	15
30	304	Housing Policy & Support Services	4	0	0	0	0	4	2	1	7
30	305	Trade	1	0	1	0	0	2	0	0	2
35	350	Communications and Works Headquarters	9	2	4	0	0	15	2	0	17
35	351	Infrastructure Services	26	11	3	0	0	40	3	4	47
35	352	Plant Hire & Mechanical Services	24	7	2	0	0	33	3	0	36
35	353	Airport	29	1	1	0	0	31	1	1	33
35	355	Industrial Relations & Employment Services	4	0	0	0	0	4	0	0	4
40	400	Education Headquarters	8	4	1	0	0	13	0	0	13
40	401	Primary Education	27	0	1	2	0	30	2	3	35
40	402	Secondary Education	24	10	5	4	0	43	3	2	48
40	403	Library & Information Services	4	0	0	0	0	4	0	0	4
40	404	Early Childhood Education	22	1	1	0	0	24	2	0	26
40	405	Youth Affairs and Sports	10	0	0	0	0	10	0	0	10
45	450	Health Headquarters	8	0	0	0	0	8	0	0	8
45	451	Primary Health Care	15	6	1	9	0	31	4	2	37
45	452	Secondary Health Care	107	9	10	0	0	126	7	2	135
45	454	Social Services	9	1	0	1	0	11	2	0	13
45	455	Environmental Health	8	2	3	0	0	13	0	0	13
			<b>679</b>	<b>88</b>	<b>66</b>	<b>24</b>	<b>0</b>	<b>857</b>	<b>77</b>	<b>31</b>	<b>965</b>

## G. LONG TERM LEARNING AND DEVELOPMENT REQUIEMENTS 2015-16

NO	AREA OF STUDY
1	BSc Building Maintenance and Construction Management
2	BSc Economic/ Social Statistics
3	BSc Biomedical Engineering
4	MA. Applied Development Studies
5	BA in English / English Literature with Teacher Training
6	BSc. Social Work - major in Child Safeguarding
7	BSc Trade & Finance/ International Trade
8	BSc. Mathematics with Teacher training
9	BSc Industrial Arts majoring in Electricity/Electronics with Teacher training
10	BSc Food Technologist
11	BSc. Diagnostic Radiation
12	BSc Civil Engineering/Chartered
13	BSc. Education Policy & Planning
14	BSc. Psychology major in Clinical Psychology
15	BSc. Geothermal/Renewable Energy
16	BSc./Masters- Economics/ Finance/ Financial Management
17	BSc/ Associate in Land Surveying
18	BSc. Environmental Health
19	BSc. Education Curriculum
20	BSc Policy (Social) Analyst
21	BSc Software/Systems Engineering
22	Diploma/ BSc. Vehicle Systems Overhaul Repairs and Maintenance
23	BSc. / MA Human Resources Management/Information Systems
24	Diploma in Education/Associate Degree in Teacher Education
25	Certificate/Diploma in Office Equipment Technology
26	Diploma/DVM Veterinary Medicine
27	BA/ MA Special Needs Education
28	BSc Adult Nursing
29	BSc Nursing Anaesthetist/Dialysis/Oncology/ Midwifery/ Family Nurse Practitioner
30	BSc Computer Science/ Information Systems/Systems Engineering
31	Dip/BSc Broadcasting Engineering
32	BSc in Forestry Management
33	MA / Dip/Cert. Monitoring & Evaluation
34	BSc/MSc in Physiotherapy
35	BSc Estate Management
36	BSc. Sports Management
37	BSc. Dietary/ Nutrition Technician
38	BSc. / MA. Labour & Employment Relations
39	BSc. Agricultural Science
40	BSc. Library & Archiving Studies
41	BSc. Housing Studies

## H. Project Data as at 31<sup>st</sup> March, 2016

Name of Project -Sector	Ministry Responsible	Status	Financier	Budget 2015-16 EC\$	Expenditure EC\$	Balance(Budget-Exp.) EC\$
<b>Economic Infrastructure</b>						
Geothermal Exploration	MCW&L	Ongoing	DFID	\$7,006,100	\$3,057,739	\$3,948,361
Roads & Bridges	MCW&L	Ongoing	DFID	\$1,763,300	\$1,496,603	\$266,697
Port Development	MOFEM	Ongoing	EU	\$1,026,100	\$0	\$1,026,100
Fibre Optic	CabSec	Ongoing	EU	\$2,996,300	\$0	\$2,996,300
Economic Infrastructure Development	MOFEM	Ongoing	EU	\$2,000,000	\$639,992	\$1,360,008
MUL GENSET	MOFEM	Ongoing	DFID	\$10,000,000	\$0	\$10,000,000
Watercourse Embankment Protection	MOFEM	Ongoing	EU	\$265,000	\$265,000	\$0
Water Supply Upgrade	MCW&L	Ongoing	DFID	\$820,000	\$819,999.74	\$0.26
Electricity Distribution	MCW&L	Ongoing	DFID	\$627,000	\$611,703	\$15,297
MDC Operations	OP	Ongoing	DFID	\$2,604,700	\$2,570,594	\$34,106
Liquid Waste Management	MOFEM	Ongoing	DFID	\$580,000	\$503,531	\$76,469
ICT	OP	Ongoing	EU	\$1,870,000	\$1,228,381	\$641,619
Ferry Terminal Upgrade	MCW&L	Ongoing	EU	\$175,000	\$175,000	\$0
Disaster Preparedness	ODG	Ongoing	DFID	\$0	\$0	\$0
Aeronautical Project	MCW&L	Ongoing	DFID	\$0	\$0	\$0
Energy	MCW&L	Ongoing	EU	\$3,000,000	\$0	\$3,000,000
Environmental Remediation and &Protection	OP	Ongoing	UNDP	\$51,000	\$0	\$51,000
<b>TOTAL</b>				<b>\$34,733,500</b>	<b>\$11,368,542</b>	<b>\$23,364,958</b>
DFID				<b>\$23,401,100</b>	<b>\$9,060,169</b>	<b>\$14,340,931</b>
EU				<b>\$11,332,400</b>	<b>\$2,308,373</b>	<b>\$9,024,027</b>
GOM				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
				<b>\$51,000</b>	<b>\$0</b>	<b>\$51,000</b>
<b>Social Infrastructure, Research &amp; Services</b>						
Hospital Redevelopment project	MOFEM	Ongoing	DFID	\$1,817,100	\$1,596,297	\$220,803
BNTF 7	MOFEM	Ongoing	CDB	\$500,000	\$392,934	\$107,066
Davy Hill	MOFEM	Ongoing	EU	\$1,300,000	\$0	\$1,300,000
Emergency Shelters	MoFEM	Ongoing	DFID	\$252,000	\$138,890	\$113,110
Social Housing	MoFEM	Ongoing	DFID	\$1,999,600	\$75,308	\$1,924,292
Housing Programme	MOFEM	Ongoing	EU	\$2,000,000	\$1,405,000	\$595,000
Lookout Housing Force 10	MOFEM	Ongoing	EU	\$1,200,000	\$842,590	\$357,410
Credit Union Support to Housing	MOFEM	Ongoing	EU	\$1,000,000	\$1,000,000	\$0
Promotion and Development	MOFEM	Ongoing	EU	\$800,000	\$800,000	\$0
Equipping the Abattoir	MALHE	Ongoing	EU	\$177,600	\$84,100	\$93,500
Cemetery Establishment	OP	Ongoing	EU	\$270,800	\$0	\$270,800
<b>Total</b>				<b>\$11,317,100</b>	<b>\$6,335,118</b>	<b>\$4,981,982</b>
DFID				<b>\$4,339,500</b>	<b>\$1,810,495</b>	<b>\$2,529,005</b>
EU				<b>\$6,477,600</b>	<b>\$4,131,690</b>	<b>\$2,345,910</b>
CDB				<b>\$500,000</b>	<b>\$392,934</b>	<b>\$107,066</b>
UNECLAC				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
GOM				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Public Administration, Buildings and Reform</b>						
PSRII	ODG	Ongoing	DFID	\$1,772,700	\$518,622	\$1,254,078

Name of Project -Sector	Ministry Responsible	Status	Financier	Budget 2015-16 EC\$	Expenditure EC\$	Balance(Budget-Exp.) EC\$
Access Coordinator	MCW	Ongoing	DFID	\$20,500	\$0	\$20,500
Government Accommodation	MOFEM	Ongoing	DFID	\$2,224,000	\$2,223,873	\$127
Capacity Development Fund	MOFEM	Ongoing	DFID	\$203,600	\$178,041	\$25,559
Project Management	MOFEM	Ongoing	EU	\$2,500,000	\$512,107	\$1,987,893
Miscellaneous (Small Capital) 14	MOFEM	Ongoing	DFID	\$302,000	\$301,614	\$386
Media Exchange Development	Cabsec	Ongoing	GOM	\$573,339	\$573,245	\$94
Tourism Management & Development Consultancy	OP	Ongoing	DFID	\$395,100	\$395,100	\$0
Support to Public Works Department	MCW&L	Ongoing	DFID	\$441,500	\$167,142	\$274,358
<b>Total</b>				<b>\$8,432,739</b>	<b>\$4,869,743</b>	<b>\$3,562,996</b>
DFID				\$5,359,400	\$3,784,392	\$1,575,008
EU				\$2,500,000	\$512,107	\$1,987,893
GOM				\$573,339	\$573,245	\$94
<b>Education</b>						
Education Infrastructure (PCN)	MOFEM	Ongoing	DFID	\$394,300	\$388,295	\$6,005
Montserrat Secondary School Rehabilitation	MOE	Ongoing	GOM	\$763,900	\$763,900	\$0
Teacher Enhancement Project	MOE	Ongoing	CDB	\$117,100	\$90,021	\$27,079
Early Childhood Development	MOE	Ongoing	UNICEF	\$20,700	\$16,850	\$3,850
Sport Centre	MOE	Closed	EU	\$0	\$0	\$0
<b>Total</b>				<b>\$1,296,000</b>	<b>\$1,259,066</b>	<b>\$36,934</b>
DFID				\$394,300	\$388,295	\$6,005
EU				\$0	\$0	\$0
GOM				\$763,900	\$763,900	\$0
CDB				\$117,100	\$90,021	\$27,079
UNICEF				\$20,700	\$16,850	\$3,850
<b>Agriculture</b>						
Darwin Initiative Post Project	MALHE	Ongoing	DARWIN	\$362,000	\$163,878	\$198,122
Overseas Territories Environmental	MALHE	Ongoing	OPEP	\$345,600	0	\$345,600
<b>Total</b>				<b>\$707,600</b>	<b>\$163,878</b>	<b>\$543,722</b>
OPEP				\$345,600	\$0	\$345,600
DARWIN				\$362,000	\$163,878	\$198,122
<b>Statistical Research and Miscellaneous Projects</b>						
Census 2012	MOFEM	Ongoing	DFID	\$157,400	\$0	\$157,400
Miscellaneous 14	MOFEM	Ongoing	EU	\$1,219,600	\$744,794	\$474,806
<b>Total</b>				<b>\$1,377,000</b>	<b>\$744,794</b>	<b>\$632,206</b>
DFID				\$157,400	\$0	\$157,400
GOM				\$0	\$0	\$0
EU				\$1,219,600	\$744,794	\$474,806
<b>Child Protection</b>						
Child Safeguarding and Protection	MOHSS	Ongoing	UNICEF	\$21,300	\$21,196	\$104
<b>Total</b>				<b>\$21,300</b>	<b>\$21,196</b>	<b>\$104</b>
UNICEF				\$21,300	\$21,196	\$104

<b>Financier</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Balance</b>
DFID	\$33,651,700	\$15,043,351	\$18,608,349
EU	\$21,529,600	\$7,696,964	\$13,832,636
CDB	\$617,100	\$482,954	\$134,146
OTEP	\$345,600	\$0	\$345,600
DARWIN	\$362,000	\$163,878	\$198,122
UNICEF	\$42,000	\$38,046	\$3,954
UNECLAC	\$0	\$0	\$0
GOM	\$1,337,239	\$1,337,145	\$94
UNDP	\$51,000	\$0	\$51,000
<b>Total</b>	<b>\$57,936,239</b>	<b>\$24,762,337</b>	<b>\$33,173,902</b>