

STANDING FINANCE COMMITTEE

The Honourable J Ford, MLA (Chair)
The Honourable L Clifton, MLA (Deputy Chair)
The Honourable S Bragger, MLA
The Honourable D Dent, MLA
The Honourable M Goss, MLA
The Honourable D Gould, MLA
The Honourable C Roberts, MLA
The Honourable R Spink, MLA

Honourable Members are advised that a meeting of the Standing Finance Committee will take place on Wednesday 28th January 2026 at 1.30pm in the Liberation Room.

AGENDA Part I - Open

- 1 **Apologies for absence**
- 2 **Declarations of interest**
- 3 **Confirmation of the minutes of the meeting held on 29th October 2025**
- 4 **Matters arising from the minutes of the meeting held on 29th October 2025**
- 5 **Summary Financial Management Report for December 2025** **Report
02/26**
- 6 **Capital Projects Report Open Items 2025/26 Q2 - OPEN** **Report
03/26**
- 7 **December 2025 Electricity Unit Rate Public Quarterly Report - OPEN** **Report
04/26**
- 8 **Charitable Donation – Jamaica Relief Fundraiser** **Report
01/26**
- 9 **Consideration of public Executive Council reports with financial implications submitted to Executive Council on Tuesday 27th January 2026**
- 10 **Confirmation of the date of the next meeting: Wednesday 25th February 2026**
- 11 **Exclusion of Press and Public:**

The Chairman to move as follows: *"I move that the press and public be now excluded on the grounds that the next items of business to be considered are likely to disclose exempt information under Part 2 of Schedule 3 of the Committees (Public Access) Ordinance 2012".*

Part II – Closed

- 12 Confirmation of the closed minutes of the meeting held on 29th October 2025**
- 13 Matters arising from the closed minutes of the meeting held on 29th October 2025**
- 14 Capital Projects Progress Report Closed Items 2025/26 Q2 - CLOSED** **Report 05/26**
- NOT FOR PUBLICATION by virtue of Paragraph 10 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about relevant contracts and negotiations.*
- 15 December 2025 Electricity Unit Rate Quarterly Review - CLOSED** **Report 06/26**
- NOT FOR PUBLICATION by virtue of Paragraph 17 of Schedule 3 of the Committees (Public Access) Ordinance 2012 relating to budgetary information.*
- 16 Consideration of closed/redacted Executive Council reports with financial implications submitted to Executive Council on Tuesday 27th January 2026**

STANDING FINANCE COMMITTEE

OPEN MINUTES OF THE
STANDING FINANCE COMMITTEE MEETING
HELD ON WEDNESDAY 29TH OCTOBER 2025
Liberation Room, Secretariat, 09.00

These minutes are draft minutes until confirmed by resolution at the next meeting of the Committee.

Present:	The Honourable Roger Spink, MLA (Chair) The Honourable Mark Pollard, MLA The Honourable Teslyn Barkman, MLA The Honourable John Birmingham, MLA The Honourable Peter Biggs, MLA The Honourable Jack Ford, MLA The Honourable Leona Roberts, MLA The Honourable Gavin Short, MLA	
	The Honourable Financial Secretary, Pat Clunie	FS
In Attendance:	The Honourable Chief Executive, Andrea Clausen Head of Finance, Steven Cannon Senior Accountant, Darren McDowell (item 7) Management Accountant, September Maldonado (item 6) Capital Accountant, Hazel Carnaje (items 8 & 17) Head of Policy, Roddy Cordeiro (item 5) Director Public Works, Colin Summers (item 13) Senior Accounting Assistant, Kristy Buckland (item 13) Accounting Assistant - Debtors, Joanne Baigorri (item 13) FIMCO A/GM, Nigel Leach (item 14)	CE HoF SA MA CA HoP DPW SAA AAD NL
Secretary:	Executive Assistant for CE & FS, Imogen Didlick	
Public & Press:	Press x 3 Public x 1	

PART I – OPEN

1.0 **Apologies for absence:**

1.1 None.

2.0 **Declarations of interest:**

2.1 MLA Short (item 10.1).

3.0 **Confirmation of the minutes of the meeting held on 24th September 2025:**

3.1 The minutes were confirmed as correct.

4.0 **Matters Arising from the minutes of the meeting held on 24th September 2025:**

4.1 ***Action 1, publication of electricity review*** – see item 7.

5.0 **RPI Update Q3 2025 (Report 40/25):**

- 5.1 *The purpose of this report was to publicise the results of the calculation of the Stanley Retail Price Index (“RPI”) for the third quarter of 2025 (“Q3 2025”).*
- 5.2 HoP presented the report and advised that overall, the volatility decreased with few items recording changes of 0.1% or more. Low stocks over the last twelve months had caused some volatility over the previous quarters, but with stocks being replenished in current quarter less basket items had to be substituted.
- 5.3 HoP advised that the inflation in UK had been quite high, which means the F.I will feel the impact of that in 2-3 quarters time. HoP added that the increases approved in October for Sure SA Ltd broadband/telephone would also have an impact for Q2 2025-26.
- 5.4 HoP confirmed that the year-long Household Expenditure Survey had commenced this month which would provide the data needed to look at a new basket of goods; the biggest update expected to be the inclusion of Starlink and other unlimited telecoms packages.
- 5.5 MLA Spink noted that Q1 of the financial year always saw an increase as it was the first quarter that new FIG annual fees/charges were imposed. HOP advised that the increase in Government rent was the main driver behind the RPI increase in the quarter.
- 5.6 MLA Roberts asked whether there had been a high take up of applicants to do the Household Expenditure Survey. HoP confirmed there were approx.. 70, but whether they will last the full year was unknown. MLA Roberts highlighted the importance of the survey and said she was glad it was up and running.
- 5.7 **Post-meeting note:** HoP correction to quarterly figures seen in table 1 of the report:

Date	Index	Quarterly % Increase/ Decrease	Annual % Increase/ Decrease
30-Sept-2024	123.056	-1.4%	-0.1%
31-Dec-2024	124.045	0.8%	0.5%
31-Mar-2025	125.059	0.8%	0.7%
30-Jun-2025	125.181	0.1%	0.3%
30-Sep-2025	126.349	0.9%	2.7%

- 5.8 Honourable Members thanked HoP and noted the report.

6.0 **Summary Financial Report September 2025 (Report 38/25):**

- 6.1 *The purpose of this report was to provide Members with a summary financial report as at 30 September 2025 for the 2025/26 financial year.*
- 6.2 MA presented the report and advised the following:
- YTD surplus of £3.1M against a budgeted deficit of £0.3M as at end of September 2025 showed an overall favourable variance of £3.5M;
 - FY deficit is forecast to be £3.4M as at end of September 2025, which was an adverse variance against a budget of £3.7M;
 - FY deficit as at end of September 2025 of £3.4M adverse versus August 2025 by £0.2M. This is due to an increase in staff costs (£0.5M), offset by a transfer to capital for heliport design (£0.3M).
- 6.3 MLA Ford asked whether the adverse figure of £2.5M for Corporation Tax (CT) was due to the financial revisions made in this year’s Budget Select Committee. FS said CT had been dropped to what was expected last year but the figure had to be decreased again due to the lower figures being seen this year.
- 6.4 Honourable Members thanked MA and noted the report.

7.0 June 2025 Electricity Unit Rate Public Quarterly Report (Report 29/25):

- 7.1 *The purpose of this report is to provide an update to SFC following a review of the unit rate of electricity using the most recently available production data.*
- 7.2 SA presented the report and asked Members to note that there was a surplus of £0.582M for 2024/25 and the cumulative deficit as at 30 June 2025 was £0.842M.
- 7.3 MLA Spink highlighted that for every 1p reduction, FIG would have to subsidise £150,000 which would have to be found within the budget; adding that this would also subsidise a number of commercial users. MLA Roberts said that the cost would likely be passed on to the customer by businesses and reiterated that electricity prices was the only lever Members had to help reduce the cost of living impact. MLA Spink felt this was not an efficient way to address cost of living as it was not targeted so many customers would receive a subsidy who did not need it. MLA Barkman commented that a lot more work around overall income inequality was needed, and it did not help that FIG had 'refused to tackle' a tax review. MLA Ford disagreed and advised that the decision to not address was due to no staff capacity – it was not a refusal.
- 7.4 CE confirmed that electricity would be included in the same conversation as targeting cost recovery and principles, and she was hopeful to bring this to the new Assembly in time for Budget Select. CE acknowledged the concerns and reassured that she will be meeting with HoP to discuss further. MLA Pollard said that the analysis on electricity pricing would be welcome and feeding that into the budget process would help the decision-making process.
- 7.5 Honourable Members thanked SA and noted the report.

8.0 Capital Report Q1 2025 (Report 41/25):

- 8.1 *The purpose of this report is to provide Members with an update on the progress of capital projects excluding those costings that cannot be publicly disclosed for tender purposes.*
- 8.2 CA presented the report, and advised the following:
- YTD expenditure on capital projects and programmes was £13.3M, which was £26.1M underspent against the YTD budget. The biggest contributor to this was the FIPASS replacement/port project;
 - The FY expenditure forecast for capital was projected to be £108.3M;
 - The largest Q1 variances were housing construction / FIPASS improvements / vehicles / hillside FIG office refurb / plant for PWD.
- 8.3 MLA Pollard asked that future spreadsheets reports remained in their Excel format when distributed. CA noted.
- 8.4 Honourable Members thanked CA and noted the report.

9.0 Summary of Five-Year Plan (Report 46/25):

- 9.1 *The purpose of this report is to provide a summary of the five-year plan from 2024/25 to 2029/30, including new bids.*
- 9.2 FS presented the report and advised that the plan was to assist with making appropriate choices and mitigate against any financial impacts. FS said that there was a shortfall of the 1.5 x reserves policy from 2027/28 but as that had been recognised at this early stage it demonstrated the plan's worth.
- 9.3 FS advised that operational changes had made an impact over this year and the coming two years; however, the plan fed in the tax shortfall and there had been no adjustment made for future tax revenue – assumptions were from this year's figures only.

- 9.4 FS said that the overall net effect for this year was well above the reserves ratio but it got tighter in 2026/27 year when capital spend would be at its highest.
- 9.5 MLA Spink asked whether the capital spend remained at £14.5M, as agreed at BSC. FS confirmed it was - new spend had been found from reductions in existing capital projects so the number had been maintained but at the expense of other projects. FS acknowledged that the plan did not paint a good picture; however he was not overly concerned as they did have solutions, and it was appropriate to share this information publicly. MLA Spink agreed and said everyone standing needed to know what the current situation was.
- 9.6 MLA Roberts thanked FS and said it was important to be clear with people that difficult decisions do need to be made; she was not entirely convinced that the plan painted a full picture although it did give forewarning to the new Assembly and the community. FS reminded that there were options on the table which can be confirmed at a later date - a lot could happen over the next five years. FS said that he felt the plan gave two important messages, (1) it identified the broad direction of travel, and (2) it highlighted a number of areas where they can mitigate against to push the numbers in the right direction.
- 9.7 MLA Barkman said the decisions made had a significant financial impact on the public and future assemblies were going to have very tough decisions to make.
- 9.8 MLA Pollard noted that whilst the reserves headroom was in the red it did not mean FIG was financially in the red and did not account for factors such as future increased revenue. MLA Pollard also highlighted that they were having to spend a huge amount of money on infrastructure that had not been invested in for decades, so there was no choice but to invest in the capital programme.
- 9.9 MLA Short said that whilst there would be a 'tighter fiscal world for the next 5-6 years' he highlighted that the plan did not consider any increased economic activity; but understood why it had to be presented in this way.

10.0 Consideration of public Executive Council reports with financial implications submitted to Executive Council on Tuesday 28th October 2025:

- 10.1 **Report 203/25, Bid for additional subvention for the Media Trust to cover the cost of urgently required technical works at Falklands Radio:** *MLA Short declared an interest.* MLA Roberts confirmed her support for this paper and said that Falklands Radio was an important public service. MLA Pollard said if this was not approved then the station would 'fall of air'; he would prefer to see a rolling capital replacement programme but know that this was not possible at this stage so would approve to ensure the service remains. MLA Barkman advised that the management of a rolling programme had been discussed with the Media Trust and hopefully a solution will be brought to the table. MLA Pollard felt this was 'a shot across the bow for other subvention bodies' and that they need to encourage a rolling capital programme for all. CE advised that project work had been undertaken to ensure there was accountability and oversight of public funds distributed to outside agencies; the governance would be robust and give confidence as to how subvention money was used. Honourable Members **approved** the budgetary recommendations of the paper (excluding MLA Short due to his declared interest).
- 10.2 **Report 108/25, Tussac House – final project costs:** Members commented that this report would be made public, with MLA Pollard noting that this had been a subject raised at a number of public meetings and he hoped this would draw a line under it. MLA Spink said lessons had been learnt from this project by the management team, which would improve future processes. MLA Spink thanked FIG officers for the improvements to management and oversight. CE highlighted that PWD and DCS were ensuring contracts and procurement become more robust, and a Capital Programme team was now in place. Honourable Members **noted** the report and MLA Spink thanked the Treasury for their assistance throughout this Assembly and for supplying reports to these meetings.

11.0 Confirmation of the date of the next meeting: Wednesday 28th January 2026

12.0 Exclusion of Press and Public:

09.42

"I move that the press and public be now excluded on the grounds that the next items of business to be considered are likely to disclose exempt information under Part 2 of Schedule 3 of the Committees (Public Access) Ordinance 2012".

PART II - CLOSED

13.0 Debtors Report Q1 2025/26 (Report 44/25):

NOT FOR PUBLICATION by virtue of Paragraph 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about others' financial and business affairs.

13.1 *The purpose of this report was to provide Members with a report on the government debt position at 30/09/2025.*

13.2 HoF presented the report, and advised that housing rent, service charge and electricity were the largest debts outstanding.

13.3 Honourable Members noted the report and thanked officers for their efforts in addressing a long-standing issue.

13.4 A full record of this discussion is contained in the exempt section of the minutes.

With no other matters to discuss DPW, SAA, AAD left at 10.03hrs.

14.0 FIMCO Update (Report 43/25) - FIMCo A/GM in attendance:

NOT FOR PUBLICATION by virtue of paragraph 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about others' financial and business affairs.

14.1 *The purpose of this report was to update Members of the Standing Finance Committee on the Falkland Islands Meat Companies financial, stock, and operating position.*

14.2 NL presented the report and advised that there were no significant changes to the current figures, and confirmed that the pre-season staff were starting to arrive.

14.3 FS asked what the general feel of business was like. NL said it was positive - demand was high, sales were good, and customers were keen.

14.4 MLA Roberts asked for an update on the beef outlook. NL said a Beef Working Group had been established which provided farmers with a longer projection for expected supply; there had been positive feedback from previous working group meetings and more confidence from suppliers. MLA Roberts asked if farmers were looking to supply beef again. NL confirmed they were but only for domestic, not export.

14.5 MLA Spink asked how cost effective the import of beef was. NL said the import numbers were purely to sustain domestic fresh supply but would be reviewed at a later date.

14.6 A full record of this discussion is contained in the exempt section of the minutes.

With no other matters to discuss NL left at 10.13hrs.

15.0 Confirmation of the closed minutes of the meeting held on 24th September and the extraordinary meeting of 15th October 2025:

15.1 The minutes were confirmed as correct.

16.0 Matters Arising from the closed minutes of the meeting held on 24th September 2025:

16.1 There were three matters arising discussed.

16.2 A full record of this discussion is contained in the exempt section of the minutes.

17.0 Capital Report Q1 2025/26 (Report 42/25):

NOT FOR PUBLICATION by virtue of paragraph 17 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to budgetary information.

17.1 *The purpose of this report was to provide Members with an update on the progress of capital projects with costings that cannot be publicly disclosed for tender purposes.*

17.2 CA presented the report.

17.3 MLA Ford asked if the figures would have changed since the port contract had been signed. CA confirmed that an updated cashflow forecast would be prepared now that the contracts had been signed.

17.4 Honourable Members noted the report.

17.5 A full record of this discussion is contained in the exempt section of the minutes.

18.0 Camp Education Teacher Accommodation and Schoolroom (Report 45/25):

NOT FOR PUBLICATION by virtue of paragraph 8 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to information about children.

18.1 *The purpose of this report is to recommend SFC agree the following –*

(a) The reallocation of capital funds from Education Directorate towards the creation of a new capital project to create new Camp Education estate;

(b) The allocation of a further FIG capital funds to cover risks and contingencies

18.2 FS presented the report and said that as this unit was mobile it can be moved to another settlement once no longer needed.

18.3 Honourable Members approved budgetary recommendation (a) and asked that (b) was reduced from 30% to 10% and found elsewhere in the budget.

18.4 MLA Barkman asked if the teacher was going to be onsite as the second room in the unit had been classed as 'living space', not a bedroom. CE said this can be checked but is confident that they would not have put this suggestion forward without consideration of teacher accommodation.

18.5 A full record of this discussion is contained in the exempt section of the minutes.

19.0 Security Improvements to Falkland House:

NOT FOR PUBLICATION by virtue of paragraph 2 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to information about National Security, Defence and Other Security Matters.

19.1 *As per s.17(1)(b) of the Committees (Public Access) Ordinance 2012, MLA Spink confirmed he was content for the following report to be brought forward and considered at SFC given the special circumstances requiring the item to be considered at the meeting as a matter of urgency, which was regarding the security of Falkland House and its staff within.*

- 19.2 Honourable Members approved the budgetary recommendations of the report.
- 19.3 A full record of this discussion is contained in the exempt section of the minutes.
- 19.0 Consideration of closed/redacted Executive Council reports with financial implications submitted to Executive Council on Tuesday 14th October 2025:**
- Report 207/25, Proposal to Engage Crane Hire Service:**
NOT FOR PUBLICATION by virtue of paragraph 10 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to information about relevant contracts and negotiations.
- 19.2 CE presented the report and advised that this was just being flagged and will be discussed further during Budget Select Committee.
- 19.3 A full record of this discussion is contained in the exempt section of the minutes.

The meeting finished at 10.48hrs

Minutes confirmed this _____ day of _____ 2025

Chairperson

STANDING FINANCE COMMITTEE

Title of Report: Summary Financial Report – December 2025

Paper No: 02-26

Date of Meeting: 28 January 2026

Report of: Management Accountant

1. Introduction

1.1. The purpose of this report is to provide Members with a summary financial report as at 31 December 2025 for the 2025/26 financial year.

2. Recommendation

2.1. None. This report is for information only.

3. Summary

3.1. Table 1 below summarises the current financial position for the year to date (YTD) and the latest full year (FY) projected outturn.

Table 1 Falkland Islands Government - Financial Management Report For the Month Ending 31 December 25 Surplus / (Deficit) versus Revised budget										
	Dec-25			Dec-25			Sep-25	Sep-25	Sep-25	Dec-25 vs Sep-25
	YTD Actual	YTD Budget (Revised)	Variance Actual vs Budget Fav/(Adv)	FY Forecast	FY Budget (Revised)	Variance Forecast vs Budget Fav/(Adv)	FY Forecast	FY Budget (Revised)	Variance Forecast vs Budget Fav/(Adv)	FY Forecast
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Total Revenue (excluding Unrealised Investment Income)	(81,181)	(73,856)	7,325	(119,266)	(119,946)	(680)	(116,766)	(119,946)	(3,180)	(2,500)
Total Expenditure (excluding unrealised investment losses)	55,441	60,999	5,558	120,146	119,632	(514)	120,188	119,673	(514)	(41)
Surplus/ (Deficit) for 24/25 (excluding unrealised investment losses)	25,740	12,857	12,883	(880)	314	(1,194)	(3,422)	273	(3,694)	2,541

3.2. The YTD surplus of £25.7m against a budgeted surplus of £12.9m as at end of December 2025 shows an overall favourable variance of £12.9m, primarily due to:

Favourable

- a) Oil Licence Acreage Rents, £2m
- b) Net Investment income, £1.4m (Profit/interest on sale is £0.7m favourable and loss on sale is £0.7m favourable)
- c) Personal tax, £1.4m
- d) Sale of Quarry Products, £1.8m
- e) Fishing Licence fees, £0.9m
- f) Corporation Tax, £0.6m
- g) Operating costs favourable by £4.9m (cost phasing/ delayed invoicing/vacancy lag).

Adverse

- h) Staff cost, (£0.1m) in Police

3.3. The FY deficit is forecast to be (£0.9m) as at end of December 2025, an adverse variance against budget by (£1.2m) due to:

Adverse

- a) Passenger levy due to lower number of tourist and cancellations assumption at 16,000 pax (>17,000 last season), (£0.7m)
- b) Additional staff cost in Police (£0.1m) and in Natural Resources (£0.4m), £0.2m is from the 7 additional DMR staff (ExCo 178/25), £0.2m for the locum vet cost

3.4. The FY deficit as at end of December 2025 of (£1.2m) is favourable versus September 2025 by £2.5m due to:

Favourable

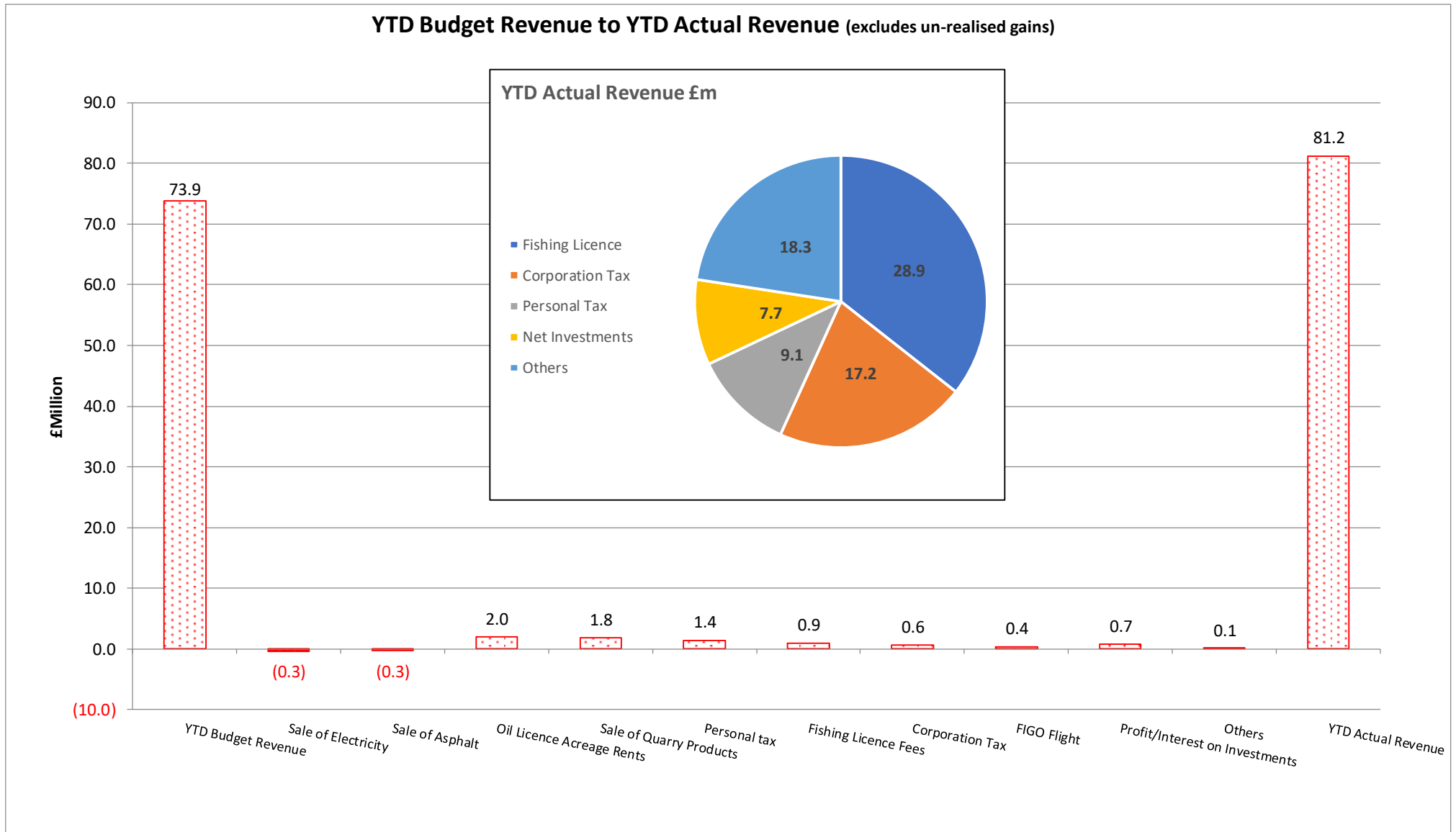
- a) Corporation tax, £2.5m, as expected to be at budget based on the recent final settlement agreement between Rockhopper Exploration and FIG regarding a previously disclosed disputed taxation amount related to a farm-out to Premier Oil in 2012.
- b) Transfer of budget from operating to capital to fund the FIGO building security improvement, £0.04m

3.5. Treasury request Directorates to report any variances over £100k considered highly likely to occur or have already occurred in the full year (FY) financial forecast. Treasury has included those significant variances reported by Directorates in its full year (FY) forecast. No additional material variances have been reported than those detailed in paragraph 3.3. Actuals are reported against the appropriated funds that include 2024/25 carry forwards of £3.9m, additional funding for telecommunication consultancy phase two (exco 101/25) of £1.3m, budget transferred to capital of (£0.3m) for Heliport Design and (£0.04m) to FIGO building security improvement.

- 3.6. Graph 1 shows the key drivers of the year to date (YTD) budget revenue to YTD actual revenue. Graph 2 YTD revenue versus FY revenue forecast versus the FY revised budget shows the gap between what has been achieved and what remains to be achieved by main revenue categories. Graph 3 shows the monthly movement in FY surplus variance.
- 3.7. Table 2 details the variance between YTD actuals and YTD revised budget (i.e. as per the Appropriation Bill 2025 plus the £3.9m carry forwards approved in the Supplementary Appropriation, additional funding for telecommunication consultancy phase two (exco 101/25) of £1.3m, budget transferred to capital of (£0.3m) for Heliport Design and (£0.04m) to FIGO building security improvement.
- 3.8. Table 3 details the variance between the FY forecast and the FY revised budget and gives explanations for the variances.

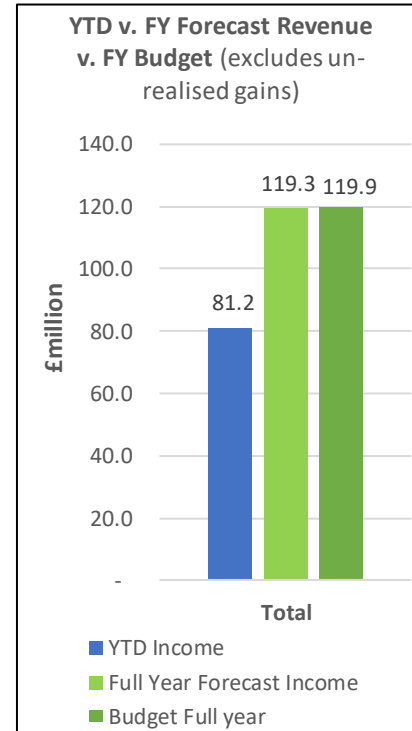
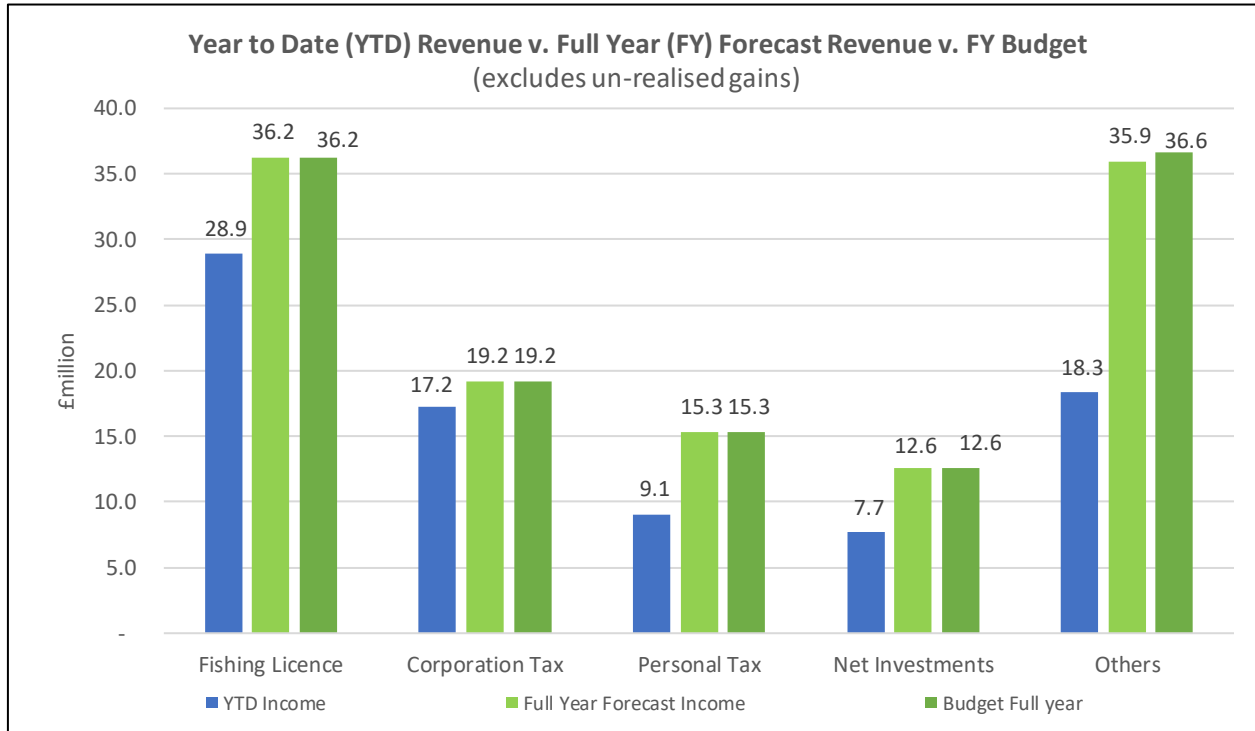
GRAPH 1

**Falkland Islands Government - Financial Management Report
For the Month Ending 31 December 25**



GRAPH 2

**Falkland Islands Government - Financial Management Report
For the Month Ending 31 December 25**



GRAPH 3

**Falkland Islands Government - Financial Management Report
For the Month Ending 31 December 25**

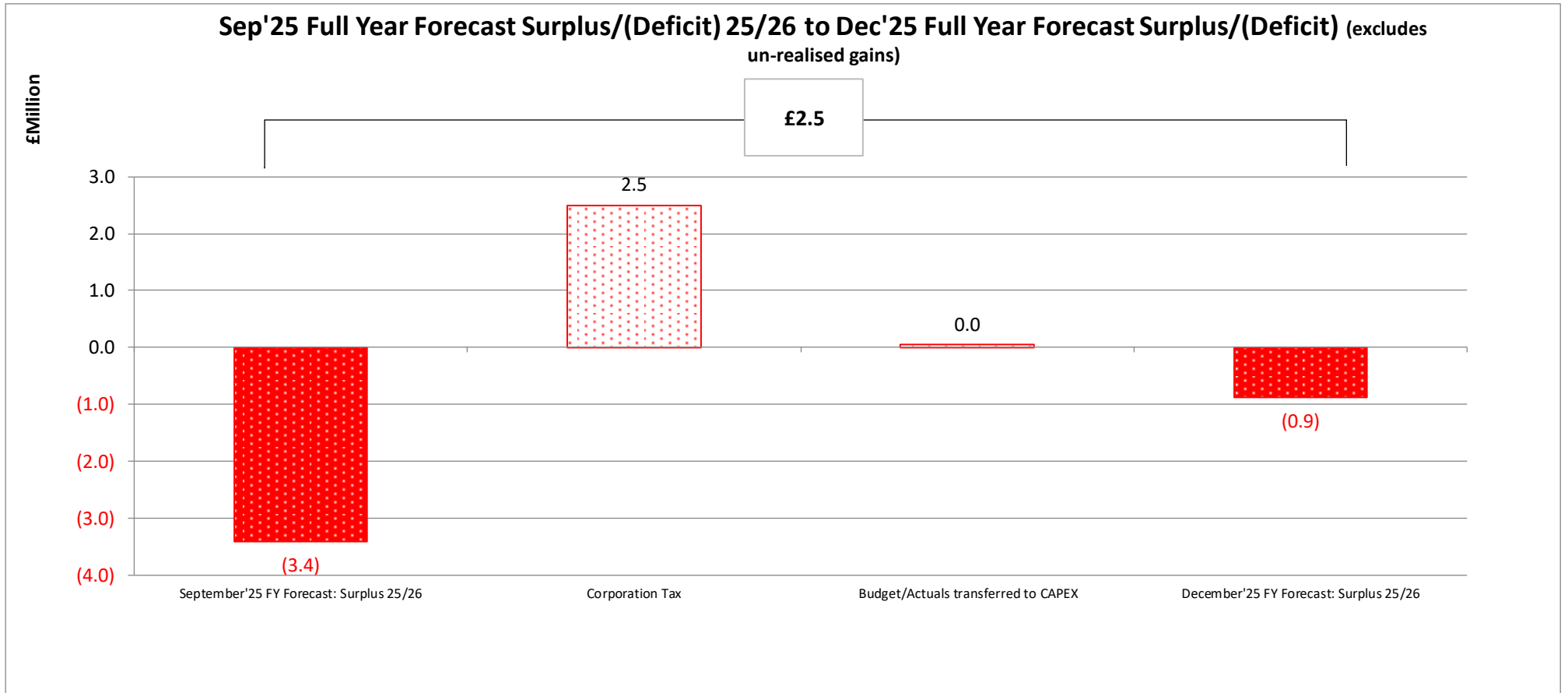


TABLE 2

**Falkland Islands Government - Financial Management Report
For the Month Ending 31 December 25**

OPERATING REVENUES	£000s	£000s	£000s	
Description	YTD Actual Dec-25	YTD Budget (Revised) Dec-25	Variance Actual vs Budget Fav/(Adv)	Variance commentary
Revenue				
110 Development and Comm Services	(869)	(867)	2	Favourable FIGO Travel Revenue £0.16m (offset by flight cost in the expenditure) partially offset by adverse FIGAS passenger revenue (£0.07m), swimming pool & sports fees (£0.06m) and aerial surveillance on-costs (£0.04m)
200 Health & Social Services	(358)	(461)	(103)	Adverse resident fees (£0.04m), hospital and medical charges (£0.03m), theatre treatment (£0.02m) and in patient (£0.02m)
250 Education	(133)	(109)	24	Favourable reimbursement college fees/exps £0.04m from apprenticeship, partially offset by adverse boarding school fees (£0.01m)
350 Public Works	(9,513)	(8,213)	1,300	Favourable sale of quarry products £1.8m, service water charge £0.26m, plant hire £0.2m, partially offset by adverse sale of electricity (£0.34m), plant and labour allocation to capital projects (£0.32m) and asphalt (£0.28m)
410 Natural Resources	(31,116)	(28,133)	2,983	Favourable oil licence acreage rents £2m and fishing license £0.94m
450 Law & Regulation	(385)	(224)	161	Favourable VSAT licences £0.18m, partially offset by legal advice fees (£.02m)
540 Emergency Services	(1,644)	(1,734)	(90)	Adverse customs duty (£0.1m) and embarkation tax (£0.04m), partially offset by favourable customs services £0.02m, service & supply of documents £0.01m and visas/permits/passports £0.01m
600 Executive Management	(2,203)	(2,001)	202	FIGO Flight income
615 Policy and Economic Development	-	-	-	
700 The Treasury	(34,853)	(32,063)	2,790	Favourable personal tax £1.42m, investment income £0.73m (investment loss is favourable of £0.67m), corporation tax £0.59m, and stanley services dividend £0.27m, partially offset by MPA Windfarm recharge (£0.1m) and various accounts (£0.1m)
Total Departmental Revenue	(81,074)	(73,805)	7,269	
996 Medical Treatment Overseas	-	(13)	(13)	Demand-led services
998 Social Investments	-	-	-	
999 Island Plan Investments	(107)	(38)	69	Workboat Services Income
608 Public Accounts Committee	-	-	-	
997 Oil Development	-	-	-	
Total Revenue (Unrealised Investment Income excluded)	(81,181)	(73,856)	7,325	

TABLE 2				Falkland Islands Government - Financial Management Report			
				For the Month Ending 31 December 25			
OPERATING COSTS	£000s	£000s	£000s				
	YTD Actual	YTD Budget (Revised)	Variance Actual vs Budget Fav/(Adv)				
	Dec-25	Dec-25					
Costs							
110 Development and Comm Services	5,624	4,969	(655)	Adverse service contracts (£0.6m) from prior losses compensation to Sure, specialist/consultancy services (£0.3m) for future telecoms project phase 2, partially offset by live TV £0.14m and repairs & maintenance £0.1m			
200 Health & Social Services	8,303	9,647	1,344	Favourable service contracts £0.36m, vacancy lag of £0.24m, Medical Stores £0.19m, Electricity £0.17m, Specialist/Consultancy Services £0.1m, Central Heating costs £0.1m, Mandatory Training/CPD £0.09m, others £0.05m			
250 Education	5,592	6,199	607	Favourable student grants/training £0.25m, central heating costs £0.09m, private sector training £0.04m and various accounts £0.22m			
350 Public Works	8,823	9,758	935	Favourable fuel £0.33m, vacancy lag £0.2m, maintenance MPA road £0.19m, furniture - household £0.1m and various accounts £0.12m			
410 Natural Resources	5,612	6,046	434	Favourable hydrocarbon consultancies £0.14m, vacancy lag £0.08m, charter fees £0.06m, education facilities review £0.05m and various accounts £0.1m			
450 Law & Regulation	1,115	974	(141)	Adverse vacancy lag (£0.14m) and aviation safety (£0.04m), partially offset by small variances from various accounts £0.04m			
540 Emergency Services	2,776	2,733	(43)	Adverse vacancy lag (£0.18m) partially offset by favourable airport security £.07m, maritime security services £0.05m and various accounts £0.02m			
600 Executive Management	4,067	5,153	1,086	Favourable FIGO flight cost £0.9m, software licences £0.07m, telephone telex & fax charges £0.05m, and various accounts £0.07m			
615 Policy and Economic Development	1,074	1,173	99	Favourable vacancy lag £0.1m			
700 The Treasury	6,431	7,495	1,064	Favourable loss on sale of investments £0.67m, investment management fees £0.36m and various accounts £0.03m			
Total Departmental Expenditure	49,417	54,148	4,731				
996 Medical Treatment Overseas	1,462	1,830	368	Demand-led services			
998 Social Investments	-	-	-				
999 Island Plan Investments	4,534	4,987	453	Timing of invoices from Subvention bodies			
608 Public Accounts Committee	28	35	7				
997 Oil Development	-	-	-				
Total Expenditure (excluding unrealised investment losses)	55,441	60,999	5,558				
Surplus/ (Deficit) for 24/25 (excluding unrealised investment losses)	25,740	12,857	12,883				
Notes							
- Cost figures exclude depreciation and transfer to capital equalisation fund							
- Executive Management includes the income and expenditure relating to Airbridge flights							

TABLE 3

**Falkland Islands Government
Financial Management Report
Full Year Forecast as at 31 December 25**

OPERATING REVENUES

Description	FY Forecast	FY Budget	Variance	Better/ Worse than	Variance commentary
	Dec-25	(Revised) Dec-25	FY FC vs Budget Fav/(Adv)	prior month variance / No change transparent	
	£000s	£000s	£000s		
Revenue					
110 Development and Comm Services	(1,805)	(1,805)	-	○	
200 Health & Social Services	(923)	(923)	-	○	
250 Education	(183)	(183)	-	○	
350 Public Works	(17,360)	(17,360)	-	○	
410 Natural Resources	(38,643)	(38,643)	-	○	
450 Law & Regulation	(470)	(470)	-	○	
540 Emergency Services	(5,718)	(6,398)	(680)	○	Adverse (£0.68m) Passenger levy due to lower number of tourist, assuming cancellations would be at 16,000 pax (>17,000 last season)
600 Executive Management	(4,009)	(4,009)	-	○	
615 Policy and Economic Development	-	-	-	○	
700 The Treasury	(50,053)	(50,053)	-	●	
Total Departmental Revenue	(119,164)	(119,844)	(680)	●	
996 Medical Treatment Overseas	(26)	(26)	-	○	
998 Social Investments	-	-	-	○	
999 Island Plan Investments	(76)	(76)	-	○	
608 Public Accounts Committee	-	-	-	○	
997 Oil Development	-	-	-	○	
Total Revenue	(119,266)	(119,946)	(680)	●	

TABLE 3

**Falkland Islands Government
Financial Management Report
Full Year Forecast as at 31 December 25**

OPERATING COSTS Description	FY Forecast	FY Budget (Revised)	Variance FY FC vs Budget Fav/(Adv)	Better/ Worse than prior month variance / No change transparent	
	Dec-25 £000s	Dec-25 £000s	£000s		
Costs					
110 Development and Comm Services	10,377	10,377	-	○	
200 Health & Social Services	18,928	18,928	-	○	
250 Education	11,640	11,640	-	○	
350 Public Works	19,643	19,643	-	○	
410 Natural Resources	12,281	11,867	(414)	○	£0.2m is from the 7 additional DMR staff (ExCo 178/25), £0.2m for the locum vet cost
450 Law & Regulation	1,938	1,938	-	○	
540 Emergency Services	5,426	5,326	(100)	○	£0.1m is due to staff cost
600 Executive Management	9,395	9,395	-	●	
615 Policy and Economic Development	2,352	2,352	-	○	
700 The Treasury	14,897	14,897	-	●	
Loan Finance Cost	-	-	-	○	
Total Departmental Expenditure	106,877	106,363	(514)	●	
996 Medical Treatment Overseas	3,561	3,561	-	○	
998 Social Investments	-	-	-	○	
999 Island Plan Investments	9,639	9,639	-	○	
608 Public Accounts Committee	70	70	-	○	
997 Oil Development	-	-	-	○	
Total Expenditure (excluding unrealised investment losses)	120,146	119,632	(514)	●	
Surplus/ (Deficit) for 24/25 (excluding unrealised investment losses)	(880)	314	(1,194)	●	

Notes - Cost figures exclude depreciation and transfer to capital equalisation fund
- Executive Management includes the income and expenditure relating to Airbridge flights

STANDING FINANCE COMMITTEE

Title of Report: Capital Projects Progress Report Open Items – 2025/26 Q2-31/12/2025

Paper No: 03/26

Date of Meeting: 28 January 2026

Report of: Capital Accountant

1. Introduction

The purpose of this report is to provide Members with an update on the progress of capital projects excluding those costings that cannot be publicly disclosed for tender purposes.

2. Recommendation

2.1. None. This report is for information only.

3. Summary

A summary of actual capital expenditure as at 31 December 2025 against the revised budget for 2025/26 split by the Islands Plan objectives is shown below in Table 1.

Total (Open and Closed)	YTD Actual July-Dec 25/26	YTD Revised Budget 25/26	YTD Variance	25/26 Full Year Forecast	25/26 Full Year Revised Budget	Variance
	£m	£m	£m	£m	£m	£m
Economic Development	16.9	49.1	32.2	60.3	84.6	24.4
Infrastructure and Maintenance	9.1	14.8	5.7	24.6	35.4	10.8
Social Investment	5.7	8.8	3.1	14.6	17.2	2.7
Budget Reserve	0.0	0.0	0.0	0.0	2.8	2.8
Total expenditure	31.7	72.7	41.0	99.4	140.0	40.6
Income	(0.2)	(0.5)	(0.3)	(1.0)	(1.0)	(0.0)
Net expenditure	31.5	72.2	40.7	98.4	139.0	40.6

Total (Open)	YTD Actual July-Dec 25/26 £m	YTD Revised Budget 25/26 £m	YTD Variance £m	25/26 Full Year Forecast £m	25/26 Full Year Revised Budget £m	Variance £m
Economic Development	0.1	0.9	0.8	0.6	1.8	1.2
Infrastructure and Maintenance	6.1	8.4	2.3	15.1	17.8	2.7
Social Investment	1.3	1.3	0.0	2.4	1.9	-0.5
Total expenditure	7.5	10.6	3.1	18.1	21.5	3.4

Notes:

1) 'Open' items include projects not subject to tender so details of these projects can be made publicly available. 'Closed' items include projects subject to tender and cannot be made publicly available.

2) The Full Year Revised Budget figure of £140M includes original 25/26 budget of £108.5M plus amounts carried over from 24/25 of £31.5M.

3.1 Year to date expenditure on capital projects (Open items) and programmes is £7.6m, which is £3.0m underspent against the YTD budget. The biggest contributor to this was the FIPASS Improvement.

3.2 The table below summarises the main variances for those projects that can be disclosed.

Table 2 – Open Items – Largest YTD Q2 Variances

Name	Code	Actual £m	Budget £m	Variance £m	Commentary
FIPASS Improvements	7040	0.15	0.90	0.75	A lot of work packages were completed between November and January, and cost reconciliation is expected shortly, along with an updated programme and forecast for the remainder of FY25/26. From February to June, monthly costs are unlikely to exceed £50k, however, this may be revised in February depending on workforce availability for the planned works.
Hillside FIG office refurb	7166	0.00	0.49	0.49	The tender process has been completed, and is now in the design phase. Overall, it is anticipated to be an underspend since the main refurbishment is expected to take place in the next financial year.
Mare Harbour Wind Farm	7167	1.80	2.23	0.44	The road works have progressed well and are now near to completion. Some complications have arisen regarding the crane pads, and the project team is currently working with the contractor to resolve these issues.
Housing construction	7033	0.23	0.65	0.42	All 40 houses are now completed, with the final one handed over this month. The 30 houses at MPC are now estimated to be completed by July 2026 due to infrastructure provision delays.
Plant for PWD	7006	0.38	0.73	0.34	The year-to-date variance is mainly due to the timing of payments. All plant has now been ordered, and the payments will be made once they arrive at the UK dock.

3.3 The full-year budget for capital projects and programmes is £21.5m. Project managers forecast capital expenditure of £18.0m for 2025/26, resulting in a projected underspend of £3.5m. The main contributors to this FY underspend are the FIPASS Improvement (£1.3m), Hillside FIG Office Refurbishment (£0.5m), Mare Harbour Wind Farm (£0.4m), Pump Sewage Disposal System (£0.4m), and Industrial Infrastructure (£0.4m).

3.4 A full breakdown of the capital programme by individual project/programme highlighting progress and variances against budget is shown in the appendix to this report.

3.5 Capital income was £0.2m against a revised budget of £0.5m. Income received was from the sale of houses, land and payment of loans.

Name	Code	Accountable Department	YTD 25/26 Actual Spend Jul-Dec	YTD 25/26 Revised Budget	YTD Variance	25/26 Full Year Revised Budget	25/26 Full Year Forecast	FY Variance	Full Year % of Budget still to spend	Commentary	Budget category
			£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	%		
1 Mare Harbour Wind Farm	7167	PWD	1,797	2,234	437	4,469	4,031	438	60%	£437k favourable variance ytd The road works have progressed well and are now near to completion. Some complications have arise regarding the crane pads, and the project team is currently working with the contractor to resolve these issues. A sighting board is required to ensure that the works to create the enlarged junction can be completed without causing damage to the existing cabling and water mains in site.	Infrastructure and Maintenance
2 FIPASS Improvements	7040	DCS	148	903	755	1,806	548	1,258	92%	£755k favourable variance ytd A lot of work packages were completed between November and January, and cost reconciliation is expected shortly, along with an updated programme and forecast for the remainder of FY25/26. From February to June, monthly costs are unlikely to exceed £50k, however, this may be revised in February depending on workforce availability for the planned works.	Economic Development
3 Packaway Buildings (FIGAS Hangar)	7121	PWD	660	834	174	1,321	1,136	185	50%	£173k favourable variance ytd The new lean-to foundation, drainage, and floor have been installed, and all structural steel is now in place. Cladding is expected to arrive in mid-February 2026, with contractors planning to complete the works between May and June 2026.	Infrastructure and Maintenance
4 Plant for PWD	7006	PWD	383	727	344	1,174	1,110	64	67%	£343k favourable variance ytd The year-to-date variance is mainly due to the timing of payments. All plant has now been ordered, and the payments will be made once they arrive at the UK dock. The revised cash flow has already been incorporated into the latest forecast.	Infrastructure and Maintenance
5 Balance Camp Roads for Reallocation	7023	PWD	0	0	0	1,000	0	1,000	100%	Budget to be allocated in 7011,7014,7021 and 7026	Infrastructure and Maintenance
6 Hillside FIG office refurb	7166	PWD	3	491	488	991	503	488	100%	£487k favourable variance ytd The tender process has been completed, and is now in the design phase. Overall, it is anticipated to be an underspend since the main refurbishment is expected to take place in the next financial year.	Infrastructure and Maintenance
7 Housing related maintenance	7034	PWD	357	392	35	970	734	236	63%	£35k favourable variance ytd The full-year forecast indicates that the works align with the budget. Expenditures are associated with the refurbishment of kitchens and bathrooms in Jersey Flats, JMA, Endurance, and Callaghan flats. Materials have been delivered, and are now waiting for the ITT to proceed with the installation.	Infrastructure and Maintenance
8 FIGAS airframe	7084	DCS	4	0	(4)	1,077	1,146	(69)	100%	(£4k) minor adverse variance ytd Delivery target is April 2026. Approximately £100K to be redirected from 7078 Aviations Services Development to cover additional spend on essential modifications.	Infrastructure and Maintenance
9 Building Maintenance	7037	PWD	228	396	168	900	778	122	75%	£168k favourable variance ytd The current expenditure pertains to the refurbishment of the IT building, the installation of additional CCTV for the FIGAS estate, and kitchen materials for Stanley House, refurbishment of Sullivan House. Additional expenses include the renovation of Education's bathrooms, external decorations for the town hall, the replacement of the East Conservatory at GH, external doors for FICS, and the upgrade of IJS boilers and the plant room.	Infrastructure and Maintenance
10 Sports Facility Development	7103	DCS	825	350	(475)	838	1,313	(475)	2%	(£474k) adverse variance ytd No changes have been made since the last submission, as a meeting with NSC to obtain a cost update has not yet been held.	Social Investment
11 Jetty Renovations	7042	PWD	152	57	(95)	689	659	30	78%	(£95k) adverse variance ytd Awaiting confirmation from the DAVIT supplier on Sea Lion Island before procurement can proceed. Other islands remain on hold to allow higher-priority projects to be completed.	Infrastructure and Maintenance
12 Medical Equipment	7091	DHSS	428	573	145	681	519	162	37%	£145k favourable variance ytd £100k underspend expected- required for rollover to 26/27 FY - This has changed due to progress on Phase 2 of Pathology starting now. Update to be provided in more detail in Jan 26 capital report.	Infrastructure and Maintenance
13 MPA Road	7020	PWD	37	256	219	681	678	3	95%	£218k favourable variance ytd Work to be completed at the end of Feb 2026. Programme is for the completion of culverts and road marking.	Infrastructure and Maintenance
14 Housing construction	7033	PWD	232	651	419	651	754	(103)	64%	£419 favourable variance ytd All 40 houses are now completed, with the final one handed over this month. The 30 houses at MPC are now estimated to be completed by July 2026 due to infrastructure provision delays on the military side.	Social Investment

Name	Code	Accountable Department	YTD 25/26 Actual Spend Jul-Dec	YTD 25/26 Revised Budget	YTD Variance	25/26 Full Year Revised Budget	25/26 Full Year Forecast	FY Variance	Full Year % of Budget still to spend	Commentary	Budget category
			£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	%		
15 Hospital Maintenance	7049	DHSS	313	501	188	642	573	69	51%	£187k favourable variance ytd Full budget expected to be spent in year Work ongoing with Pathology and CSSD re development. This work is identifying a number of additional (Contract Variation Instruction) CVI's for work required that weren't original costed in the original funding allocation managed through PWD. KEMH picking up the additional costs. 25/26 maintenance plan is now being developed. Work is progressing well and 2nd phase of Pathology has started Jan 26. Thorlux lights ordered will be here Feb 26 awaiting invoices.	Infrastructure and Maintenance
16 Repair of Stanley Roads	7015	PWD	613	296	(317)	587	584	3	(4)%	(£317k) adverse variance ytd Works to be completed at the end of financial year. Virement of material cost is needed. Programme is to complete the works in Ross Road.	Infrastructure and Maintenance
Projects with 25/26 budget of more than £500,000 - Open Session			6,180	8,661	2,481	18,477	15,066	3,411	67%		
Projects with 25/26 budget of less than £500,000 - Open Session			1,407	1,948	541	3,033	2,963	70	54%		
Projects only disclosed in Closed Session			24,092	62,107	38,015	118,431	81,317	37,114	80%		
Total			31,679	72,716	41,037	139,941	99,348	40,593	77%		

Name	Code	Accountable Department	YTD 25/26 Actual Spend Jul- Dec	YTD 25/26 Revised Budget	YTD Variance	25/26 Full Year Revised Budget	25/26 Full Year Forecast	FY Variance	Full Year % of Budget still to spend	Commentary	Budget category
			£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	%		
Details of active projects: Less than £500K Budget											
17	Vehicles	7008 PWD	145	444	299	444	382	62	67%	£300k favourable ytd variance 5 Toyota Hilux Double Cabin 5 seater heavy duty pick up have arrived and are all in service. Further spend in line with the budget is the purchase of the 5 door 4x4, a wheel chair accessible vehicle and protection plates for 4 x Toyota vehicles.	Infrastructure and Maintenance
18	Pumped Sewage Disposal System	7071 PWD	4	220	216	441	4	437	99%	£216k favourable variance ytd Awaiting final design proposal and build Pump Station for Boxer Bridge. More replacement pumps will need ordering.	Infrastructure and Maintenance
19	Industrial Infrastructure (ARSIE)	7070 PWD	4	203	199	407	4	403	99%	£199k favourable variance ytd ARSIE Phase 2A & B start date is to be confirmed.	Infrastructure and Maintenance
20	Framework Contract	7088 DCS	166	150	(16)	300	306	(6)	45%	(£16k) adverse variance ytd Due to 2 months invoices being pulled into July 2025 caused year costs to overspend but pulling that unfavourable balance back through the year. Forecast for Jan 2026 undertaken based on invoice from Ramboll.	Infrastructure and Maintenance
21	Provider improvements to comply with nursery regulations	7046 EDU	178	138	(41)	193	193	0	8%	(£40.8k) adverse variance ytd The project has been fully completed, and the building has been handed back to SKZ and is now operational. We are still awaiting the final invoice.	Social Investment
22	Aviation Services Development	7078 DCS	76	41	(35)	200	165	35	62%	(£35k) adverse variance ytd Automated Weather Observation System cancelled for this FY. Remaining funds to be redirected to 7084 FIGAS Airframe to cover additional spend on essential modifications.	Infrastructure and Maintenance
23	Replacement No 7 generator	7137 PWD	38	125	87	187	101	86	80%	£86k favourable variance ytd Project has been completed. The current expenditures are for the payment of the spare packages related to the ordered equipment.	Infrastructure and Maintenance
24	New Sports Facility – Fit Out	7175 DCS	89	167	78	167	89	78	47%	£77.5k favourable variance ytd Currently out for tender, difficult to forecast at this stage due to uncertainties in the capital build costs. No changes have been made since the last submission, as a meeting to obtain a cost update from the PM has not yet been held.	Social Investment
25	General Infrastructure (Bio Disc Drainage)	7069 PWD	46	141	95	150	46	104	69%	£95k favourable variance ytd Installation of the 2 Bio Disc fences at Rex Hunt and Sandy Woodward has been completed, and the vents, stack, and paint are scheduled to arrive in February 2026.	Infrastructure and Maintenance
26	New Plot Servicing-Services to New Properties-	7149 PWD	2	75	73	150	77	73	99%	£72k favourable variance ytd Awaiting an updated forecast.	Infrastructure and Maintenance
27	Electricity Supply Improvement	7059 PWD	22	31	9	125	116	9	82%	£9k favourable variance ytd The current expenditure pertains to the replacement of cables and the work on generator sets for Wind Farms. Awaiting an updated forecast.	Infrastructure and Maintenance
28	Training Centre	7036 EDU	0	5	5	10	10	0	100%	Nil spend ytd £10k to be used for design on Training Centre	Economic Development
29	Design & Consultancy	7072 PWD	10	25	15	50	35	15	80%	£14.8k favourable variance ytd Programme funding is to continue delivering the design works for the DoA lab which is currently done by Ramboll.	Infrastructure and Maintenance
30	FIGAS Fleet Modifications	7081 DCS	13	41	28	41	13	28	69%	£29k favourable variance ytd Project is now completed. No further commitments this Financial year.	Infrastructure and Maintenance
31	Landscaping Stanley	7038 PWD	0	17	17	33	23	10	100%	Nil spend ytd Future spend is for various landscaping, tree planting and purchase of soil.	Social Investment
32	Fox Bay - Agents Office	7169 DCS	12	32	20	32	12	20	63%	£20k favourable variance ytd Project is mid way and being completed mostly in-house through the Fox Bay Agent. Difficult to include projections until later in the FY. No changes have been made since the last submission, as a meeting to obtain a cost update from the PM has not yet been held.	Infrastructure and Maintenance
33	West Roads Improvements	7021 PWD	87	26	(61)	26	377	(351)	(236)%	(£60k) adverse variance ytd Work resumed in January and are expected to be finished in April 2026. Programme funding required to replace 6 culvert crossings, armouring of the south shoulder of the embankment and raising the embankment in section of 2km of the Main Point. Budget to be vired from project code 7023.	Infrastructure and Maintenance
34	Disabled facility and adaptions	7130 PWD	2	10	8	20	2	18	90%	£8k favourable variance ytd Will require additional funds for the remainder of 2025/26. Funding is to facilitate the Tussac house.	Infrastructure and Maintenance
35	FIPASS office replacement	7179 DCS	0	20	20	20	0	20	100%	Nil spend ytd Atlink are leading on procurement of security office replacement. Update on timescales to follow in due course.	Infrastructure and Maintenance
36	PMO Software	7174 DCS	0	18	18	18	0	18	100%	£18k favourable variance ytd Expected invoice of circa £7000 in December but will be likely in January from Wrike but will go onto FIG IT Credit Card and then an AV raised.	Infrastructure and Maintenance

2025/26 CAPITAL PROGRAMME - OPEN SESSION - APPENDIX
 Projects Ranked in Order (by Value of Revised Budget)

Name	Code	Accountable Department	YTD 25/26 Actual Spend Jul-Dec	YTD 25/26 Revised Budget	YTD Variance	25/26 Full Year Revised Budget	25/26 Full Year Forecast	FY Variance	Full Year % of Budget still to spend	Commentary	Budget category
			£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	£(000's)	%		
37 FIDF Security Improvements	7133	DESI	0	15	15	15	15	0	100%	Nil spend ytd The project is on schedule to be completed by June 26. The internal security door fob and monitoring system have been ordered and will be installed shortly. The alarm system is still being specified but should be ready to order by March 26.	Infrastructure and Maintenance
38 Fox Bay - Fire Shed	7170	DCS	15	3	(12)	3	15	(12)	(356)%	(£11.7k) adverse variance ytd Project is complete, we will look to deal with the over-spend during the latter part of the year. No changes have been made since the last submission, as a meeting to obtain a cost update from the PM has not yet been held.	Infrastructure and Maintenance
39 Camp Roads	7011	PWD	9	0	(9)	0	320	(320)		(£8.6k) minor adverse variance ytd Construction work resumed this January and will be finished by March 2026. Programme is for the completion of the last section of Doyle Farm Road (5km) Budget to be vired from project code 7023.	Infrastructure and Maintenance
40 East Roads Capping	7014	PWD	140	0	(140)	0	239	(239)		(£140k) adverse variance ytd 60% of the work is completed, and the outstanding works are expected to be finished by April 2026. Programme is to complete 5km of capping on the Goose Green Road. Budget to be vired from project code 7023.	Infrastructure and Maintenance
41 Cattle Grid Installation - West	7026	PWD	20	0	(20)	0	90	(90)		(£20.3k) adverse variance ytd The contractor has completed the agreed scope of work. Outstanding invoices are still to be processed. Programme is for the completion of installation of 5 new cattlegrids to be installed within Stanley. Budget to be vired from project code 7023.	Infrastructure and Maintenance
42 Fox Bay building improvements	7051	PWD/DCS	6	0	(6)	0	6	(6)		(£5k) minor adverse variance ytd Unforeseen costs that have resulted in an overspend, which has carried over into the new fiscal year (FY). The work on House No. 5 will be planned in due course. No change, will need rolling over into 2026/27	Infrastructure and Maintenance
43 Workforce Accommodation	7116	PWD	323	0	(323)	0	323	(323)		(£322k) adverse variance ytd Overspend should be netted off by underspend elsewhere.	Infrastructure and Maintenance
Projects with 25/26 budget of less than £500K - Open Session			1,407	1,948	541	3,033	2,963	70	54%		

STANDING FINANCE COMMITTEE

Title of Report:	December 2025 Electricity Unit Rate Public Quarterly Report (actuals to 31 December 2025)
Paper No:	04/26
Date of Meeting:	28 th January 2026
Report of:	Senior Accountant

1. **Purpose**

- 1.1. To provide an update to SFC following a review of the unit rate of electricity using the most recently available production data.

2. **Recommendation**

- 2.1. Members to note:
 - a) Forecast Deficit of £0.033m for Financial Year 25/26;
 - b) Forecast cumulative deficit £0.875, as at 30 June 2026.

3. **Background**

- 3.1. The approved approach to cost recovery for electricity production is the user pays policy i.e. the unit price of electricity is set at a rate which ensures the full costs of production are recovered.
- 3.2. Since Q1 21/22, electricity prices per unit rose from 23p to a peak of 39p, reducing to the current 35p per unit. Over the same period diesel prices rose from 56p per litre to £1.01, reducing to the current price of 61p per litre.
- 3.3. The electricity unit price reduction is not comparable to the reduction in fuel price due to FIG historically under-recovering electricity production costs up to 23/24, in effect subsidising electricity users when considering the full cost of electricity production.
- 3.4. The cumulative deficit from 21/22 peaked at £2.1m in 22/23 due to significantly higher costs during 22/23 than were recovered with a unit price of 39p.

4. **Electricity Actuals and Forecasts**

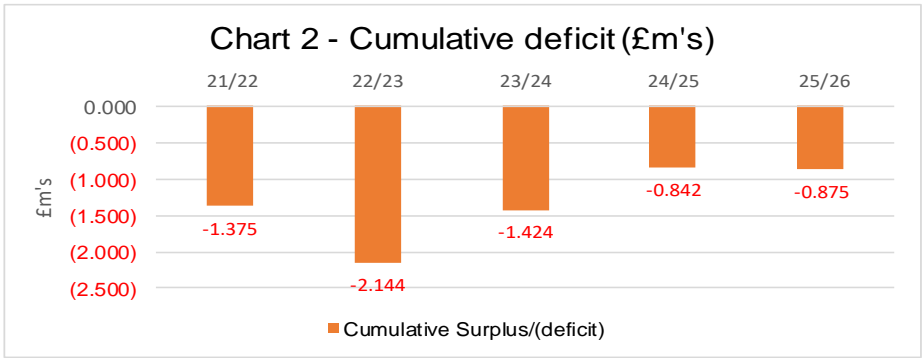
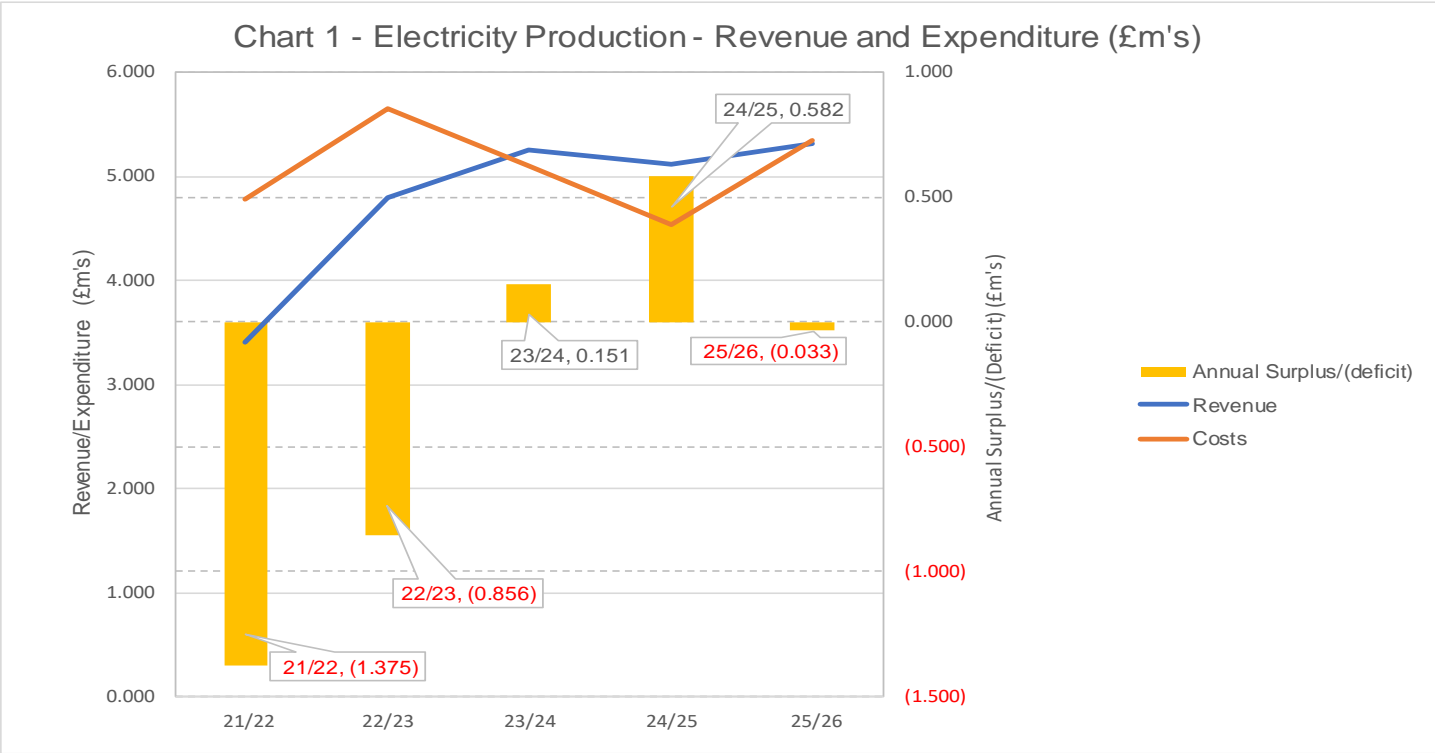
- 4.1. Forecast revenue for the 25/26 financial year is £5.310m against expenditure of £5.342m, resulting in a 25/26 deficit of £0.033m (Annex 1 and 2), increasing the forecast cumulative deficit, as at 30 June 2026, to £0.875m (Annex 2 – Chart 2).

Annex 1 – Updated Electricity Price actuals to 31 December 2025

	Actuals 2021/22	Actuals 2022/23	Actuals 2023/24	Actuals 2024/25	Forecast 2025/26
	£	£	£	£	£
Table 1 – Surplus/Deficit by financial year					
Revenue	3,408,942	4,789,819	5,251,174	5,120,501	5,309,528
Costs	(4,783,780)	(5,645,412)	(5,100,321)	(4,538,153)	(5,342,445)
Surplus/(Deficit)	(1,374,838)	(855,593)	150,853	582,348	(32,917)
Cumulative Surplus/(Deficit)	(1,374,838)	(2,230,431)	(2,079,578)	(1,497,230)	(1,530,146)
Costs written off/borne by FIG (ExCo Approvals)	-	86,766	568,710	-	-
Cumulative Surplus/(Deficit) after costs borne by FIG	(1,374,838)	(2,143,665)	(1,424,102)	(841,754)	(874,670)

	Actuals 2021/22	Actuals 2022/23	Actuals 2023/24	Actuals 2024/25	Forecast 2025/26
	£	£	£	£	£
Table 2 – Cost Breakdown by financial year					
Fuel & Lubricant Costs	2,113,339	3,538,896	3,112,142	2,466,976	2,411,333
Staff Costs	775,900	799,111	738,721	663,913	770,607
Repairs and Maintenance	506,264	165,478	122,608	317,048	440,979
Depreciation	1,299,432	1,048,460	1,048,073	1,345,289	1,369,630
Other Costs	88,845	93,467	78,777	(235,073)	349,896
Total Costs	4,783,780	5,645,412	5,100,321	4,538,153	5,342,444

Annex 2 – Electricity Production – Revenue and Expenditure & Cumulative Surplus/(Deficit) Position



STANDING FINANCE COMMITTEE

Title: Charitable Donation – Jamaican Relief Foundation

Paper Number: 01/26

Date: 28th January 2026

Report Author: Deborah James

Reason for paper: To be submitted to Standing Finance Committee for approval

1. Recommendations

1.1 Standing Finance Committee is recommended to approve a donation of £8,500 for financial assistance in procuring a housing structure to help two families living under the same roof to be able to start rebuilding their lives, and also the possibility of extending this help to another family in the other majorly affected parish.

2. Additional Budgetary Implication.

2.1 None, as £36,800 budget is available as at 31 December 2025 within the community donation code 4170 for community projects (un-spent budget as at 31 December 2025 is £36,800).

3. Background and Supporting Information

3.1 Hurricane Melissa devastated the western section of the island of Jamaica on 28th October 2025 and many people lost their homes, furnishing and in some cases livelihood.

3.2 I embarked on a series of fundraising activities – across FIG bake sales, school bake sales, a sizeable donation from the Girl Guides who had fundraised for a similar charity but the money was unclaimed, a curry lunch on HM The King’s birthday and a dip with half of the proceeds going back into the community in the form of 5 prizes of £1000 - all of which were supported by the community. That all came to a grand total of £10,426.72.

3.3 My initial plan was to pay this into the government portal but speaking to people back home in Jamaica and reading articles in the national newspaper it would appear that even in December, there were still families being accommodated in schools and children not returned to formal schooling. I contacted an acquaintance who is the Headteacher of a school in Westmoreland - which is one of the main affected parishes - to see if there were any families who were impacted by the hurricane. She consulted with the Guidance counsellor, and they provided me with the name of three families.

3.4 When I arrived in Jamaica I visited MVP Imports, Upcycling Container Homes and Daley’s Hardware to establish what, if any, housing structure would be feasible:

- The quotation from Upcycling was too expensive for me to consider – prices started at \$4.5 mil JMD for one bed structures.
- **Daleys Hardware (Option 1)** offered two single room units on a 24 x 12 structure – kitted out with windows and doors for \$1.8 mil JMD and I would be able to assist the family in possibly

purchasing a few items such as beds, clothing to replace those that were damaged in the hurricane.

- **MVP imports (Option 2)** offered a two-bedroom unit, one bathroom and a kitchen for \$3.8 mil JMD – however, there was only one door which for me posed safety implications. The money that I had fundraised was sufficient to purchase the board structure but there would be a lack of kitchen and bathroom so I decided to embark on a bit more fundraising to see if I were able to raise sufficient money for them to be given a kitchen and a bathroom. The quote for a 2-bedroom, bathroom and kitchen wooden structure was \$4.03 mil JMD. A large proportion of the figures quoted are for GCT which is calculated at 15%.
- 3.5 I have spoken to Kiwanis Club of Providence Montego Bay who are in partnership with Drying Little Tears-Sixt Car Rental who are a registered organisation in Jamaica and would be able to get the GCT waived which will make it possible for me to also give assistance to another family in St Elizabeth whose home has also been damaged by the hurricane.
- 3.6 The family that I identified from the three suggested to help is a mother with five children and her niece with two children - so a total of nine people in one family would be assisted to begin rebuilding their lives.
4. **Financial Implications**
- 4.1 No additional expenditure will be required as the request is to take one-off payment of £8,500.

**JAMAICA MVP IMPORTS LTD.**

17 SHORTWOOD ROAD
KINGSTON, KINGSTON 8
+1 8765670733
sales@mvpimportsja.com

Quotation 2104

ADDRESS	SHIP TO	DATE	TOTAL	EXPIRATION DATE
Deborah James +50055103 Westmorelad 876.5292900	Deborah James +50055103 Westmorelad	29/12/2025	JMD 3,800,000.00	30/01/2026

SALES PERSON
Johnathan

PHONE#
8768616699

	QTY	DESCRIPTION	RATE	TAX	AMOUNT
PREFAB CONTAINER	1	20ft x 20ft Expandable Prefab Unit Consists of 2 Bedrooms, Bathroom, Kitchen, Living/Dining	3,043,478.26	GCT	3,043,478.26
DELIVERY SERVICE	1	Delivery & Installation to Westmoreland	260,869.57	GCT	260,869.57

Bank Transfer Instruction:
Name: Jamaica MVP Imports Limited
1. JMMB Bank
Branch: Haughton
JMD Account#: 006000181591
USD Account#: 006000181592
Business Checking
2. Scotia Bank
Branch Code: 21725
Location: Constant Spring
JMD Account#: 67737
USD Account#: 67738
Business Saving
3. NCB Bank
Location: Linstead
JMD Account#: 684489410
USD Account#: 844329504
Business Saving

SUBTOTAL	3,304,347.83
TAX	495,652.17
TOTAL	JMD 3,800,000.00

THANK YOU.

Accepted By

Accepted Date

ALL SALES ARE FINAL, NO CASH REFUND
*14 DAYS FREE STORAGE, \$1000 JMD PER DAY AFTER FREE DAYS
*USD TO JMD RATE IS 165, JMD TO USD RATE IS 155.

DALEY'S SAW-MILL AND HARDWARE

Race Course, Grange Hill, Westmoreland, Ja. W.I.

Tel: 1(876) 955-1244 / 867-9727 / 537-0460 Fax: 918-8018

G.C.T#: 1011036460001

INVOICE

No. 028

m e/o Deborah James Date: 15/01/2026
 Customer's Address: U.S.A. Parkland

Qty	Description	Unit Price	Amount
	TO SUPPLY MATERIALS and build one 24 FT BY 12 FT board House using metal sliding windows & white metal doors		
	COST		\$ 1,800,000
(Taxes)	G.C.T		\$ 270,000
	JAMAICAN DOLLARS		\$ 2,070,000
	OR USD 12,000		
(Taxes)	G.C.T. USD 1,800		
	TOTAL USD		13,800

Thanks for your support

TOTAL \$