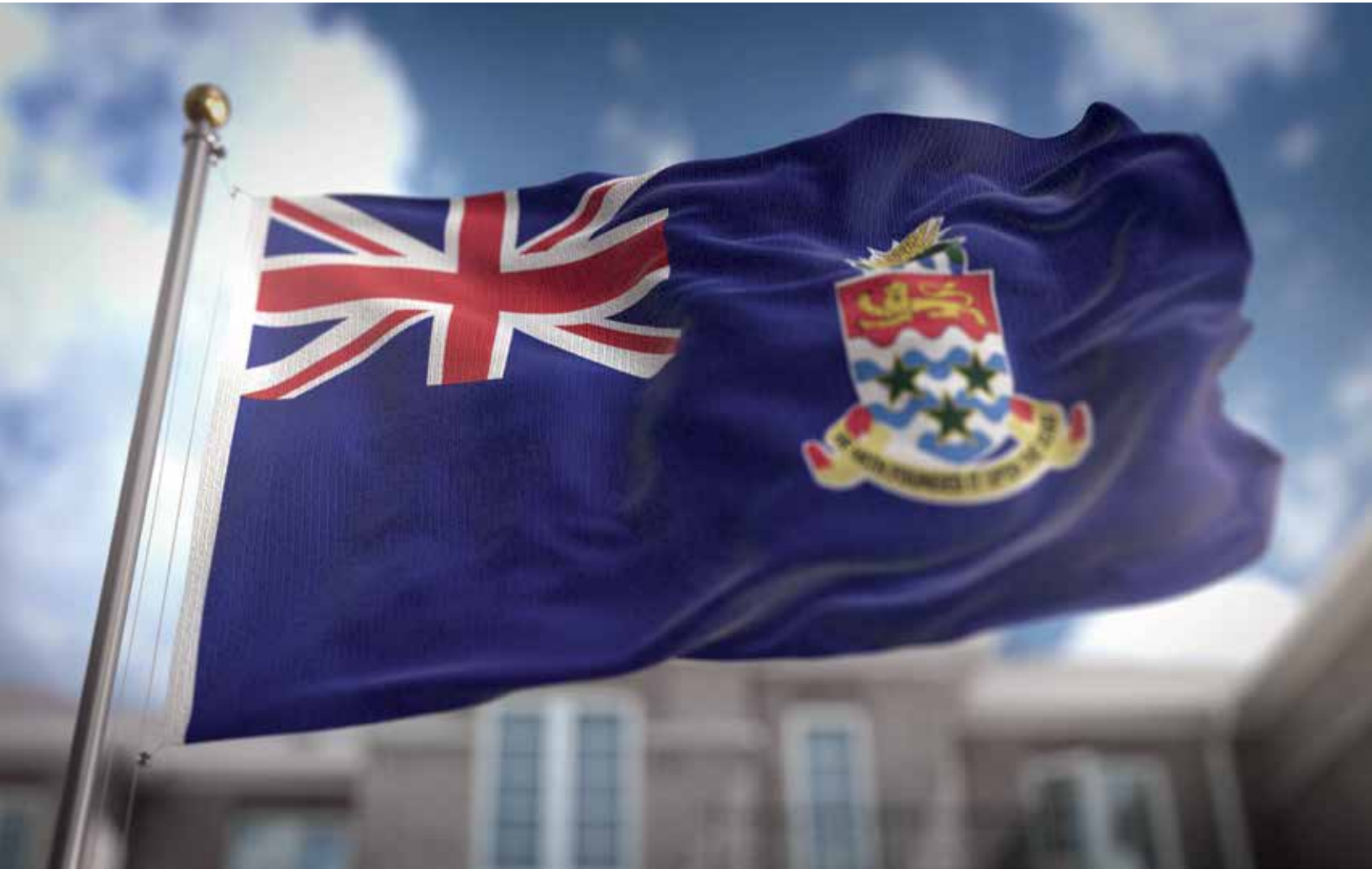




MINISTRY OF
FINANCIAL SERVICES AND
HOME AFFAIRS
CAYMAN ISLANDS GOVERNMENT



2020 ANNUAL REPORT

1 JANUARY 2020 – 31 DECEMBER 2020

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FOREWORD FROM THE MINISTER



Notwithstanding the global headwinds, increased regulation, dealing with a global pandemic and other issues that the Cayman Islands has faced, the financial services industry is the strongest and most robust pillar of our economy and has remained so during 2020. The continued inflow of registrations, the establishment of new funds and trusts, interest reported from the professional services firms regarding an uptick in the insurance business and the establishment of single and multi-family offices are testaments to the success of Cayman's regime. During 2020, the financial services industry has thrived and has supported our overall economy, an increasingly vital role, given the significant toll that the pandemic has taken on the other important pillar of our economy, tourism.

In 2020 recognition of the Cayman Islands' commitment to adhere to and implement international standards for tax transparency came from the OECD's Global Forum Peer Review of our domestic and international legal frameworks for the automatic exchange of financial account information. During 2020, Cayman's framework was found to be "in place" with no recommendations made to revise our framework at this time. This is an important positive endorsement of Cayman's regime by the OECD.

2020 saw the further strengthening of the financial services industry through the enactment of several pieces of legislation, such as that governing Investment Funds through the enactment of the Private Funds Law and amendments to the Mutual Funds Law, while the Cayman Islands is now in a stronger position to regulate and attract persons and entities that deal with virtual assets, with the phased commencement of legislation for virtual asset service providers. The Ministry also has worked to strengthen and enhance the Cayman Islands centralised beneficial ownership register, which was first enacted on 1 July 2017.

The Government also solidified the Ministry's relationship with Cayman Finance in 2020, having approved the entity's 2020-2021 business plan, which is now flexible enough to cover global developments in financial services in real time.

As the agency responsible for the national disaster management programme, Hazard Management Cayman Islands (HMCI) had a multitude of issues to oversee during 2020. The earthquake and tsunami scare in January and the protracted landfill fires in January and March required partial activations of the National Emergency Operations Centre (NEOC), for which HMCI is the coordinating agency, and tested the response plans of various responsible agencies.

The NEOC was fully activated in early March to ensure that an intensive, multi-sectoral, collaborative approach to COVID-19 could be taken, with the primary focus of containing and suppressing the virus to preserve life. Heads of the Her Majesty's Cayman Islands Prison Service (HMCIPS), the Cayman Islands Fire Service (CIFS) and the Department of Public Safety Communications (DPSC) joined other senior civil servants in daily NEOC and Cluster meetings, and with the Head of the Department of Community Rehabilitation (DCR), led their teams in support of the national COVID-19 response. The entire activation period of 104 days was unprecedented for the Cayman Islands. HMCI and other Home Affairs agencies and members of the Ministry team who were a part of the Support Services Cluster, were involved in the planning and logistics related to the establishment of the COVID-19 Emergency Field Hospital project which received international recognition in November, when it won the 'Social Project of the Year 2020' award from The Association for Project Management (UK).

2020 undoubtedly brought us a challenging year unlike any other, however the Ministry continues to work hard to ensure we continue to weather any storms that come our way, thanks to tenacious leadership, productive partnerships and a vision for future growth and prosperity.



FOREWORD FROM THE CHIEF OFFICER

Despite the difficulties posed by a global pandemic, the Ministry was extremely active in 2020. Not only did we help to ensure the safety and security of our residents, but we also supported the operation and sustained success of our financial services industry. All of the agencies under the Ministry did a commendable job, not just in continuing to provide their services, but in many cases to take on new responsibilities in support of the national response to the pandemic.

On the financial services side, we achieved significant engagement with local and international audiences while passing a raft of legislation to support our business environment. On the home affairs front, we responded to an earthquake and tsunami scare at the beginning of the year and were at the forefront of the jurisdiction's response to COVID-19.

By the end of the year, we were also able to boost our human resources complement by addressing some gaps in staff capacity. The new additions to the Ministry have all made valuable contributions to the professionalism and performance of the various teams in each agency.

Ultimately, the pandemic showcased the commitment and passion of all staff to advance the Ministry's work. Our ability to complete necessary assignments in the face of unexpected complexities proved there is great collaboration and communication within our Ministry. Such teamwork and dedication will be vital as we navigate the future and continue serving our clients.

ABOUT THE MINISTRY

The agencies that fall under this Ministry are outlined below.

Ministry Administration (MFSHA)	As the core administration arm of the Ministry of Financial Services and Home Affairs, the MFSHA is central to the development, articulation, and the multi-agency coordination of policies and legislation that support Ministry strategies and departmental sub-strategies.
Department for Financial Services Policy and Legislation (DFS)	Provides research, policy advice and legislative support to the Ministry on matters relating to the financial services industry and reputation of the jurisdiction. It is the key channel for consultation and interaction with the financial services industry and other key stakeholders.
Cayman Islands General Registry (REG)	Officially registers and maintains key records of corporate and vital activities and ensures compliance with relevant legislation and policies. Registration activities involve maintaining registers for companies, partnerships, trusts, friendly societies, building societies, trade unions, patents, trademarks, births, deaths, marriages, and public records.
Department for International Tax Cooperation (DITC)	Enables the jurisdiction to meet international obligations in tax cooperation matters, in accordance with international instruments and standards, through the provision of competent authority services for exchange of tax information, collaboration with domestic and foreign stakeholders, and engagement with relevant supranational bodies.
Department of Public Safety Communications (DPSC)	To save lives, protect property and enhance public safety on a 24/7/365 basis by delivering a wide range of critical emergency communication, surveillance and monitoring services.
Hazard Management Cayman Islands (HMCI)	To enhance the Cayman Island's resiliency to all major hazards with full community participation through preparedness, mitigation, response and recovery.
Cayman Islands Fire Service (CIFS)	Dedicated to saving lives and protecting property through public education on fire safety practices, hazard mitigation and response and rescue firefighting in order to support safe and thriving communities, across all three islands.
Her Majesty's Cayman Islands Prison Service (HMCIPS)	To deliver services which improve the life chances of people in our care, enabling them to fulfil their potential and to become active and responsible citizens.
Department of Community Rehabilitation (DCR)	To provide a range of services to adult offenders to influence positive behavioural change, promote victim interests and enhance public safety.

Furthermore, in 2019, the Ministry provided policy coordination and support to the following Statutory Authorities and Government-Owned Companies (SAGCs): Cayman Islands Monetary Authority, Auditors Oversight Authority and Cayman Islands Stock Exchange.

Legislative Framework

The legislative items¹ that are the responsibility of the Ministry are as follows:

Financial Services²

Accountants Act	Cape Town Convention Act Churches Incorporations Act
Accountants (Application for Membership) Regulations	Civil Partnership Act
Accountants (Disciplinary) Regulations	Civil Partnership Regulations
Accountants (Quality Assurance) Regulations	Companies Act
Auditors Oversight Act	Beneficial Ownership (Companies) Regulations
Auditors Oversight Regulations	Companies (Translation Certificate) Regulations Insolvency Practitioners Regulations Companies Management Act Companies Management Regulations
Banks and Trust Companies Act	Contracts (Rights of Third Parties) Act
Alternative Financial Instruments Regulations	Cooperative Societies Act
Banks and Trust Companies (Designation) Order	Cooperative Societies Regulations
Banks and Trust Companies (License Application and Fees) Regulations	Development Bank Act Directors Registration and Licensing Act
Deregistration of Private Trust Companies Rules	Directors Registration and Licensing (Registration and Licensing) Regulations
Private Trust Companies Regulations	Exempted Limited Partnership Act Exempted Limited Partnership Regulations
Bills of Exchange Act	Foundation Companies Act
Births and Deaths Registration Act	
Building Societies Act	

¹ Legislative items refer to acts, regulations, and orders that have an impact on the policy areas of the Ministry. This does not include public sector acts such as those relating to Public Finance, Public Management, FOI, etc.

² Several laws relevant to financial services are not included in this list. For example, the Proceeds of Crime Act, which is a significant part of the financial services framework, is not included as it is under the remit of the Attorney General.

Financial Services continued

Foundation Companies (Fees) Regulations	Limited Liability Companies (Fees) Regulations Limited Liability Companies (Translation Certificate) Regulations
Friendly Societies Act	
Insurance Act Insurance (Applications and Fees) Regulations	Limited Liability Partnership Act
Insurance (Capital and Solvency) (Class A insurers) Regulations	Beneficial Ownership (Limited Liability Partnership) Regulations
Insurance (Capital and Solvency) (Classes B, C and D Insurers) Regulations Insurance (Forms) Regulations	Limited Liability Partnership (Fees) Regulations
Insurance (Portfolio Insurance Companies) Regulations	Local Companies (Control) Act Local Companies (Control) Regulations
Insurance (Reporting) Regulations	Marriage Act Monetary Authority Act
Insurance (Variation of Fees) Regulations	Monetary Authority (Administrative Fines) Regulations
Insurance (Exemption) Regulations	Monetary Authority (Fees) Regulations
International Interests in Mobile Equipment (Cape Town Convention) Act International Tax Cooperation (Economic Substance) Act International Tax Cooperation (Economic Substance) (Prescribed Dates) Regulations	Money Services Act
International Tax Cooperation (Economic Substance) Regulations	Money Services Business Regulations
Limited Liability Companies Act	Mutual Funds Act
Beneficial Ownership (Limited Liability Companies) Regulations	Mutual Fund Administrators Licence (Applications) Regulations
	Mutual Funds (Annual Returns) Regulations Mutual Funds (EU Connected Fund (Alternative Investment Fund Managers Directive)) Regulations

Financial Services continued

Mutual Funds (Fees) Regulations	Securities Investment Business (Registration and Deregistration) Regulations
Retail Mutual Funds (Japan) Regulations	
Non-Profit Organisations Act	Stock Exchange Company Act
Non-Profit Organisations (Registration Application) Regulations	Stock Exchange Authority Regulations
Partnership Act	Tax Information Authority Act Tax Information Authority Regulations
Partnership (Fees) Regulations	Tax Information Authority (International Tax Compliance) (Common Reporting Standard) Regulations
Private Funds Act	
Private Funds (Fees) Regulations	Tax Information Authority (International Tax Compliance) (Country-by-Country Reporting)
Private Funds (Savings and Transitional Provisions) Regulations Private Funds Regulations	
Property (Miscellaneous Provisions) Act	Tax Information Authority (International Tax Compliance) (United Kingdom) Regulations
Public Recorder Act	
Securities Investment Business Act	Tax Information Authority (International Tax Compliance) (United States of America) Regulations
Securities Investment Business (Conduct of Business) Regulations Securities Investment Business (EU Connected Fund (Alternative Investment Fund Managers Directive) Regulations	Trusts Act
	Trust (Transparency) Regulations
Securities Investment Business (Financial Requirements and Standards) Regulations	Virtual Asset (Service Providers) Act
	Virtual Asset (Service Providers) (Savings and Transitional) Regulations
Securities Investment Business (Licence Applications and Fees) Regulations	Virtual Asset (Service Providers) Regulations

Intellectual Property

The Copyright (Cayman Islands) Order	Design Rights Registration Act Design Rights Act
The Designation of Educational Institutions Order	Design Rights Publication Fees Order
The Copyright (Licensing of Orphan Works Regulations) Regulations	Design Rights Registration Regulations
The Copyright (Material Open to Public Inspection) (Marking of Copies of Maps) Order	Merchandise Marks Act
The Copyright (Material Open to Public Inspection) (Marking of Copies of Plans and Drawings) Order	Patents Act
The Copyright (Customs) Regulations	Patents and Trade Marks (Transitional Provisions) Regulations
The Copyright (International Organizations) Order	Patents Regulations
The Infringing Copies (Notice of Seizure) Order	Trade Marks Act
	Trade Marks Regulations
	Trade Marks (Transitional Provisions) Regulations

Home Affairs¹

Disaster Preparedness and Hazard Management Act	Prisons Act
Fire Brigade Act	Prisons Officers (Discipline) Regulations
Fire Code	Prison Rules
CCTV Code of Practice	Prisons and Places of Detention Regulations

¹ Several acts relating to the work of HMCIPS and DCR that are not directly under the responsibility of the Ministry include: Bail Act, Conditional Release Act, Conditional Release of Prisoners Regulations, Criminal Records (Spent Convictions) Act.

Human Capital

Recruitment during 2020 was busy with 39 new persons appointed, an increase of 20 per cent which took the Ministry’s total headcount to 503. Headcount across the Ministry at the end of December 2020 is shown below in Table 1: Ministry of Financial Services & Home Affairs - Headcount. Figures 1 to 5 provide a further profile of the staff across the Ministry.

Table 1: Ministry of Financial Services & Home Affairs - Headcount

	Actual 2016/17	Actual 2018	Actual 2019	Actual 2020
Core Ministry (MFSHA)	11	13	11	14
Department for International Tax Cooperation (DITC)	8	5	9	18
Cayman Islands General Registry (REG)	41	44	45	51
Department for Financial Services Policy and Legislation (DFS)	5	5	11	13
Department of Public Safety Communications (DPSC)	28	25	29	31
Hazard Management Cayman Islands (HMCI)	10	6	5	6
Cayman Islands Fire Service (CIFS)	133	126	142	158
Her Majesty’s Cayman Islands Prison Service (HMCIPS)	149	168	171	169
Department of Community Rehabilitation (DCR)	40	44	41	43
TOTAL	425	436	464	503

*Prior to the 2016/17, the Home Affairs subjects (DPSC, HMCI, CIFS, HMPS and DCR), were under the Ministry of Home Affairs and as such, are not included in the totals for 2015/16.

Figure 1: Staff Profile by Function

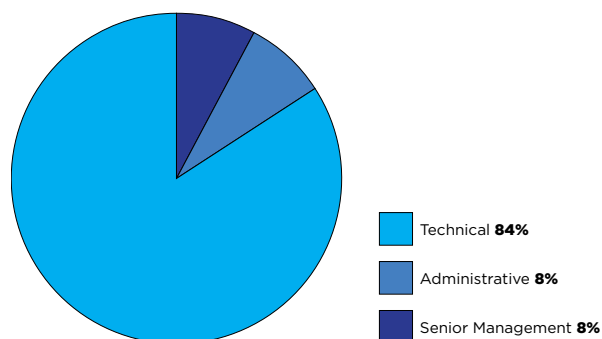


Figure 2: Staff Profile by Age

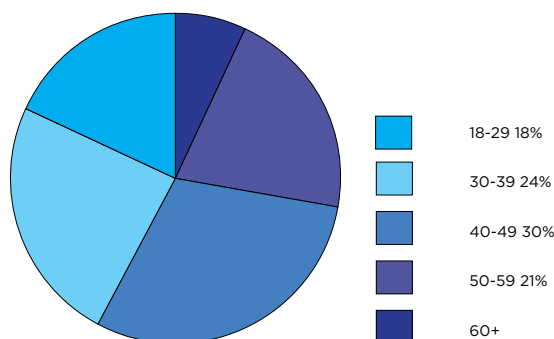


Figure 3: Staff Profile by Years of Service

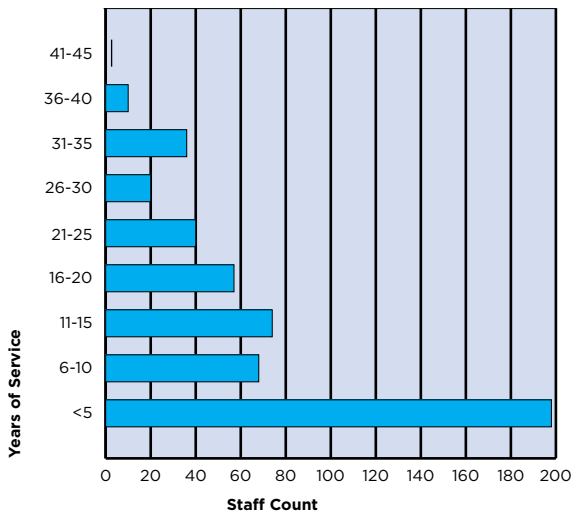


Figure 4: Staff Profile by Gender

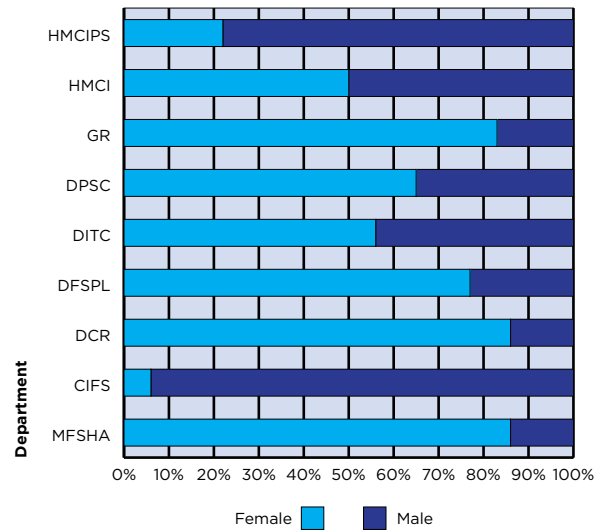
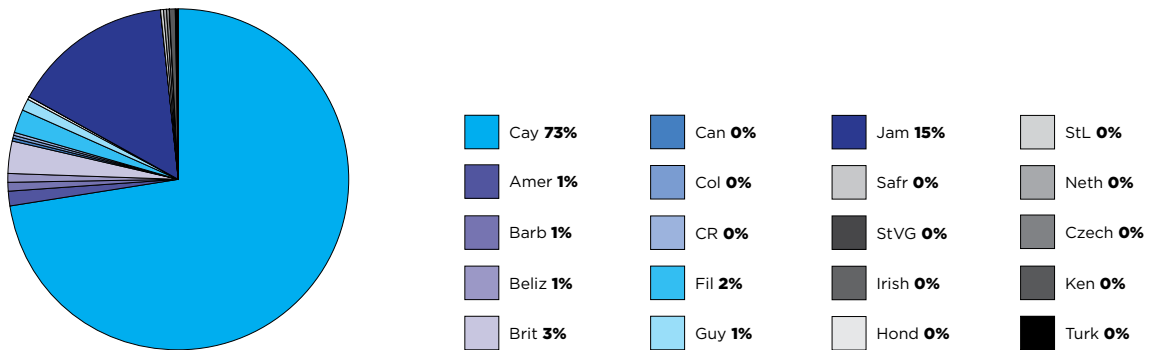


Figure 5: Staff Profile by Nationality



2020 KEY ACTIVITIES

The Prison Service successfully activated a comprehensive COVID-19 plan to prevent the transmission of the disease and worked with stakeholders to reduce the prison population to support the same. Prisoners maintained weekly contact with their loved ones through virtual visits and were supported to continue their vocational and educational programme studies, resulting in the successful completion of courses and impressive City and Guilds exam results.

The focus on COVID-19 prevention delayed the rollout of the 2020-2022 Strategic Plan, which prioritised staff development, increasing efficiency and effectiveness and improving the physical environment. It has therefore been revised to cover 1 Jan 2021 to 31 December 2023.

In January, the Cayman Islands Fire Service (CIFS) celebrated the successful completion of basic training by 21 new Caymanian trainee fire fighters, each of whom were encouraged to study for the International Level II Firefighter Certification Exam with the Institution of Fire Engineers (IFE). They were the first graduate recruit class to take this IFE examination, which was invigilated in October at the Civil Service College. A second class graduated in December.

The transformation programme that the CIFS has implemented was featured in the June 2020 issue of International Fire Fighter magazine. The first phase of the funded Vehicle Replacement Strategy was also completed, resulting in the addition of 3 new airport tenders in September, followed by 3 domestic water tankers, 4 rapid intervention vehicles and 3 trailer pumps in December.

The National Emergency Operations Centre, coordinated by Hazard Management Cayman Islands, was activated in early March to ensure that an intensive, multi-sectoral, collaborative approach to COVID-19 could be taken, with the primary focus of containing and suppressing the virus to preserve life. The entire activation period of 104 days was unprecedented for the Cayman Islands.

Despite the demands and challenges that the NEOC activation for COVID-19 presented daily, HMCI hosted the annual national hurricane exercise on 20 and 21 May, ensuring that COVID-19 related considerations were incorporated into existing hurricane plans.

The country's resilience was further strengthened when, during the 5th Extraordinary Meeting of the Council of The Caribbean Disaster Emergency Management Agency (CDEMA) on 28th August, Ministers unanimously agreed to admit the Cayman Islands with effect from 1 September, making us the 19th Participating State of the Agency.

The Department of Public Safety Communications (DPSC) successfully completed scheduled upgrades to the National CCTV system, resulting in the addition of 15 cameras in 4 new locations in the Eastern districts and the completion of the first phase of camera installation in Cayman Brac.

Considering their expertise in electronic monitoring technology, safety protocols and compliance and the existing infrastructure at DPSC, the Director and his team were included as key stakeholders in the multi-sectoral programme for the phased re-opening of Cayman's borders. In addition to actively monitoring the dashboard of travellers enrolled in the Quarantine in Residence Programme, the DPSC team also recorded and collated data on all breaches and dispatched the Mobile Compliance and Enforcement Teams per the established operating procedures.

In spite of the interruption to business-as-usual by the implementation of necessary suppression strategies for COVID-19, the Department of Community Rehabilitation (DCR) continued to provide critical services to the Court including the timely submission of reports to avoid a backlog of cases and to advise on any non-compliance or breaches, weekly Court attendance and regular contact with Court administration via Zoom.

Unexpected wins achieved as a result of the pandemic included: more efficient and effective processes, for example, the ability to receive electronic copies of Criminal Records, the ability to attend Court/Conditional Release Board Meetings and Prison internal board meetings and deliver individual and group services to clients virtually; the integration of the ChAngeS techniques in all group intervention programmes and the improvement in the working relationship between staff of the DCR and the RCIPS, which resulted in enhanced collaboration and improved offender management.

On 6th October, the EU removed the Cayman Islands from its list of non-cooperative jurisdictions for tax purposes. Cayman's appearance on the list was as brief as it could have been, given the EU's processes.

In December, recognition of the Cayman Islands' commitment to adhere to and implement international standards for tax transparency came from the OECD's Global Forum Peer Review of Cayman's domestic and international legal frameworks for the automatic exchange of financial account information. Cayman's framework was found to be "in place" with no recommendations made to revise the framework at this time, an important endorsement for the Cayman Islands' financial services industry by the OECD.

Financial Services

Overview

Strength in Economic Terms

The financial and insurance services industry has consistently been the greatest contributor to the Cayman Islands Gross Domestic Product (GDP), broadly having contributed to roughly 44.5 per cent of GDP in 2017, 43.8 per cent in 2018 and 43.2 per cent in 2019. Despite the slight decline in financial services as a percentage of GDP (which stems from the fact that the industry is growing slower than growth of the overall economy), the financial and insurance services industry has maintained its dominance as the largest single contributor to the real GDP of the Cayman Islands. In fact, 2019 posted another year of expansion, with the financial services industry growing by 2.6 per cent in 2019.

In addition to being the major contributor to our economy and source of Government revenues, Financial Services is also consistently one of the largest employers among the Cayman Islands workforce, employing over 3,500 persons – or 7.4 per cent of the workforce – in 2019. That represents a 4 per cent increase over 2017. Financial services and insurance activities was the fifth largest employer by sector, according to the Economics and Statistics Office's Labour Force Survey Report Fall 2019; whereas professional, scientific and technical activities was the third largest employer at 9.9 per cent of the total employed labour force, as reflected in that same report. Again, taken together, financial services broadly employ approximately 8200 people, over 17 per cent of the total employed workforce.

Notably and remarkably, the Cayman Islands has achieved this growth while responding robustly to international assessments and developments.

*On 10th January 2020
Minister Tara Rivers
and Chief Officer
Dax Basdeo gave an
industry briefing*



Regulatory Assessments: Response and Outcomes

In **December** recognition of the Cayman Islands' commitment to adhere to and implement international standards for tax transparency came from the OECD's Global Forum Peer Review of Cayman's domestic and international legal frameworks for the automatic exchange of financial account information (AEOI). Cayman's framework was found to be "in place" with no recommendations made to revise the framework at this time, an important endorsement for the Cayman Islands' financial services industry by the OECD.

This was the first stage of the Global Forum's Peer Review of the Common Reporting Standard. Following this positive assessment of Cayman's legal framework, the Global Forum's Peer Review went on to assess the legal framework in action, looking at the effectiveness of the regime.

On **6th October**, the EU removed the Cayman Islands from its list of non-cooperative jurisdictions for tax purposes. Cayman's appearance on the list was as brief as it could have been, given the EU's processes. It is important to note that since December 2017 when the list was first published and subsequently updated a number of times thereafter, over 30 countries have - at some point - been added to and removed from this particular EU list.

Cayman's removal was welcomed by industry and clients of the jurisdiction who, in a demonstration of confidence in Cayman's stability and in Cayman's commitment to meeting regulatory standards, continued to do business with the Cayman Islands during those months in which Cayman was listed, and despite the pandemic. This again is a testament to the strength and resilience of the country and its stewardship.

The Ministry was actively supported by the Attorney General in responding to the Financial Action Task Force (FATF) and the regional FATF-style body, the Caribbean Financial Action Task Force (CFATF). The FATF sets the global standard for AML. Based on this standard, the CFATF assessed the Cayman Islands' AML regime and in March 2019, issued its Mutual Evaluation Report (MER) in which recommendations for enhancing our regime were made.

The Ministry made great strides in addressing its area of responsibility covered in the MER, by introducing new and amended legislation for the financial services industry, to strengthen Cayman's AML regime.

Legislation

Since 2017, the MFSHA has produced 124 pieces of primary and secondary legislation. For 2020 alone, 54 pieces of legislation were produced by the Ministry which represented a 150 per cent increase in legislation produced as compared to the last Government administration, and a 50 per cent increase over 2019 alone. Legislation implemented in 2020 included that covering Investment Funds, Virtual Assets, and Beneficial Ownership.

Budget and Human Resources Increases

The Government's investment in financial services-related departments and the Cayman Islands Monetary Authority (CIMA) increased by 84 per cent since 2017, from \$23.85 million to \$43.87 million. The budget for CIMA alone has grown by 112 per cent, from \$13.8 million to \$29.3 million.

This investment has been critical because without it, Cayman would not have a chance of meeting its international regulatory obligations, which in turn help to build and maintain a robust, commercially competitive financial services industry. The human resources capacity that Government has built provides a strong foundation and enhances the country's ability to adapt to regulatory developments and maximise commercial opportunities.

Cayman Finance

Support made available to Cayman Finance increased by 253 per cent since 2017. CI\$750,000 per annum was allocated to support the activities of Cayman Finance in the Ministry's 2018/2019 Budget and again in the 2020/2021 Budget.

Earlier in 2020 the Government tabled a revised purchase agreement with Cayman Finance, covering the revision of Cayman Finance's 2020-2021 business plan. This business plan was put into place in 2020. By necessity, it is flexible enough to cover global developments in financial services in real time. At a local level, Cayman Finance has designed activities to raise public awareness and understanding of the financial services industry, and to create summer internship opportunities for young Caymanians. Its international activities cover engagement with international industry stakeholders, and research and marketing activities that proactively seek to protect the reputation of Cayman's primary industry.

In addition, the Cayman Finance Purchase Agreement stipulates quarterly progress reports on the delivery of the activities, and their cost. This creates an accountability framework to evaluate the delivery of value for money.

International Public Affairs

Building on the Ministry's substantial investment in public affairs and communications, in addition to the significantly enhanced budget allocation to support Cayman Finance's research, communications and engagement efforts, the Ministry will be engaging in a number of new initiatives to enhance its public affairs and communications support to strengthen its ongoing efforts in key markets, such as the UK, US, EU and Republic of China.

This will complement the engagement plans of the CIGO in the UK, which is led by the Cayman Islands Representative and supported by the Ministry's Financial Services Attaché hired in 2020 who is based in the UK and also covers the EU region. Work with the Ministry of International Trade also continues in this regard.



Above: From 23 to 24th January, trust professionals gathered at the STEP Cayman Conference 2020



Left: Minister Rivers spoke at the Maples Fund Forum on 13th February 2020



Department for International Tax Cooperation (DITC)

The Department for International Tax Cooperation (DITC) saw a large increase in its 2020 budget as compared to its 2017 budget. This increase in large part funded IT systems and human resources vital to Cayman in meeting its agreements to participate in global tax information reporting exchange, including through the OECD's Common Reporting Standard (CRS); Country-by-Country Reporting (CbCR); and the US's Foreign Accounts Tax Compliance Act (FATCA).

The increased budget also supports Cayman's ability to monitor industry's compliance with all tax reporting frameworks including the new economic substance regulatory framework. Economic substance was first enacted in 2018, and it is intended to ensure that for taxation purposes, companies actually do conduct business in the countries in which they're established.

Because of these important regulatory oversight responsibilities, the Government has supported the development and expansion of DITC. Staffing levels are projected to grow by 250 per cent in four years, with the headcount for 2017 being eight and projected to reach 24 employees by 2021.

A new, enhanced DITC Portal was launched, which will accommodate reporting and exchange for all frameworks - CRS, FATCA, CbCR and economic substance. In addition to improving the reporting process for industry, the new portal better equips DITC to monitor compliance with regulatory standards, in order to help the Cayman Islands meet its international obligations.



On 5th February 2020, the public and private sector underwent counterproliferation finance training with King's College

Department for Financial Services Policy and Legislation (DFSPL)

Over the last few years, the Cayman Islands Government, with the support of Parliament, has significantly adapted its legislative and regulatory frameworks to meet evolving standards from various international and regional bodies, such as the OECD, the FATF and the CFATF, and the European Union.

Given the demanding workload to be carried out, the Department for Financial Services Policy and Legislation (DFSPL), had a compelling need to expand its team to be able to address the various policy and legislative matters at hand, having had a small team of only five employees (including managers) in 2017.

Between 2017 and 2021 via the approved budget and supplemental funding to support its mandate, DFSPL is projected to have an 89 per cent increase in its budget. This is primarily attributable to an increase in headcount to 10 policy staff and 13 staff overall, which represents a 160 per cent increase in human resources for the department since 2017; and a larger budget to support the funding of important support services such as legal, communications and public affairs.

In reviewing the outputs of the department for 2020, 54 pieces of legislation were produced which represented over a 150 per cent increase in legislation produced as compared to the last Government administration, and 50 per cent increase over 2019 alone. All while dealing with the impacts of the global pandemic no less. However, up until last year there was no dedicated “in house” expertise to assist in providing legislative guidance and oversight, helping to pull together and rationalise the legislative development process and functions required of the Ministry. To that end, the Government supported the creation and funding of a Senior Legislative Advisor position for the Ministry, which was filled in late 2020 by a very able and experienced person who has worked closely with the Ministry throughout the past several years. Having this talent as a part of the Ministry certainly helps to increase its capacity, and support to the Minister, going forward.

Cayman Islands General Registry (General Registry)

The General Registry has seen a consistent budget trend over the four-year period. From 2017 to 2021, General Registry will see a 9 per cent increase in budget; and the headcount is expected to increase from 43 to a projected 62 people in 2021 (which represents a 44 per cent increase in personnel since 2017). To continue delivering a high level of performance across the various services with a constant budget, the Registry has become more efficient with its resources. The introduction of the Cayman Business Portal and Corporate Administration Platform has allowed General Registry to deliver services to corporate service providers on island in a cost-effective manner; and the General Registry, as the Competent Authority for beneficial ownership, has the legal authority to monitor businesses' compliance with providing beneficial ownership information to Government, as required by law. General Registry also continues to maintain the Non-Profit Organisation (NPO) register and serve as the supervisor for the NPO sector.

Cayman Islands Monetary Authority (CIMA)

The jurisdiction's primary financial services regulator, the Cayman Islands Monetary Authority, was allocated a 112 per cent increase in budget (which translates to almost \$15.4 million) over the past four years since taking office in 2017 and factoring in the 2021 budget. In addition to the budgeted increase, CIMA has consistently received supplemental funding at key intervals over the past several years to support its growth, and with the support of this House, has received nearly \$16.0 million in total supplemental funding between 2017 and 2020 to address various changes to the legislative and regulatory frameworks in response to evolving international standards.

The most recent supplemental funding received by CIMA, for over \$6.0 million, supported the creation and/or enhancements to two significant regulatory regimes - that being the registration and supervision of private funds and broadened mutual funds scope, and the regulation of virtual asset service providers.

Home Affairs

Hazard Management Cayman Islands (HMCI)

Hazard Management Cayman Islands (HMCI) is the coordinating agency of the National Emergency Operations Centre (NEOC). The NEOC was activated in early March to ensure that an intensive, multi-sectoral, collaborative approach to COVID-19 could be taken, with the primary focus of containing and suppressing the virus to preserve life. The entire activation period of 104 days was unprecedented for the Cayman Islands.

In addition to carrying out essential activities related to their coordination role which supported the planning, activation and operation of isolation facilities, the creation and dissemination of world class communications and the sourcing and distribution of thousands of items of Personal Protective Equipment, members of the HMCI team undertook a myriad of other duties, such as ensuring that the WebEOC was continually updated and providing the Deputy Governor with daily consolidated Situational Reports comprised of feedback from all Clusters within the NEOC to facilitate planning and decision making by the Policy Group.

HMCI was also involved in the planning and logistics related to the establishment of the COVID-19 Emergency Field Hospital project which received international recognition in November, when it won the 'Social Project of the Year 2020' award from The Association for Project Management (UK).



In November HMCI was awarded 'Social Project of the Year 2020' for its field hospital (L-R) David Shelton, Regimental Sergeant Major, CI Regiment, Simon Griffith, PWD Major Projects Team, Laura Watler, Management Support Advisor POCS, Franz Manderson, Deputy Governor and Head of the Civil Service, Danielle Coleman, Director, Hazard Management CI, Graeme Jackson, Director of Human Capital Development, Gloria McField-Nixon, Chief Officer, POCS

Whilst the coordination activities ended with the de-activation of the NEOC on **30 June 2020**, HMCI continues to provide critical support in key areas, including the re-opening of borders.

Disaster Response Plans & Enhanced Capacity

The earthquake and tsunami scare in **January** and the protracted landfill fires in **January** and **March**, required partial activations of the NEOC and tested the response plans of various responsible agencies.

Comprehensive de-briefings of these incidents highlighted areas for improvement, and the full activation of the NEOC to deal with COVID-19 provided HMCI and stakeholder agencies with a further opportunity to review and refine preparedness, mitigation, response and recovery plans.

National Hurricane Exercise

Despite the demands and challenges that the NEOC activation for COVID-19 presented daily, HMCI hosted the annual national hurricane exercise on **20** and **21 May**. During the two-day summit, Clusters and Emergency Support Teams (ESTs) focused on ensuring that a wide range of COVID-19 related considerations were incorporated into hurricane plans, to address implications across several essential areas, including shelter management.

Teams tackled scenario stress tests to facilitate this and to evaluate their overall readiness for hurricane season. Their responses to Tropical Storm Laura which threatened the Sister Islands, Tropical Storm Delta, which came a little too close for comfort and Tropical Storm Eta, demonstrated that not only are they ready, but that the response mechanism is now running like an extremely well-oiled machine.

Public Awareness, Outreach & Education

2020 saw a marked increase in social media outreach by HMCI with thousands of posts made through various channels to ensure that members of the public had the most up-to-date information on COVID-19, and to advise on weather systems and other events.

This continuous engagement of the public has increased trust and confidence in the Department and Government as a whole, and this has been reflected in a massive increase in the traffic on HMCI's social media accounts. Twitter followers increased by over 200 per cent and Facebook by 300 per cent since **1 January, 2020**.

Incident Command System Enhanced

In partnership with the Cayman Islands Fire Service and with the support of the UK Security Assistance Team (SAT), HMCI further leveraged the unprecedented number and variety of disaster events that occurred in 2020, to make improvements to the existing Incident Command Structure (ICS).

To facilitate this, HMCI co-led several meetings and workshops with stakeholders in order to gain their input, foster ownership of the process and outcomes, and forge closer working relationships.

Whilst the mechanism still requires some fine-tuning, there has been an alignment of the approach utilised in the command and control agencies (Police, Fire, Prison, Customs and Border Control) with that of the NEOC, which resulted in enhanced streamlining of the overall approach.

CDEMA Membership

The Caribbean Disaster Emergency Management Agency (CDEMA) is a regional inter-governmental agency for disaster management in the Caribbean Community (CARICOM) which offers a wide range of services to participating states, many which will be of significant benefit to the Cayman Islands.

At the 5th Extraordinary Meeting of the Council of CDEMA on **28 August**, Ministers unanimously agreed to admit the Cayman Islands, making us the 19th Participating State of the Agency, with official admission effective **1 September**.

Shortly after being notified that the application for membership was approved, the Cayman Islands Government received a shipment of humanitarian supplies coordinated through CDEMA to assist with the continuing fight against the COVID-19 pandemic.



In October Cayman received a delivery of humanitarian supplies coordinated through CDEMA to support the continuing fight against the COVID-19 pandemic, including 3,640 N95 face masks and 117,900 surgical face masks. Leslie (Lennox) Vernon, HMCI Logistics and Patree Walcott, Secondment Operations and Logistics, accept the donation coordinated by CDEMA on behalf of HMCI.

Acquisition of an Alerting Messaging Software Solution

Further to the implementation in 2019 of Phase I of the National Emergency Notification System (NENS) - an integrated, versatile radio interrupt system solution to support emergency alerts for the Cayman Islands - HMCI commenced the implementation of Phase II in 2020, which will provide subscribers with real-time, location-specific alerts via a free Mobile Alert app.

International Disaster Charter

In 2020 HMCI took advantage of another technological tool by joining the International Disaster Charter (IDC). Membership enables HMCI's authorised users to access a network of over 2000 satellites which provide imagery of the Cayman Islands before, during and after a major disaster or impact such as a hurricane, earthquake or tsunami. This free service is an important assessment tool that HMCI can utilise following a crisis event to identify and prioritise response activities.

Interagency Collaboration

HMCI continued to work in partnership with the Royal Cayman Islands Police Service (RCIPS) to develop and finalise the Crime Mapping Dashboard. Geospatial mapping technology is used to pinpoint the locations that crimes are committed across all categories, and an interactive dashboard provides a visual display of the same. Started in 2019, this technology provides the police with critical data on hotspots and trends so that interventions and resources can be deployed in a targeted and preventative manner.

Mass Casualty and Continuity of Operations (COOP) Training

Despite interruptions caused by COVID-19, HMCI provided several critical trainings in 2020 including a 5-day Mass Casualty Management course which was facilitated by instructors who were certified as trainers in 2019.

Continuity of Operations training was also co-facilitated with the Portfolio of the Civil Service (PoCS) to all government departments, with a focus on the implementation of strategies to reduce the health and safety impacts of emergencies and ensure the continued delivery of essential Government services.

All Government Departments were required to update their Continuity of Operations Plans to include a phased COVID response plan, referred to as the 'Four Stage Pandemic Response Plan'. These plans were reviewed by HMCI and PoCS and departments received feedback on any areas that required strengthening.

Community Emergency Response Teams - CERTs

HMCI conducted three virtual training workshops with employees of the Planning Department, Public Works Department (PWD), the Economics and Statistics Office (ESO) and 26 CERT members in **August/September** to enhance their capability to undertake damage assessments utilising the technological tool, Arc GIS Survey123.

This technology allows those undertaking the assessments in the field post-impact, to provide information to the NEOC instantaneously via a mobile app, including visual representations of damaged areas, which enables swifter coordination of response and other important activities. This training was put to the test following the passage of Tropical Storm Delta and Tropical Storm Eta, when the Initial Damage Assessment Team including CERT assessors and staff from PWD, used the tool to conduct damage assessments.

In partnership with the Cayman Islands Red Cross (CIRC), HMCI conducted a CERT training and graduation in Little Cayman in October. 30 participants completed 40 hours of CERT training in a variety of topics including first aid and CPR, search and rescue, fire safety, damage assessments, shelter management, vulnerability and capacity assessment, as well as a tabletop exercise.

Shelters

Annual inspections of all shelters were conducted by the department in **May** ahead of the official start of Hurricane Season and a report noting the findings for each site was prepared as part of a wider shelter assessment initiative that was being conducted in collaboration with the Public Works Department (PWD).

Training for Shelter Management Teams (SMTs), which are mostly comprised of volunteers, was also conducted in partnership with the Department of Children and Family Services, as part of the established annual preparation regime.

HMCI also introduced new Shelter Orientation sessions in 2020 with the respective teams for each shelter. SMTs visited their assigned shelter to familiarise themselves with the overall facility and identify key areas including registration, storage and quiet and/or detention rooms. All this information was captured on HMCI's situational dashboard for planning purposes.

In 2019 shelter capacity in Grand Cayman was calculated at 8% of the population and this was reduced overall by 50 per cent in 2020 as a result of the implementation of COVID-19 suppression measures, including the minimum requirements for adequate social distancing. In response, HMCI collaborated with PWD to undertake re-inspections of the existing sites and identify potential new sites (19 in total) to increase capacity.

Department of Public Safety Communications (DPSC)

National CCTV Programme

The Department of Public Safety Communications (DPSC) successfully completed the upgrade of the National CCTV video management system hardware and software in Grand Cayman that was planned and budgeted for in 2020.

Despite the delays caused by COVID-19 due to restrictions on inter-island travel, the DPSC, in collaboration with the PWD in Cayman Brac, and with the support of the District Commissioner and his Deputy, successfully completed the installation of the first in a series of camera pods before the **end of the summer**.

The DPSC executed a planned programme of scheduled camera upgrades in all districts in 2020 and delivered on its commitment to install additional cameras in the Eastern Districts, with 15 cameras having been integrated into the system at four new locations between Savannah and East End.

CCTV Governance

The National CCTV Programme is regulated by a Code of Practice, drafted by the Legal Department in consultation with the Human Rights Committee and approved by Cabinet in June 2011. It is the goal of the Government to implement legislation that regulates the installation and use of both publicly and privately owned, Closed Circuit Television (CCTV) systems. This will strengthen standards, operating procedures and practices and make provision for criminal penalties for any breaches.

This initiative, spearheaded by the Hon. Attorney General in collaboration with the Director of the DPSC, who is also the National CCTV Administrator, resulted in the drafting of a Surveillance Bill which will be reviewed by a variety of key stakeholders prior to being circulated for a period of public consultation. The Bill should be brought before Parliament in Q2 of 2021.

National Public Safety Radio System

With the support of colleagues at the PWD, the DPSC progressed the project to install a new 300ft national public safety communications radio tower in Northward, despite interruptions caused by COVID-19. The project progressed well with the approval of the location, the completion of the building design and submission of the necessary building permits. Fabrication of the 300ft tower also commenced in 2020 and the project is on target for completion in mid-Q2 of 2021.

Electronic Monitoring of Offenders Programme

Alternative custody and sentencing arrangements for offenders continued to be a priority for all public safety partners and users of the DPSC administered Electronic Monitoring of Offenders Programme in 2020.

Between **May and July**, the DPSC ensured that additional Electronic Monitoring Devices (EMDs) were available in direct response to a request from Judicial Administration to enable the alternative sentencing arrangements that the Courts implemented to deal with persons who violated curfew orders.

The Electronic Monitoring Programme continued to receive high levels of subscription and support in 2020 by other stakeholder agencies including Customs and Border Control, the Conditional Release Board and Her Majesty's Cayman Islands Prison Service as they strived to provide offenders with alternatives to custodial sentencing where appropriate, whilst ensuring public safety.

Phased Re-Opening of Borders

The Director and his team were key stakeholders in the multi-sectoral programme for the phased re-opening of Cayman's borders from the inception of the project, given their expertise in electronic monitoring technology, safety protocols and compliance, as well as their existing infrastructure.

The DPSC's role has involved the active monitoring of the dashboard of travellers enrolled in the Quarantine in Residence Programme. Data on all breaches is recorded and collated and the team dispatches the Mobile Compliance and Enforcement Teams as per the established operating procedures. The DPSC will continue to lend its expertise and support to this initiative, in collaboration with partners from the Ministry of Employment & Border Control and other agencies, as the programme evolves into a mature entity.

Support and Safety of Older Persons

The DPSC continued to explore the feasibility of utilising personal medical alert devices for elderly persons in 2020. The DPSC team was in discussion with several interested local parties to review a variety of options for the delivery of multi-alerts and an E-health response programme, to support the essential role of caring for our elderly persons in the community.

Cayman Islands Fire Service (CIFS)

Human Capital Development

In **January**, the CIFS celebrated the successful completion of basic training by 21 new Caymanian trainee fire fighters. As part of their 12-month probation, to consolidate their learning, all 21 were entered to sit the Institution of Fire Engineers (IFE) International Level II Certificate in Operations, Fire Science and Fire Safety Exam. They were the first graduate recruit class to take this IFE examination, which was invigilated in **October** at the Civil Service College, a key partner supporting the professionalisation of our fire and rescue service. 15 candidates passed the examination with six scheduled to sit a re-take in **March 2021**.

Despite delays caused by COVID-19, the CIFS also successfully recruited another class of trainee fire fighters who commenced their basic training in **August**. The all-Caymanian recruit class graduated on **18 December** and began immediate preparations for the **March 2021** sitting of the Level II IFE exam along with seven other CIFS colleagues who are keen to gain professional recognition for their skills and competencies.



Above: Deputy Governor Franz Manderson and Minister Tara Rivers congratulate graduating members of the CIFS



Right: 2020 CIFS graduates

The CIFS continued to work to support the Deputy Governor's ambition for a world class civil service by updating job descriptions to include the current duties and responsibilities of various roles and to reflect established best practices and standards. The senior team also redesigned the overall structure of the organisation to deliver high quality services, using safe systems of work more efficiently and effectively, thereby ensuring best value for money. This revised structure includes a tier of middle managers which will enable the Senior Management Team (SMT) to operate at a strategic level, thereby gaining valuable experiential learning to support their development.

The ongoing programme of transformation that has been implemented within the CIFS was featured in the **June 2020** issue of *International Fire Fighter* magazine. The acknowledgement of the work that has been done to assist the CIFS on its planned trajectory to attain world class status by this respected industry publication, is a testament to the dedication and commitment of the Senior Leadership Team and the larger staff group.

Another demonstration of the commitment to professionalise the CIFS is the programme of development that has been put in place for the three Caymanian Deputy Chief Fire Officers (DCFOs), which has seen them grow in their roles. Two of three DCFOs have successfully completed strategic leadership training hosted by the UK Defense Academy, with the third scheduled to receive the training in mid-2021.

In 2020, the DCFOs also began the first phase of a programme of rotation designed to give them exposure to the duties and responsibilities of each DCFO post, thereby ensuring that they have a holistic appreciation for the breadth and scope of work undertaken by each DCFO role and how that work contributes to the overall success of the organisation; invaluable insight for anyone holding the position of Chief Fire Officer.

In addition, each DCFO was assigned a portfolio of projects to deliver in relation to their respective roles that will facilitate their acquisition of essential knowledge and skills that are critical for their development as senior leaders.

The DCFOs will continue to be supported by the Chief and the Ministry as their programme of development continues, and the dynamic nature of it will enable adjustments to be made as needed, based on feedback and requests from the DCFOs and the identification of additional learning goals in response to new developments within the CIFS and the community.



On the 12th November officers from the CIFS were recognised at an appreciation ceremony. Minister Tara Rivers (second from the left) presents Luke Welds, Andrew Welds and Nicholas Peralta (l-r) with the Partnership Working Certificate for supporting the Cayman Islands Coast Guard.

Chief Fire Officer, Paul Walker, QFSM presents Minister Tara Rivers with the Guidance and Stewardship Award at the CIFS appreciation ceremony.



COVID-19

Despite the impact of COVID-19 on 'business as usual' the Chief and his senior team successfully cultivated a deeper understanding of safe systems of work and promoted a positive health and safety culture within the CIFS during 2020.

Whilst COVID-19 restrictions caused delays in the commencement of secondments with UK-based Fire Services as outlined in their professional development plans, the DCFOs embraced the opportunity that the pandemic presented to work with Chief Walker and colleagues to strengthen the CIFS Business Continuity Plan.

The Chief and his senior team leveraged opportunities to enhance existing partnerships during the pandemic response. CIFS officers participated in joint training with 911 Call Centre and Emergency Management Service (EMS) colleagues which included experiential shifts to ensure business continuity across these key emergency services agencies. CIFS also seconded two officers with water rescue and boat handling skills to provide much-needed support to the C.I. Coast Guard. The two officers, who are now sworn special constables, received RCIPS firearms training and will continue to support the Coast Guard on a part-time basis. Post hard and soft restrictions, CIFS provided seven staff with driving instructor skills to support the Department of Vehicle and Drivers Licensing with clearing of the backlog of driving examinations that accumulated due to COVID-19. The CIFS also seized the opportunity to lead the reinvigoration of the Search and Rescue Emergency Response Team (EST) within the NEOC, which resulted in structured, pre-planned and equipped search teams that can be deployed in an emergency.

Operational Response and other Activities

CIFS responded to over 1,800 fire and rescue emergencies in 2020, with an unprecedented number of challenging and protracted major incidents even prior to the onset of COVID-19.

January was a particularly busy month for the CIFS, as it was for other first responders, with the earthquake and subsequent tsunami scare, followed by a large waste metal fire at the Island Recycling site. Another large-scale fire at the landfill in early **March** tested the CIFS in new ways, as they fought to bring under control a large fire containing mixed waste and the associated hazards. Working with colleagues from the Department of Environmental Health, the fire was extinguished and new ways of working to reduce the risk of ignition across the site were introduced following a comprehensive debriefing.



Large-scale fires at the Landfill tested the CIFS in 2020

The department's disaster response and continuity of operations plans were tested in **October** with warnings issued for Tropical Storms Delta and Eta. Thankfully we were spared any serious damage as by the time Delta developed into a Category 4 hurricane it had moved further away from us, with Eta causing relatively minor infrastructure damage and some flooding. The preparations and response were not wasted as lessons learned were utilised to further strengthen the CIFS' plans.

In 2020, the Senior Team worked to produce a Draft Risk-Based Evidence Profile and an Integrated Risk Management Plan, which consider infrastructure challenges like the landfill, in addition to plans for future construction and development, as well as projected population growth. This analysis will enable the CIFS to factor the necessary preparations required into their strategic and in-year business plans well ahead of time, so that people and property will be well protected. These drafts will be tested and fine-tuned by the senior leadership team in 2021.

The CIFS brought three new airport tenders into service in 2020



Due to the advanced age of much of the existing fleet, in 2020 CIFS took delivery of three new, state-of-the-art airport tenders, as well as three domestic water tankers, four rapid intervention vehicles, and three trailer pumps. The acquisition of five light portable pumps further increased their capability to support firefighting and flooding operations.

Approval was also received from the Public Procurement Committee (PPC) for a single source business case to standardise the aviation fleet and facilitate the purchase of a further two airport tenders. This includes one with High Reach Extendable Turret (HRET) technology for a more effective fire and rescue intervention on larger aircraft at Owen Roberts International Airport. The team produced the required specifications and worked with the manufacturer to fine tune the equipment, which is nearing completion.

The necessary research and ground work required to progress the purchase of a new fire boat with dual search and rescue capabilities and the delivery of five Emergency Rescue Boats for inland and inshore water rescue operations also commenced in 2020, with delivery expected in Q1 2021.

Work also began to support the procurement via competitive RFP of uniforms and Personal Protective Equipment (PPE). The anticipated outcome is a three to five-year contract with a dedicated supplier to establish a source for agreed items on demand, which will facilitate standardisation, reduce turnaround time on orders and guarantee competitive price points.

The comprehensive programme of upgrades and refurbishment that commenced in 2019 continued in 2020, and into 2021, to ensure that staff have a safe and healthy working environment that is fit-for-purpose. Build projects in Grand Cayman, Little Cayman and Cayman Brac are planned, which include a new fire station and new accommodation.

In January, members of the CIFS joined staff from the Department of Environmental Health for four days of training on landfill management given by landfill expert Dr Tony Sperling



Her Majesty's Cayman Islands Prison Service (HMCIPS)

Strategic Plan 2020-2022

A Strategic Plan focusing on staff development, increasing efficiency and effectiveness and improving the physical environment was developed, providing a roadmap for the HMCIPS for the period commencing **1 January 2020** through to **31 December 2022**. Implementation of the plan, which introduced a revised mission and vision statement and confirmed Strategic Ownership Goals, was delayed by the necessary focus on COVID-19 suppression. It has therefore been repurposed to shape the 2021-2023 strategic deliverables.

COVID-19 Management Strategy

Recognising that there was a high risk of transmission if COVID-19 entered the Prisons, in early 2020 the Director and his senior team took immediate steps to enact measures to prevent the spread of the virus. In addition to ensuring that staff and prisoners were issued the necessary personal protective gear and enhanced cleaning and sanitisation protocols were implemented, HMCIPS partnered with the Judiciary, the Conditional Release Board, the Department of Community Rehabilitation (DCR) and other agencies to identify and release a number of prisoners who were close to the end of their sentence and who were assessed as low risk, in order to create opportunities for greater social distancing in the residential units. This collaborative COVID-19 management strategy resulted in a reduction in the daily average prison population from 225 to 203.

Other innovations implemented by HMCIPS as part of this strategy included the treatment of the entire internal estate at both HMP Fairbanks and HMP Northward with a protective solution to inhibit the growth of coronaviruses and mold for up to six months. HMCIPS was the first Government department to deploy this preventative sanitisation solution within its facilities and considered the CI\$9,000 a worthwhile investment in the health and safety of staff and prisoners.

As in-person visits were placed on hold, HMCIPS also introduced Virtual Visits to facilitate contact between prisoners and family members. Between **April** and **November** HMCIPS facilitated 1,016 such virtual visits.

During the early phase of the COVID-19 lock-down, HMCIPS partnered with the Department of Children and Family Services (DCFS) to enable the Catering Team at HMP Northward to provide cooked breakfasts each morning to elderly residents in Bodden Town who could not, as a result of the curfew restrictions, get to the shop for groceries, etc.

Training, Education and Rehabilitation of Prisoners

Face-to-face learning was suspended as soon as the country went into lockdown in **March**, however, in partnership with Inspire Cayman Training Ltd., HMCIPS continued to support prisoners participating in Vocational Training despite COVID-19 restrictions and this proved to be extremely worthwhile. In addition, 13 modules of Tools for Success Training were delivered with an overall student pass rate of 92 per cent, with 228 exams completed and 209 pass marks achieved. Furthermore, eight out of nine modules of Core Curriculum were delivered with all students passing the relevant tests.

City and Guilds

Like thousands of students worldwide, City and Guilds candidates at HMCIPS became concerned that any work completed, and progress made in preparation for the **June 2020** exams might have been for nothing. After much consultation with Examination Centres and Education Departments in countless jurisdictions, the City and Guilds of London Institute gave the Prison three options to ensure candidates were able to do the exams in some way, shape or form. The HMCIPS team weighed these and decided to take the Calculated Graded Approach which meant that class attendance, assignments, test scores and participation would be used to determine a potential grade for the candidates.

The team worked to compile the required information on each student, and they submitted a total of 35 candidate portfolios for evaluation. Following a few months of quality assurance checks, HMCIPS was notified that the class achieved 16 Distinctions, 14 Merits and four Passes. One inmate was discharged prior to the completion of the final set of records required for submission, so unfortunately that mark was returned as a fail.

This achievement is a testament to the high standard of work completed by the prisoners as well as the dedication and commitment of the Prison education and rehabilitation team, who ensured that all portfolios were prepared and submitted within very tight deadlines. The grades received are also indicative of the high quality of instruction that is being delivered to prisoners, as the records withstood the external scrutiny of an internationally accredited body.

At their graduation, several individuals received special commendations. Adrian Gea and Javier Howell were recognised as the top achievers in the programme as well as Honour Roll. The Most Improved award went to Paul Myles, while the work of Malik Mothen and Jordan Powell was acknowledged as being most consistent. Javier Howell received his award from Acting Deputy Director of Rehabilitation, Stephen Atherley



In addition to educational opportunities, whilst many of the group interventions provided by HMCIPS staff and external partners like the Department of Community Rehabilitation (DCR) and the National Drug Council (NDC) were put on hold, prisoners continued to receive 1:1 support from the on-staff psychologist and other members of the Prisons' clinical and rehabilitation team.

Other Rehabilitation Programmes and Services

With the lifting of strict COVID-19 suppression measures, DCR and other partner agencies resumed their delivery of services in the Prison under controlled conditions. All prison staff and personnel from other agencies were required to undergo regular COVID-19 testing, as were prisoners.

In excess of 160,000 purposeful activity hours were delivered to prisoners in 2020 despite COVID-19, and many of these were acquired through participation in rehabilitation programmes and services.

The restorative justice programme Sycamore Tree, which provides participants with an opportunity to take responsibility for their offending behaviour and the consequences, continued to be very popular.

Capital Works/ Infrastructure Investment

Despite delays caused by COVID-19, HMCIPS also managed to progress several projects that were planned for 2020.

The Strategic Outline Case (SOC) setting out a comprehensive rationale for the need for change in the prison estate was completed in December 2019, and the more refined and detailed Outline Business Case (OBC) was completed in December, in time for Cabinet's consideration early in the New Year as planned.

Several environmental improvements to the existing facilities at Her Majesty's Prison Northward and Fairbanks were completed in 2020 including the installation and activation of state-of-the-art CCTV equipment, the completion of remedial work to one of the generators at Northward and procurement for the full replacement of the other. Upgrades to the kitchen at HPM Northward were also completed, along with roof repairs, while installation of central A/C was completed at HMP Fairbanks.

People Development

HMCIPS commenced work with the Portfolio of the Civil Service (PoCS) to develop a 'People Strategy' that focuses on creating a learning culture in which staff can thrive and their professionalism develop, which is critical to the delivery of the organisation's vision to create safer, stronger, more resilient communities.

The intention is for the strategy to set out very clearly how the talent, skills and knowledge of HMCIPS staff can be nurtured and developed.

Alongside the People Strategy there is also the intention to create a second developmental opportunity which will enable a cohort of Caymanian staff who have demonstrated high potential, to undergo leadership development. The objective of this programme is to generate a competitive pool of Caymanian personnel who will vie for future senior management and Director level positions.

Recruitment

Funding provided by the Government in the 2020 budget was used to recruit 22 new prison officers and it is expected that the successful applicants will commence training in early 2021.

This has been a Caymanian-preferred campaign and all applicants have been required to take an entrance exam and undergo fitness testing. As a result of the outcome of that process, 59 candidates were invited to interview, all of whom were Caymanian or permanent residents.

At the end of 2020 the department also ran an internal process to select two Throughcare Support Officers to strengthen the support services provided to transitioning prisoners who are returning to local communities following their release from prison. This investment in throughcare is expected to have a significant positive impact on individuals, their families and the wider community.

Analysis of Data to Determine Local Rate of Recidivism

Work to more accurately profile local recidivist rates was also undertaken by HMCIPS in 2020. Whilst there is no universally accepted methodology for doing this, the most commonly applied approach is to look at the number of persons released from prison after completing a convicted sentence, who then return to prison, on another convicted sentence within two years.

When HMCIPS analysed the data held for the period 1 January 2017 to 31 December 2019 and applied these criteria, the recidivist rates by gender were 12 per cent for both men and women from 1 Jan 2017 - 31 Dec 2018 and 15 per cent for men and 14 per cent for women from 1 Jan 2017 - 31 Dec 2019.

The Director of Prisons plans to seek support for a comprehensive analysis of reconviction and reoffending statistics, together with the implementation of a mechanism for live time reporting of this in 2021.

Community improvement projects

Each month, members of the HMCIPS football team undertake, in their own time and using their own money, to complete projects intended to improve the lives of those in our communities and the services they receive. Whilst COVID-19 interrupted these activities, in the latter part of 2020 projects completed included painting, decorating and landscaping at Frances Bodden Girls' Home, cleaning and decluttering of the grounds at the Women's Crisis Centre and, in partnership with the Premier's Office, the clean-up of a park in George Town. The Prison Service is keen to reinforce its purpose as a community facing organisation and will continue to pursue opportunities to add value in 2021.

Department of Community Rehabilitation (DCR)

In-Year Business Plan

The DCR started 2020 with a very clear plan that prioritised key areas including human capital development, the continued enhancement of programmes and interventions for clients and ongoing cultivation and leveraging of critical stakeholder relationships to improve collaboration and service delivery.

The Director and her team identified actions to achieve these goals, which included: continued training and implementation of the ChAngeS Supervision Strategy; completion of evaluations of job descriptions for Probation Officer and Community Service Coordinator roles; expansion of services in Intensive Supervision Services for high risk offenders and Through and After-Care Services in the Prison; further development of services for Spanish-speaking clients to meet growing needs; continued participation in the MOU with the Judicial Department to provide a Domestic Violence Fast Track Court; procurement and implementation of the electronic version of the LS/CMI Risk Assessment tool; and execution of key capital projects.

During the **first quarter** of the year, the DCR successfully completed the process of job evaluations, in partnership with the Ministry and the PoCS. Although it was a time consuming project, it resulted in the creation of a modern, tiered organisational structure that provides clear pathways for growth, development and succession planning for the key role of Probation Officer, which now has three levels – Trainee, Probation Officer II, and Probation Officer I.

COVID-19

As was experienced by numerous departments across Government, the activation of the NEOC in **March** and the implementation of necessary suppression strategies caused unanticipated delays in the delivery of planned priorities.

However, the DCR was able to continue to provide services in the following key areas throughout the pandemic: the provision of critical services to the Court; timely reports to avoid backlog of cases; regular, weekly Court Duty via Zoom; the maintenance of regular contact with Court administration; and the continuation of submissions of non-compliance/breach reports as necessary.

Essential services to the Conditional Release Board and Her Majesty's Cayman Islands Prison Service continued throughout 2020, as did the community-based supervision and support of offenders and victims.

A comprehensive communication strategy was also implemented to ensure that both staff and clients received clear, regular and detailed information.

The DCR redeployed staff to support several partner agencies, specifically the Needs Assessment Unit (NAU) and the Department of Public Safety Communications (DPSC). Members of the DCR team were also on standby to assist with the manning of the Mental Health Hotline.

Silver linings achieved as a result of the pandemic included: more efficient and effective processes, for example, the ability to receive electronic copies of Criminal Records, which the department had been trying to achieve for many years; the ability to attend Court/Conditional Release Board Meetings and Prison internal board meetings virtually; the integration of the ChAngeS techniques in all group intervention programmes; the delivery of individual and group services to clients virtually and the improvement in the working relationship between staff of the DCR and the RCIPS, which resulted in enhanced collaboration and improved offender management.

Projects and initiatives

Relocation of the Grand Cayman Office to Apollo House East was completed in November 2020. This move provides fit-for-purpose accommodation that meets the needs of both staff and clientele. It will also enable further leveraging of existing synergies between partner agencies who are co-located within the building to the advantage of mutual clients.

A number of projects and initiatives were continued towards the end of 2020 and several will continue and be completed in 2021, including: further development of an Offender Management Arrangement proposal that provides a framework for enhanced stakeholder collaboration to ensure the most effective management of high risk and vulnerable offenders (including sex offenders, violent offenders, mental health clients, etc.); the development of the Strategic Plan for 2021-23 with in-year business plans; the purchase and implementation of LS/CMI Online tool; and the completion of various capital projects, as well as the finalisation of the Service Level Agreement with HMCIPS to further enhance and support the collaborative relationship between the agencies.

Good Governance and Transparency

Filing of Reports in the Legislative Assembly

The following reports were tabled in the Legislative Assembly:

May 2020

- Annual Report and Audited Financial Statements of the Cayman Islands Stock Exchange Ltd. for year ending 31 December 2019
- Annual Report and Audited Financial Statements of the Auditor's Oversight Committee for the year ending 31 December 2019

September 2020

- Annual Report and Audited Financial Statements of the Ministry of Financial Services & Home Affairs for the year ending 31st December 2019

October 2020

- Annual Report and Audited Financial Statements of the Cayman Islands Monetary Authority for the year ending 31 December 2019

Freedom of Information

A total of 15 Freedom of Information requests were received by the Ministry and its entities in 2020, as shown in Table 2: Freedom of Information Requests.

Table 2: Freedom of Information Requests

	Requests 2020	Closed 2020	Requests 2019	Closed 2019
Ministry (MFSHA, DITC, DFS)	4	3	6	6
Cayman Islands General Registry (REG)	0	0	1	1
Cayman Islands Fire Service (CIFS)	5	4	6	16
Her Majesty's Cayman Islands Prison Service (HMCIPS)	2	2	5	1
Hazard Management Cayman Islands (HMCI)	0	0	0	0
Department of Public Safety Communications (DPSC)	1	1	1	1
Department of Community Rehabilitation (DCR)	0	0	0	0
Cayman Islands Stock Exchange (CSX)	0	0	0	0
Cayman Islands Monetary Authority (CIMA)	3	3	6	16
Auditors Oversight Authority (AOA)	0	0	0	0



**MINISTRY OF
FINANCIAL SERVICES AND
HOME AFFAIRS**
CAYMAN ISLANDS GOVERNMENT

Box 126, Government Administration Building
133 Elgin Avenue, Grand Cayman KY1-9000
Tel: (345) 945-5819
Email MFSHA@gov.ky
www.gov.ky/