



GOVERNMENT OF BERMUDA

The Ministry of Finance Headquarters

Office of the Minister of Finance

SENT VIA EMAIL

Reference Number: 339

Ms. Samantha Strangeways
The Royal Gazette
2 Par-la-Ville Road
Hamilton HM 08

18th April, 2016

Dear Ms. Strangeways:

Re: Public Access to Information Act 2010: Decision Notice

Thank you for your application dated 23rd February, 2016, received by us on 23rd February, 2016.

Item 1 of your application has been regrettably denied as the document was not commissioned by the Ministry of Finance nor do we have a copy of the Financial Report.

Please note in 2011, Government considered options to provide a long term solution to the challenges faced by the Trustees of Sandy's 360. The resolution process necessarily involved discussions amongst Government, the Trustees of Sandy's 360 and other key stakeholders.

In the case of Item 2 of your request, the following payments were initiated by Ministry of Finance Headquarters, on behalf of the Government, to assist Sandy's 360 for fiscal years ending 2011, 2012, 2013, 2014, 2015 and 2016:

- April 2011 - a capital grant payment of \$ 627,000;
- July 2011 - a capital grant payment of \$ 180,000

Please note both payments were made from the Government Reserves Fund and were used to defray the cost of previous capital works undertaken by Sandy's 360 and to reduce associated debt. Funding was not used for operational expenditures. Attached are the Government Reserves Fund Financial Statements, as at March 31, 2012, for your reference.

In the case of Item 3 of your request, in August 2011, Government made a payment of \$ 807,000 to Sandy's 360 in error, as this was a duplication of the initial payments mentioned in Item 2

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above. Hence, \$ 807,000 is owed by Sandy's 360 to Government. Please note it was the intention of the former Government to recover the funds owed, by way of reducing grant funding going forward to offset the receivable, and to continue supporting the entity, as indicated on the enclosed:

- Page 6 of the 2012/13 Budget Statement;
- Page C-23 of the 2012/13 Approved Estimates of Revenue and Expenditure For the Year 2012/13 Book;
- Memorandum of Understanding, dated June 1, 2012;
- Confirmation Letter, dated September 13, 2012.

Note further, although a receivable and provision for doubtful accounts was created for the money owed, the current Government decided to cease supporting Sandy's 360 and at this time no recovery of the funds owed to Government has occurred. The Government will continue to progress this matter with the Trustees of Sandy's 360.

Additionally, Ministry of Finance confirms Sandy's 360 are in debt to Government in relation to payroll taxes, land taxes, and Social Insurance Contributions. Your application for the total amount of this debt has been regrettably denied as the record requested is an exempt record pursuant to Section 25, 26 and 37 of the Public Access to Information Act 2010. Please note Government has sought to recover these debts by pursuing its customary debt collection procedures.

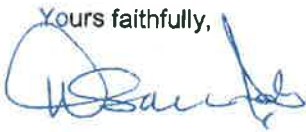
Under Section 41 of the Public Access to Information Act 2010 you have a right to an Internal Review of this decision regarding your request. You have 6 weeks from the date of receipt of this notice to request this Internal Review by writing to the public authority in question and including:

- (a) your name, address and telephone number;
- (b) a copy of your application and/or the reference number assigned to your application;
- (c) a copy of this letter; and
- (d) if so inclined, the basis on which you are requesting a review of the decision indicated.

Please note in this context 6 weeks means 42 days including weekends and public holidays.

If you have any queries about this letter please contact me and ensure to quote the reference number above.

Yours faithfully,



Denise Saunders
Information Officer

Contact Details:

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2nd Floor, Government Administration Building
30 Parliament Street
Hamilton HM 12
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GOVERNMENT OF BERMUDA

Ministry of Finance

Ministry of Finance Headquarters

July 13th, 2016

SENT VIA EMAIL

Reference Number: 339

Ms. Samantha Strangeways
The Royal Gazette
2 Par-la-Ville Road
Hamilton HM 08

Dear Ms. Strangeways,

Re: Public Access to Information Act 2010: Internal Review Reference # 339

Thank you for your application for an internal review of the above-captioned PATI Request.

I confirm that your request for an internal review of the decision taken by the Information Officer to refuse some parts of your original request has been carefully considered and I have undertaken the necessary research in order to respond appropriately to this matter.

Please be advised that after conducting my review I have decided to uphold the decision of the Information officer based on the reasons given in her letter to you dated 18th April 2016. For the sake of good order the reasons are as follows:

- Item 1 of your request relates to information given to a public authority by a third party in confidence on the understanding that it would be treated as confidential (Section 26 (1)). The records requested are also exempt records as they contain commercially sensitive information pursuant to Section 25 of the Act. Also it should be noted that the Report was not commissioned by the Ministry of Finance and we do not hold the requested record;
- Items 3 of your request relates to records that are exempt pursuant to Sections, 25, 26 & 37. It has been a longstanding policy of the Ministry to not publicly disclose amounts owed to government by entities. The Taxes Management Act 1976 also provides for confidentiality with regard to the administration of certain tax matters.

Please be advised that after conducting my review I have been advised that a list of payments made by Government to Sandy's 360 will be provided soonest.

You have the right under section 45 of the Act to apply in writing to the Information Commissioner for a review of my decision within six weeks of the date of this letter.

If you have any queries about this letter please contact me and ensure that you quote the reference number above.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Anthony Manders', followed by a horizontal line extending to the right.

Anthony Manders, C.G.A
Financial Secretary
30 Parliament Street
297 7501
amanders@gov.bm



GOVERNMENT OF BERMUDA

The Ministry of Finance Headquarters

Office of the Minister of Finance

SENT VIA EMAIL

Reference Number: 339

Ms. Samantha Strangeways
The Royal Gazette
2 Par-la-Ville Road
Hamilton HM 08

15th July, 2016

Dear Ms. Strangeways:

Re: Public Access to Information Act 2010: Decision Notice

Thank you for your queries received by us on May 4th, 2016.

The following payments were paid to Sandy's 360 for the fiscal years 2011, 12, 13, 14, 15 and 16 (\$4,114,000):

| DATE | FUND | Description | Gross Amount | Paid by |
|---------------|---------------------|-----------------------|---------------------|--|
| April 2011 | Government Reserves | 2011/12 Capital Grant | \$ 627,000.00 | Ministry of Finance HQ/Cabinet Office |
| July 2011 | Government Reserves | 2011/12 Capital Grant | \$ 180,000.00 | Ministry of Finance HQ/Cabinet Office |
| August 2011 | Consolidated Fund | 2011/12 Capital Grant | \$ 807,000.00 | Ministry of Finance HQ/Cabinet Office |
| June 2012 | Consolidated Fund | 2012/13 Capital Grant | \$ 500,000.00 | Ministry of Government Estates and Information Services HQ |
| August 2012 | Consolidated Fund | 2012/13 Capital Grant | \$ 500,000.00 | Ministry of Government Estates and Information Services HQ |
| November 2012 | Consolidated Fund | 2012/13 Capital Grant | \$ 500,000.00 | Ministry of Government Estates and Information Services HQ |
| March 2013 | Consolidated Fund | 2012/13 Capital Grant | \$ 500,000.00 | Ministry of Government Estates and Information Services HQ |
| November 2013 | Consolidated Fund | 2013/14 Capital Grant | \$ 500,000.00 | Ministry of Public Works HQ |

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Please note all of the payments noted above were used to defray the cost of previous capital works undertaken by Sandy's 360 and to reduce associated debt. Funding went directly to service debt and was not used for operational expenditures of Sandy's 360.

Also, the following payments were paid to Sandy's 360 for subsidized patrons of the facility (e.g. seniors, youth etc.) during the fiscal years 2011, 12, 13, 14, 15 and 16 (\$192,345.50):

| YEAR | FUND | Description | Gross Amount | Paid by |
|---------|-------------------|--------------------|--------------|---|
| 2010/11 | Consolidated Fund | Subsidized Patrons | \$ 71,295.50 | Various Departments: Head 20, Head 23, Head 68, Head 17, Head 55, Head 52 |
| 2011/12 | Consolidated Fund | Subsidized Patrons | \$ 49,070.00 | Various Departments: Head 20, Head 23, Head 52, Head 11, Head 22 |
| 2012/13 | Consolidated Fund | Subsidized Patrons | \$ 48,920.00 | Various Departments: Head 20, Head 23, Head 71, Head 17, Head 68 |
| 2013/14 | Consolidated Fund | Subsidized Patrons | \$ 23,060.00 | Various Departments: Head 20, Head 23, Head 68, Head 17, Head 55, Head 52, Head 74, Head 56 |

Please note there are no records showing how government is seeking to recover the funds it is owed by Sandy's 360 and who it is seeking repayment from. Hence, there are no records of letters, invoices, or court papers pertaining to repayment. However, Government has sought to recover these debts by pursuing its customary debt collection procedures.

Additionally, in response to your issues pertaining to the Decision Letter, along with supporting documents, sent to you on April 18, 2016:

- **Document 1:** The three transactions referenced in the Decision Letter were split between the Government Reserves Fund and the Consolidated Fund. \$627,000 paid from the Government Reserves Fund in April 2011, \$180,000 was paid from the Government Reserves Fund in July 2011, and \$807,000 was paid from the Consolidated Fund in August 2011. \$807,000 payment from the Consolidated Fund was made in error. Hence, \$807,000 was the total amount which should have been paid to Sandy's 360 from the Government Reserves Fund. No payment was to come from the Consolidated Fund in this instance.
- **Document 2:** A memorandum of understanding between The Ministry of Government Estates and Information Services and The Trustees of Sandy's Secondary School, with respect to a capital grant of \$2,000,000 for 2012/13, was paid in full. \$500,000 payments were made in June 2012, August 2012, November 2012 and March 2013 from the Consolidated Fund to Sandy's 360 in this regard.
- **Document 3:** Page 5 of the Government Reserves Fund Financial Statements for the twelve months ending March 31, 2012 showing the \$807,000 expense to Sandy's 360 Foundation is correctly stated, as a total of \$807,000 was paid out of the Government Reserve Fund in 2011/12 as per Document 1 response above.
- **Document 4:** A page from the Government Budget Book, from the Grants and Contributions section, referring to Sandy's 360 shows zero as an actual spend for the year 2010/11 and an estimate of zero for 2011/12. The estimate shown for 2012/13 is the same \$2,000,000 as per Document 2 response above.

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- **Document 5:** A copy of the Budget Statement for 2012/13, which says: "Sandy's 360 reflects such community values and Government will provide a capital grant of \$2 million to Sandy's 360 in 2012-2013 to assist in defraying the cost of works undertaken." The estimate shown for 2012/13 is the same \$2,000,000 million as per Document 2 response above.
- **Document 6:** A letter, dated September 13, 2012, from the Ministry of Finance confirming The Ministry of Government Estates and Information Services has "committed to provide the directors and board of trustees of the Sandy's 360 Sport, Aquatic and Enrichment Centre with a \$6,000,000 capital grant to assist them with the servicing of debt related to the acquisition of capital assets" is correct. The intention was for a total of \$6,000,000 of capital funds to be paid out. Of this, \$2,000,000 for 2012/13 is referenced as per Document 2 response above. The remaining \$4,000,000 balance was to be disbursed over the following fiscal years: 2013/14 and 2014/15. Please note of the \$2,000,000 budgeted for in 2013/14 only \$500,000 was paid in 2013/14, as the government changed in 2012/13 and the new government no longer supported the project. Hence, no further money was budgeted in 2014/15 for Sandy's 360. Overall, \$2,500,000 was paid out of the intended \$6,000,000.

If you have any queries about this letter please contact me and ensure to quote the reference number above.

Yours faithfully,



Denise Saunders
Information Officer

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