

Minutes of the Meeting of the Executive Council held on 20th March 2018 at 9.30am in the
Council Chamber

Present: Her Excellency the Governor (Mrs Lisa Honan)
Chief Secretary (Mr R Burke)
Financial Secretary (Mr D Richards)
Attorney General (Ms S O'Donnell)
The Hon A A Green
The Hon L A Henry
The Hon C L Scipio-O'Dean
The Hon D F Thomas
The Hon R K Yon

In attendance: Head of Governor's Office (Ms L MacMorran)
The Chief Secretary Designate (Mrs S O'Bey)
Assistant Chief Secretary (Support) (Mrs G Francis)
Clerk of Councils (Miss L H Buchanan)

OPEN SESSION

19.1 Welcome

The Governor welcomed all present including the members of public who were in attendance.

19.2 Employment Rights (Minimum Wage) Amendment Regulations, 2018 (ExCo Memo 12/2018)

The Government Economist, Nicole Shamier was present for this item.

The Chairperson of the SCDC introduced the memorandum, allowing the Government Economist to explain the finer details of the proposed changes. She explained that from December 2017, the Employment Rights Committee had reviewed the minimum wage on Island and they had concluded that a small increase should be brought into effect. She went on to state that there had been a six week consultation period that included small and large scale businesses and that they had all requested that small incremental changes would be better than one steep jump in the minimum wage although the Human Rights Commission didn't consider the proposed increase to be sufficient. However, the Government Economist went on to say that the minimum wage would be reviewed on a regular basis and that the figure was expected to rise annually.

A number of questions were raised, including in which sector the lowest paid within society currently work and the Government Economist was able to clarify that currently that level of detail was not available within the statistics. Changes had now been made to the PAYE form that should hopefully capture more information, but these changes would only be effective from next year.

Members also questioned whether a rise in the minimum wage would create a rise in inflation, as businesses would look to push the extra cost on to the consumer. The Government Economist confirmed that overall in recent history on St Helena, inflation did not increase after a minimum wage rise.

Further discussions were had regarding the processes in which the review of the minimum wage had been conducted. All agreed that there should be a review based on the level of inflation, and **that if after 6 months' time inflation had risen, a review would be conducted.**

(Action: Government Economist)

The Governor also noted that in the UK, the minimum wage was based on 60% of the national average wage and that it should be checked whether St Helena is also reaching this same percentage. **The Government Economist agreed to look into this and report back.**

(Action: Government Economist)

After much discussion, Members advised and the Governor agreed to approve the Employment Rights (Minimum Wage) Amendment Regulations, 2018, and that the Minimum Wage would be £3.05 per hour for persons aged 18 years and older; and £2.10 per hour for persons under the age of 18 years; both of which would come into force on the 1st July 2018.

(Action: Clerk of Councils)

It was also agreed that the Minimum Income Standard and the Minimum Wage should in future be reviewed at the same time.

19.3 Pensions (Amendment) Regulations, 2018 (ExCo Memo 13/2018)

The Financial Secretary introduced this memorandum explaining that the proposed changes were merely correcting an anomaly that had been discovered during a recent case. He explained that in previous years, SHG considered maternity and paternity leave as unpaid and that this period would not count towards an SHG employee's pension. He explained that this proposed amendment to the Regulations would correct this issue.

All agreed that in order to ensure cases like this did not happen again, a full review of the Pensions Ordinance should be undertaken. **It was agreed that this item will be placed on the Legislative Programme.**

(Action: Clerk of Councils)

After some discussion, Members advised and the Governor agreed to approve the Pensions (Amendment) Regulations, 2018 to come into force on the date of publication.

19.4 Establishment of the Airport Trading Account Special Fund (ExCo Memo 14/2018)

The Financial Secretary introduced the memorandum, explaining that as the Airport project was now in its operational phase, it was necessary to ensure that the trading activities were properly accounted for in accordance with the Public Finance Ordinance. The proposed Airport Trading Account Special Fund would provide both transparency and flexibility in

terms of accounting for the airport operations and managing future asset replacement. He was able to confirm that revenue including landing fees, would be placed into this trading account and that initially this money would be ring fenced for Airport activities, however he could not guarantee that this ring fencing could remain indefinitely.

There was some discussion as to how the account would be managed and reviewed and the Financial Secretary was able to confirm that this trading account would be reviewed by Elected Members as part of the SHG Management Accounts. It was further agreed that a more **detailed update would be provided to Elected Members every 6 months, on the activities of the trading account.**

(Action: Financial Secretary)

Comments were raised about the fact that this was an Order to be signed by the Governor and that permission from Executive Council was not required. Whilst the Governor undertook to consult Executive Council on such matters, it was noted that the Constitution might need to be changed to ensure that these matters are referred to Council. **It was agreed that this should be flagged for the review of the Constitution.**

(Action: Attorney General)

After some discussion, Members advised and the Governor agreed to establish an Airport Trading Account Special Fund to manage the activities of St Helena Airport.

(Action: Clerk of Councils/Financial Secretary)

19.5 Three Applications for Outline Development Permission to Develop Sewage Treatment Facilities for Half Tree Hollow (HTH) and Jamestown (JT) (ExCo Memo 15/2018)

It was noted that Executive Council was sitting as the Planning Authority for this item.

The Chief Planning Officer, Riana de Wet and two representatives from Connect Saint Helena Ltd, Barry Hubbard and Leon de Wet were present for this item.

The Chief Planning Officer informed members of her marriage to Leon De Wet.

The Chief Secretary introduced the memorandum explaining that outline planning permission with conditions was being sought, as recommended by the Land Development Control Authority (LDCA).

The Chief Planning Officer informed Council that all elected Members had had the benefit of site visits and then delivered a presentation outlining the three applications that had been submitted. She went through each application, highlighting the details of each, including the positive and negative elements and the LDCA's recommendations. Most time was spent discussing Application 3 as this was the one being recommended by the LDCA. It was explained that this application would provide one facility for both Half Tree Hollow and Jamestown sewage. It would entail a screening facility at Ladder Hill, leading to a stainless steel sewage pipe coming down the hillside, alongside Jacob's Ladder to a plant located in Jamestown and out to sea. It was further explained that no solids would be coming through the pipes, only 'nutrient rich effluent', which is a treated liquid.

Much discussion ensued and there were many differing views; some felt that despite the need for a solution to the sewage issue, Jacob's Ladder was too great a monument to disturb. Others felt that a solution was needed sooner rather than later, and that this option provided the best outcome for the Island, especially Half Tree Hollow. It was noted that building developments had halted in Half Tree Hollow, including large scale Government Landlord Housing projects, due to the sewage issue and that this needed to be resolved as soon as practically possible. The majority of Members agreed that Application 3 should be approved, as long as the pipe went alongside the ladder, then through the culvert, onto the sand yard and then 500m out to sea.

Despite the majority of Members agreeing that Application 3 should be approved, Members felt that further conditions needed to be added to ensure the best possible outcomes. These included, an independent peer review to be undertaken on the full design, ensuring the works did not touch the apron of the Ladder, ensuring inclusion of the seafront sewage in the system, production of a section of the pipe/structure for public viewing, the marine outfall to be meet international standards, full disclosure on the final application, and ensuring there are adequate screening facilities. There were further conditions that were added and **the Chief Planning Officer agreed to draft a letter including all the conditions that were agreed by Executive Council, which would then be circulated to Members for approval.**

(Action: Chief Planning Officer)

After further discussion, the majority of Members advised and the Governor agreed that Outline Development Permission, with Conditions, should be granted for the purpose of developing a Combined Sewage Treatment Facility for Greater Half Tree Hollow and Jamestown, as recommended by the LDCA in accordance with the Chief Planning Officer's Report (dated 20 June 2017) and their Letter of Recommendation (dated 31 January 2018) but with the enhanced conditions to be circulated and approved by Council.

(Action: Clerk of Councils)

19.6 Confirmation of Open Session Minutes of the 6th March 2018.

The open session minutes were confirmed.

19.7 Matters Arising from Open Session Minutes of the 6th March 2018.

19.7.1 (17.4.1) Welfare of Children Regulations

The Chairperson of SCDC explained that the Regulations would be going back to the Safeguarding of Children's Board for approval, after which it would return to SCDC for consideration. Only after this has been completed, can the item return to Executive Council for full approval.

19.7.2 (17.4.2) Drink Drive and Seatbelt Regulations

The Chairperson of the ENRC confirmed that further schedules had been added to the Regulations by the Police, but that they should hopefully be finalised on Thursday 22nd March 2018. **After this point, the Regulations would be submitted to Executive Council.**

(Action: Hon Russell Yon)

19.7.3 (17.6.1) St Helena Flag at Airport

The Chief Secretary asked Members to respond to his email, regarding the use of four flags at St Helena Airport.

(Action: All Members)

19.8 Any Other Business (Open Session)

19.81 Social Media Complaint

The Governor informed Members that she had seen a complaint on social media regarding a patient not being met at Johannesburg Airport. The Hon Derek Thomas confirmed that this was not a mistake of the Health Directorate, but that there was a booking mistake by the Hotel involved. **He asked that this be included in the ExCo Report.**

(Action: Chief Secretary)