

Minutes of the Meeting of Executive Council held on Monday, 26th March 2019 at 09.30am
in the Council Chamber

Present: Her Excellency the Governor (Mrs L Honan)
Hon Chief Secretary (Mrs S O’Bey)
The Hon Financial Secretary (Mr D L Richards)
The Hon Acting Attorney General (Mr A G Radley)
The Hon A A Green
The Hon L A Henry
The Hon Ms C L Scipio
The Hon D F Thomas
The Hon R K Yon

In Attendance: Clerk of Councils (Miss Anthea Moyce)
Head of Corporate Support (Mrs C A George)

OPEN SESSION

43.1 Welcome

The Governor welcomed all present.

43.2 The Armorial Ensigns of St Helena – St Helena Coat of Arms (Exco Memo 10/2019)

The Chief Secretary introduced the Memorandum and explained that the College of Arms in London had produced a new painting of the St Helena Coat of Arms to replace the previous version that had been designed in the 1980’s. This need had come about as a result, over a period of time of the St Helena Wirebird being incorrectly portrayed on island souvenirs and the St Helena flag.

Members noted that the St Helena National Trust had been consulted about the revised painting and were of the same view that the bill of the Wirebird should be slimmer to create a more accurate image of the Wirebird.

Chairman, Economic Development Committee stated that recognition should be made to Mr Eric Constantine who had first raised concerns in 2015 about the distorted image of the St Helena Wirebird which was reproduced on the St Helena flag and was of the view that mention of him should be included in the Exco Report.

Council advised and the Governor agreed that the new painting of the St Helena Coat of Arms should replace the version that was designed in the 1980’s, subject to final adjustments being made to the Wirebird’s bill to make it look slimmer.

(Action: Chief Secretary)

43.3 Rationalisation of the SHG Forest Estate (Exco Memo 11/2019)

Forestry Officer (Myra Young) and Acting Director of Environment and Natural Resources and Planning Directorate (Darren Duncan) were present for this item of business.

Chairman of the Environmental and Natural Resources Committee (ENRC) presented the Memorandum and updated Members on the reasons behind rationalising the SHG Forest Estate; the excision of 2117.292 acres was proposed.

Members were concerned as to what would happen to the land parcels should they be excised and questioned who would take ownership and manage them. The Chairman of the ENRC explained that the land is not currently managed by anyone and once approval is made for excision, the proposed land parcels would be handed over to Crown Estates and therefore they would be the Responsible Officers. The Acting Director of Natural Resources and Planning assured Members that the main purpose of the Exco Memorandum was to rationalise the Forest Estate because these areas are not productive areas for forestry. However in doing so it could possibly mean that land from this exercise that may be suitable for development purposes but is currently within the Green Heartland zone could potentially be rezoned within the Intermediate Zone. If this were to be considered desirable under the current LDCP review which is underway, it would therefore provide potential residential or commercial space for investors, businesses or the public.

Members were pleased to hear this as this would initiate financial growth for SHG.

After much discussion, Council advised and the Governor agreed, that the excision of the proposed land parcels from the SHG Forest Estate be approved subject to the excision of Land Parcels being gazetted for public consultation. Council was also of the view that and that the Property Division should carry out an assessment of the land to be excised to identify which land parcels could be used for development and to be presented to Executive Council

It was agreed that the Chairman of the ENRC would follow up on the timeline of the assessment.

(Action: Chairman of ENRC / Clerk of Councils)

At this point the Forestry Officer and the Acting Director of Environmental and Natural Resources and Planning Directorate left the meeting.

43.4 The First Withdrawal Warrant 2019 (Exco Memo 12/2019)

The Deputy Financial Secretary (DFS), Mr Nicholas Yon, was in attendance.

The Financial Secretary introduced the Memorandum and stated that the Withdrawal Warrant 2019 was a housekeeping exercise. Whilst carrying out the Financial Management Processes it was identified that there had been projected underspends within a number of Directorates and also requests for additional funding from other Directorates. The required Supplementary Appropriation Bill was prepared and presented and approved for enactment at the Legislative Council Meeting held on the 8th March 2019.

Members had no objection with the amounts of the withdrawal that was proposed, totalling £899,000 and therefore Council advised and the Governor agreed that Withdrawal Warrant 2019 should be approved.

(Action: Financial Secretary / Clerk of Councils)

43.5 Establishment, Amalgamation and Closure of Special Funds (Exco Memo – 13/2019)

The Deputy Financial Secretary (DFS), Mr Nicholas Yon, was in attendance.

The Financial Secretary introduced the Memorandum and stated that the recommendations listed had resulted from a review of the Fund and Reserves as part of the Corporate Finance financial management processes. He explained that by amending the structure of the Special Funds it would demonstrate that the Public Funds are managed correctly to reflect the needs of SHG and also improve openness and transparency.

All Members were of the view that the amendments proposed to the structure of the Special Funds was a functional approach to ensure good housekeeping of the funds.

Following discussion, Council advised and the Governor agreed that the following amendments be made to the structure of Special Funds –

- Establishment of a new Special Fund for the management of funding from Foreign and Commonwealth Office;
- Closure of the Special Fund Technical Cooperation;
- Closure of the Special Fund Short Term Technical Cooperation;
- Closure of the Special Fund Unallocated Stores; and
Transfer of the projects and balance on Special Fund DFID Infrastructure Projects to Special Fund DFID Projects and subsequent closure of the Special Fund DFID Infrastructure Projects.

(Action: Financial Secretary / Clerk of Councils)

43.6 Fees and Charges 2019 (Exco Memo 14/2019)

The Deputy Financial Secretary (DFS), Mr Nicholas Yon, was in attendance.

The Financial Secretary presented the Memorandum and reported that the proposed fees and charges to be increased were identified by Corporate Support when a review of the fees and charges they were responsible for had been undertaken during the Medium Term Expenditure Framework (MTEF) process.

The increases in fees and charges proposed were inflationary and had been approved by the Social and Community Development Committee (SCDC) and the Economic Development Committee (EDC).

After some discussion, Council advised and the Governor agreed the proposed amendments to the following regulations:

- Companies (Fees) (Amendment) Regulations, 2019
- Charities (Amendment) Regulations, 2019
- Gaming Machines (Amendment) Regulations, 2019
- Liquor (Amendment) Regulations, 2019
- Trade Marks (Amendment) Regulations, 2019

(Action: Financial Secretary / Clerk of Councils)

43.7 Exemption for Fuel Duty 2019 (Exco Memo 15/2019)

The Deputy Financial Secretary (DFS), Mr Nicholas Yon, was in attendance.

The Financial Secretary introduced the Exco Memorandum and told Members that the Exemption Orders that were originally in place had expired. These Exemption Orders were in place to exempt payment of customs duty on diesel fuel imported or sold for the purpose of generating electricity by Connect Saint Helena Ltd, for commercial fishing and for running the fish processing plant by the St Helena Fisheries Corporation. He said that this is a common exercise and is a requirement under the Customs Ordinance.

Members felt that the Exemption Order for the purpose of generating electricity by Connect should have a period of one year, in line with the commercial fishing and the fish processing plant and be reviewed yearly to identify whether the exemption order should be extended accordingly. The Financial Secretary stated that the reason for a 3 year period was because PASH had not signed the Contract with Connect and would be seen as the better way forward.

Councillor Scipio declared her interest in that she was the Chairman of the St Helena Fisheries Cooperation Board.

After much discussion, Council advised and the Governor agreed that the Exemption Orders for the above mentioned parties be issued, subject to issuing an Exemption Order to Connect Saint Helena Limited for the period of one year in the first instance, instead of three years as requested.

(Action: Financial Secretary / Clerk of Councils)

43.8 Increase in the Minimum Income Standard for the up-rating of Income Related Benefits and Basic Island Pension 2019 (Exco Memo 16/2019)

The Deputy Financial Secretary (DFS), Mr Nicholas Yon, was in attendance.

Neil Fantom (SHG Statistician) and Justine Joshua (Senior Statistic Assistant) were present for this item of business.

The Chairman of the Social and Community Development Committee introduced the Memorandum. He stated that this was the first uplift for the Minimum Income Standard (MIS) for the year 2019, after a review had taken place in February 2019 by the Statistics Office. The SHG Statistician informed Members how the proposed increases to the Income Related Benefits and the Basic Island Pension had arisen.

All Members were content with the increases proposed.

After much discussion, Council advised and the Governor agreed that the Social Security (Amendment) Regulations, 2019 should be brought into force with effect from the 01st April 2019.

(Action: Clerk of Councils)

At this point the Deputy Financial Secretary, SHG Statistician and Senior Statistics Assistant left the meeting.

43.9 Confirmation of the Open Session Minutes of 12th February 2019.

The open session minutes for the 12th February 2019 were confirmed.

43.10 Confirmation of the Open Session Minutes of 07th March 2019

The open session minutes were confirmed subject to the following amendment:

- Page 2 Paragraph 40.3 St Helena National (Amendment) Bill, 2019 (Exco Memo No. 62/2019)

Insert the word “Trust” between the words National and (Amendment)

43.11 Matters Arising from the Open Session Minutes of 12th February 2019

43.11.1 (40.5) Telecommunications (Amendment) Regulations, 2019 Exco Memo 64/19

The Financial Secretary reported that he had not yet spoken with Sure SA Ltd.

(Action: Financial Secretary)

43.11.2 (40.9.1) Matters Arising from the 2016/17 SHG Financial Statements Audit

The Financial Secretary advised that work relating to the definition of “close of accounts” was still pending. This would be included in the Exco Memorandum when the 2017/18 SHG Financial Statements were presented to Executive Council.

(Action: Financial Secretary)

43.11.3 (40.9.2) Guidelines for Executive Council

The Chief Secretary reported that she would have a discussion at the next Chairpersons Assembly Meeting in readiness for it to be presented at the next Executive Council Meeting.

43.11.4 (40.11.1) Protocols for Recording Executive Council Meetings

The Governor advised to do a trial recording on a specific topic that the public might be interested in or wait until the meetings are held after hours.

(Action: Clerk of Councils)

43.12 Matters Arising from the Open Session Minutes of 07th March 2019

43.12.1 (41.3.1) Ex Basil Read Employee

Andrew Radley reported that the Contracts for the Offshore Employee Company “Inquba” had been terminated and stated that it will be SHG’s responsibility for the repatriation of the employees back to Thailand.

43.12.2 (41.3.2) SA Airlink Contract

The Financial Secretary reported that all the issues with SA Airlink would be covered in the forthcoming review.

43.12.3 (41.3.3) Arable Land for Private Persons

Councillor Yon reported that he had spoken with Councillor Leo informing him that the lands would be addressed when the Land Disposal Review Policy is completed.

43.13 Any Other Business

There were no items of business to discuss.

CLOSED SESSION

43.14 Confirmation of the Closed Session Minutes of 12th February 2019

The closed session minutes were confirmed subject to the following amendments:

- Page 7 Paragraph 40.15.1 (36.6) Fuel Options Paper

Line 1 Insert the word “Management” between the words “Shipping” and “two”

Line 3 delete the words “Ascension Island Government” and insert the words “Andrew Weir Shipping Ltd” after the word “that” and before the word “are”

43.15 Matters Arising from the Closed Session Minutes of 12th February 2019

43.15.1 (40.15.2) High Knoll Fort

The Hon Chairman, ENRC advised that there were a few amendments to be made to the lease and it is anticipated the lease would be presented to an Executive Council meeting in April 2019.

(Action: Hon Russell Yon)

43.15.2 (40.16.1) Legislation

The Hon Chairman, ENRC reported that there were a few minor amendments to the final version of the Seatbelt legislation which is with the Legal Draughtsman. He said that arrangements had been made to discuss this with the Attorney General's Chamber and a Police Officer the following day.

(Action: Hon Russell Yon)

43.15.3 (40.18.4) Budget 2019/20

The Financial Secretary reported that it was not possible for the underspend from ESH to be allocated to the St Helena Fisheries Corporation.

(Action: Financial Secretary)

43.16 Any Other Business

43.16.1 Legislation – Private Sector Companies

The Hon Chairman, SCDC expressed concern about the apparent lack of adherence to the requirements of the Employment Rights Ordinance by some private sector employers. Some employers contracted by SHG seemed also to be unaware of their responsibilities as employers and he questioned whether SHG should ensure that contractors do comply with the law as part of their contractual obligations. He added that employees were reluctant to seek advice of the Regulatory Authority, as it might affect further employment opportunities if they were considered to be 'whistle blowers'. The Chief Secretary suggested that change could be driven through the SHG procurement processes and the Chief Secretary undertook to arrange a discussion with relevant parties.

(Action Chief Secretary)

43.16.2 Argos Fishing Group

The Hon Chief Secretary reported that discussions were ongoing with the Argos Fishing Group regarding licensing their vessels in St Helena. Once agreed, this would bring additional revenue to the Island.

(Action: Chief Secretary)

43.16.3 St Helena Airport Phase 1

The Hon Chief Secretary made Members aware that the St Helena Airport Phase 1 would be coming to an end and will shut down on the 30th April 2019. Airport Director (Janet Lawrence) is currently processing the necessary paperwork. She stated that the shutdown would affect forty St Helenians currently employed under Phase 1 of the Airport project.

(Action: Chief Secretary)

There being no further business, the meeting closed at 13.30pm.



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Clerk of Councils

Lisa Holan

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Governor

23/04/2019

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Date