St Helena Government

SUMMARY BUDGET EXECUTION REPORT

FOR PERIOD 3 (JUNE 2026)

FINANCIAL YEAR ENDING 31 MARCH 2027

Contents Page

INTRODUCTION

Budget execution is monitored by the Treasury. The Budget Execution Report (BER) provides an update on the implementation of the annual budget for the General Reserve of the Consolidated Fund. This BER is for June, period 3 for the financial year 2026/27.

The BER is produced to provide an account of funds drawn from the General Reserve of the Consolidated Fund. The BER is also shared with the Foreign and Commonwealth Development Office (FCDO) to evidence the use of financial aid.

The Statement of Comparison of Budget and Actuals (Statement) on page 6 shows the budgets allocated to portfolios and service areas to deliver public services in comparison with funds that have been spent and include a comparison of the budget and actual for the major revenue streams. Explanatory notes are included for significant variations between the budgeted and actual expenditure and revenue.

BUDGET

The government is working with a Rollover Budget as provided for in the Constitution for St Helena when an Appropriation Ordinance has not been approved for the financial year. Funds may be withdrawn from the Consolidated Fund to meet expenditure necessary to carry on the services for the period of four months of this financial year.

Legislative Council approved a resolution for a rollover budget in March 2026 on the basis that confirmation of the financial aid settlement had not been received from His Majesty's Government. Confirmation of the first quarter of financial aid was signed on 31 March 2026.

The appropriation of the annual budget for 2026/27 was made at the formal Legislative Council session on 20 July 2026 and enacted on 24 July 2026.

The budgets recorded in this report are the rollover budgets for the 3-month period ending 30 June 2026.

OUTTURN

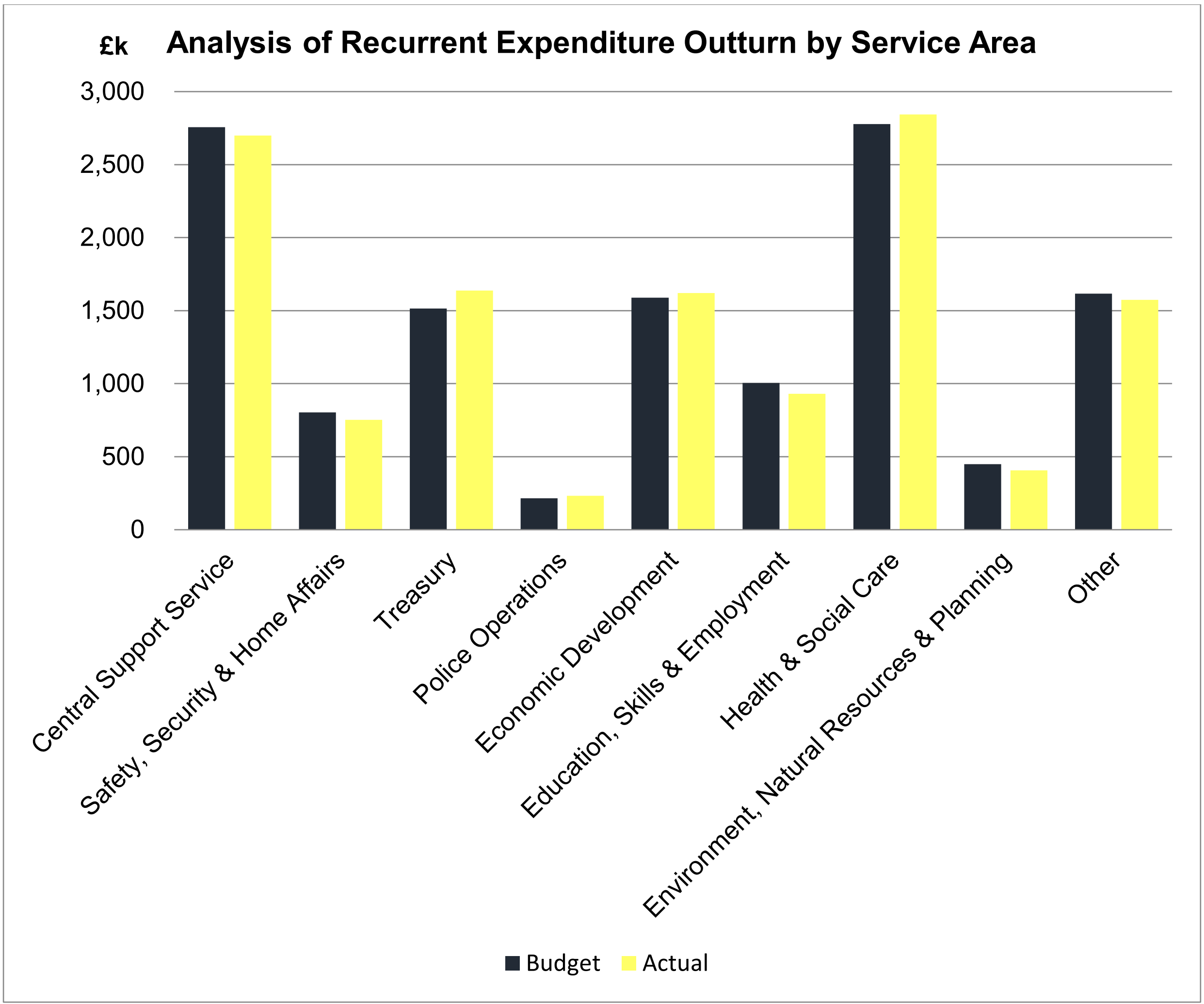
The Statement on page 6 reflects a year-to-date deficit of £254k. Expenditure of £12.7M remained within the allocated budget, while revenue of £12.4M exceeded the budget by £290k, representing a favourable variance of 2% against the year-to-date budget.

The table below provides a summary of the Statement of Comparison of Budget and Actual on page 6.

	Year to Date			
	Actual	Budget	Variance	
	£000	£000	£000	%
Recurrent Expenditure	12,699	12,729	30	**0**
Capital Expenditure	1	0	(1)	**0**
Revenue	12,446	12,156	290	**2**
Deficit	(254)	(573)	**319**	**(56)**

Recurrent Expenditure

The chart below shows the underspends and overspends for recurrent expenditure by Expenditure Head for the year to date.



Revenue

The surplus revenue reported for the year to date is mainly from Taxes. An analysis of customs dues and income tax is included in the table below.

	Year to Date		
	Actual	Budget	Variance
	£000	£000	£000
Customs Dues			
Ad Valorem	647	656	(9)
Alcohol	368	238	130
Tobacco	38	35	3
Fuel	(241)	(255)	14
Other Dues	116	104	12
Total Customs Dues	928	778	150
Income Taxes			
PAYE	1,531	1,550	(19)
Self Employed Tax	0	0	0
Corporation Tax	0	0	0
Service Tax	160	155	5
Withholding Tax	23	24	(1)
Total Income Taxes	1,714	1,729	(15)
Total	**2,642**	**2,507**	**135**

STATEMENT OF COMPARISON OF BUDGET AND ACTUALS

	Actual	Budget	Variance		Notes
	£	£	£	%	
EXPENDITURE					
Appropriated Recurrent Expenditure					
Central Support Service	2,700,150	2,757,128	56,978	2	1
Attorney General's Chambers	32,371	43,924	11,553	26	2
Safety, Security and Home Affairs	752,549	803,330	50,781	6	3
Judicial Services	54,351	40,109	(14,242)	(36)	4
Treasury	1,637,232	1,515,308	(121,924)	(8)	5
Police Operations	231,779	214,811	(16,968)	(8)	6
Economic Development	1,621,337	1,589,889	(31,448)	(2)	
Education, Skills and Employment	931,026	1,005,871	74,845	7	7
Health and Social Care	2,843,987	2,777,317	(66,670)	(2)	8
Environment, Natural Resources and Planning	406,850	449,739	42,889	10	9
	11,211,632	11,197,426	(14,206)	0	
Statutory Recurrent Expenditure					
Pensions and Benefits	1,487,656	1,532,000	44,344	3	
Total Recurrent Expenditure	**12,699,288**	**12,729,426**	**30,138**	**0**	
Appropriated Capital Expenditure					
Health and Social Care	637	0	(637)	0	
Total Capital Expenditure	**637**	**0**	**(637)**	**0**	
TOTAL EXPENDITURE	**12,699,925**	**12,729,426**	**29,501**	**0**	
REVENUE					
Local Revenue					
Taxes	2,641,972	2,507,000	134,972	5	10
Duty & Licences	59,600	56,200	3,400	6	
Fines & Fees	236,132	176,032	60,100	34	11
Government Rents	165,659	146,600	19,059	13	12
Earnings Government Departments	9,792	10,878	(1,086)	(10)	
Income Received	145,527	65,235	80,292	35	13
Treasury Receipts	47,473	60,700	(13,227)	(22)	14
Recharges	62,432	56,109	6,323	11	15
	3,368,587	3,078,754	289,833	9	
External Funding					
FCDO Core Financial Aid	8,285,730	8,285,730	0	0	
FCDO Airport Operations Financial Aid	791,250	791,250	0	0	
	9,076,980	9,076,980	0	0	
TOTAL REVENUE	**12,445,567**	**12,155,734**	**289,833**	**2**	
SURPLUS/ (DEFICIT)	**(254,358)**	**(573,692)**	**319,334**	**(56)**	

NOTES TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUALS

The notes below provide explanations for variances between the budget and actuals for the year to date, which are more than 5% and £5,000 or £50,000

Note	Budget Component	Budget less Actual		Variance Explanations
		£	%	
	Recurrent Expenditure			
1	Central Support Service	56,978	2	An upgrade to the SHG Intranet has been deferred to later in the financial year.
2	Attorney General's Chambers	11,553	26	Lower expenditure requirements during the first quarter, pending recruitment to vacant positions.
3	Safety, Security and Home Affairs	50,781	6	Vacancies across the portfolio. Postponement of prison training activities to later in the financial year. E-visa portal hosting and maintenance fees not incurred during the reporting period.
4	Judicial Services	(14,242)	(36)	Professional services associated with document review and analysis for coroner investigations.
5	Treasury	(121,924)	(8)	Increased costs associated with essential IT renewal and software licences required to maintain operational accounting systems. Unbudgeted expenditure incurred in responding to Hantavirus related requirements.

Note	Budget Component	Budget less Actual		Variance Explanations
		£	%	
				Costs associated with Supreme Court cases, including barristers' fees and travel expenses.
6	Police Operations	(16,968)	(8)	Unbudgeted organisational and governance review. Increased overtime incurred to meet operational demands associated with police investigations and custody duties.
7	Education, Skills and Employment	74,845	7	Vacancies across nine of the portfolio's ten service outputs.
8	Health and Social Care	(66,670)	(2)	Receipt of laboratory materials deferred from the previous financial year, resulting in associated expenditure being recognised during the reporting period. Higher medical evacuation costs arising from inflationary pressures and increased fuel prices.
9	Environment, Natural Resources and Planning	42,889	10	Staffing vacancies across the portfolio. Vessel Monitoring System (VMS) service costs being met through alternative funding arrangements. Reduced monthly transport recharges due to vehicles remained out of service during the reporting period.
	Local Revenue			
10	Taxes	134,972	5	The favourable variance reflects the timing of alcohol duty receipts compared to the phasing assumptions applied in the rollover budget.

Note	Budget Component	Budget less Actual		Variance Explanations
		£	%	
11	Fines & Fees	60,100	34	Increased income generated from hospital and medical services provided to visitors and visiting ships.
12	Government Rents	19,059	13	Surplus income from board and lodging resulted from paying client numbers exceeding the assumptions reflected in the rollover budget projections.
13	Income Received	80,292	123	Mainly attributed to an increase in the revenue from .sh domain name contract. The full budget provision for client meal income was not factored into the initial budget phasing.
14	Treasury Receipts	(13,227)	(22)	Lower than anticipated interest returns on investments during the reporting period.
15	Recharges	6,323	11	Customs recharges relating to imports deferred from the previous financial year.

FCDO FINANCIAL AID

Financial Aid Package

The FCDO provided £9.08 million in financial aid during quarter 1 of 2026/27 to support the provision of essential government services. The funding package comprised £7.95 million in general budget support, £194k for policing, £791k for airport operations, and £138k for the Tourism Development Fund. The full quarter 1 allocation of £9,076,980 was received on 26 June 2026 to fund expenditure during April to June 2026.