S.P. 33/26

St Helena
Government

# ST HELENA GOVERNMENT

# ESTIMATES OF RECURRENT AND CAPITAL EXPENDITURES AND REVENUE 2026-27-2028-29

LAID UPON THE TABLE 17 JULY 2026

# GOVERNMENT OF ST HELENA

# ESTIMATES OF RECURRENT AND CAPITAL EXPENDITURE AND REVENUE

# 2026/27 — 2028/29

## Key

| | |
|---|---|
| * | The nature of the measure is such that a reliable estimate cannot be provided |
| n/a | Not applicable, not available |
| nfp | Not for publication |
| £ | St Helenian pounds |
| GBP | UK pounds |
| $ | US dollars |
| ZAR | South African Rand |

## Acronyms

| | |
|---|---|
| CR | Company Registry |
| BFI | Bulk Fuel Installation |
| BIOT | British Indian Ocean Territory |
| BOSH | Bank of St Helena |
| CPI | Consumer Price Index |
| ESG | Environmental, social, and governance |
| EDF | European Development Fund |
| EDIP | Economic Development Investment Programme |
| ENRP | Environment, Natural Resources & Planning |
| ESE | Education, Skills & Employment |
| ExCo | Executive Committee |
| FATA | Financial Action Task Force |
| FCDO | UK Foreign, Commonwealth and Development Office |
| FSCRP | Financial Services and Company Registration Programme |
| FSRA | Financial Services Regulatory Authority |
| GBP | British Pound Sterling |
| GDP | Gross Domestic Product |
| GNI | Gross National Income |
| IMF | International Monetary Fund |
| MHRA | Medicine and Healthcare products Regulatory Agency |
| MOU | Memorandum of Understanding |
| ICE | Intercontinental Exchange |
| NYSE | New York Stock Exchange |
| ODA | Official Development Assistance |
| OECD | Organisation for Economic Cooperation and Development |
| PARBO | Publicly Accessible Register of Beneficial Ownership |
| PAYE | Pay As You Earn |
| SHG | St Helena Government |
| SOF | Strategic Outcome Framework |
| SSHA | Safety, Security & Home Affairs |
| TC | Technical Cooperation |
| TDP | Tourism Development Programme |
| UKG | United Kingdom Government |
| UK | United Kingdom |
| UNDP | United National Development Programme |
| US | United States |
| VAT | Value Added Tax |

## Definitions And Notes

| | |
|---|---|
| Nominal | Not adjusted for inflation, original prices |
| Real | Adjusted for inflation |
| Notes | Numbers in tables may not add due to rounding or because of nfp items.<br>Revenue data have been rounded to the nearest £10,000. |

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## THE GOVERNMENT'S VISION

The 2026/27 budget is the first budget of the government formed after the election in September 2025, and this government is the second one under the ministerial system in St Helena.

The government's vision for St Helena is ***"…for a fair, inclusive, more resilient St Helena, confident in its future, responsible in its stewardship and united in purpose to become a sustainable thriving community with people at its heart."***

The government aspires that St Helena is a community:

- where every person is valued, has the opportunity to live a healthy and fulfilling life
- where all children and learners – including those with additional educational needs – have equitable access to high-quality education, support, and opportunity
- where families are supported, businesses can grow, and the environment and our heritage are protected as strategic assets
- where government is open, accountable, and responsive, and people feel informed, heard, and able to influence decisions that affect their lives

The government's strategy is focused on three inter-connected themes:

- **Stabilising the Population and Labour Market:** Creating conditions for people to stay, return, and contribute through fulfilling careers, skills development, and fair access to services.
- **Protecting Living Standards and Core Services:** Ensuring immediate support for those under pressure, while reforming health, social care, education, and infrastructure for long-term sustainability.
- **Enabling Sustainable, Locally Driven Growth:** Diversifying the economy, investing in digital and physical infrastructure, and working with businesses, investors and community organisations to develop productive economic sectors which safeguard the environment as a strategic asset and create an enabling environment for growth.

The government's vision and strategy attached in Annex A recognises the need for incremental tax and revenue reform and disciplined public financial management. These aspirations and themes have shaped the government's priorities and the decisions made in this budget.

# PART 1: ECONOMIC OUTLOOK

## Summary


- **Global growth remains positive but weaker than historic norms**, with the IMF and OECD forecasting world growth of around **3.1% and 2.8% in 2026** respectively, amid risks from Middle East conflict, commodity prices, and trade tensions.
- **Global inflation has eased since its 2022–2024 highs**, but high oil prices linked to the conflict are expected to put renewed upward pressure on inflation, especially in import-dependent economies.
- **St Helena's economy remains subdued**, with **GDP falling by 3.7% in 2023/24**, although inflation has dropped sharply, unemployment remains low, and wages have risen in real terms.
- **Inflation in St Helena is expected to rise to 4.5% in 2026/27** as higher oil prices push up the costs of imports. This inflation rate would be similar to that experienced during the beginning of the war between Russia and Ukraine.
- **In the medium term, future growth is expected to depend on tourism and financial services,** supported by strong fundamentals such as continued UK backing. However, there are risks from the declining and ageing population.


## Global Outlook

1.1 The 2026/27 St Helena government (SHG) budget has been formulated against a background dominated by the conflict in the Middle East. The global economy showed resilience in 2025, growing at an estimated rate of 3.4% according to the OECD and 3.4% according to the IMF. Economic growth has so far withstood the challenges of higher trade barriers. However, the evolving conflict in the Middle East is likely to depress growth while also putting upward pressure on inflation. It may also lead to higher defence spending, paid for by lowering aid budgets.

## Global growth

1.2 The IMF predicts global growth of 3.1% in 2026 and the OECD predicts growth of 2.8% in the same period, with very slightly higher growth in 2027. Rising commodity prices and higher inflation expectations could lead to higher interest rates putting downward pressure on growth. These projections are below the IMF's longer term pre-pandemic average rate of 3.4% between 2014 and 2019.

1.3 Both these predictions were made after the beginning of hostilities in the Middle East, so they reflect the impact of the conflict. However, there are significant risks to growth if the conflict is prolonged or there are renewed trade tensions, so there is a possibility that global growth will be lower than these forecasts.

**Table 1: Global Growth Forecasts (Real GDP)**

| | 2025 Estimated % | 2026 Forecast % | 2027 Forecast % |
|---|---|---|---|
| Global | | | |
| IMF | 3.4 | 3.1 | 3.2 |
| OECD | 3.4 | 2.8 | 3.1 |

Period: Calendar Year

Source: IMF, *World Economic Outlook*, April 2026; OECD, *OECD Economic Outlook Volume 2026 Issue 1*, June 2026.

## Global inflation

1.4 Global inflation has been moderate compared with the higher rates in 2022 to 2024. However the conflict led to a sharp increase in oil prices in the past few months. Global oil prices have fallen in the last few weeks, but higher oil prices from earlier in the year will feed through into global inflation directly and through other products such as food. Price pressures are concentrated in emerging markets and developing economies, especially commodity importers.

**Chart 1: Historical Price of Oil and Market Expectations over the next year, US dollars per barrel**


Source: Brent Crude Federal Reserve Economic Data, Federal Reserve Bank of St. Louis and ICE, NYSE. Accessed: 17th June 2026.

1.5 The outlook for global inflation will depend on the extent to which higher oil prices leads to a one off change in prices or longer term inflationary pressures such as higher wages. Chart 1 shows the pattern of oil prices over the last 10 years and what the markets are expecting to happen to oil prices over the next year. In April and May 2026, oil prices were similar to those during the beginning of the war between Russia and Ukraine, but in June 2026, markets were expecting a sharp fall in oil prices, with the price of Brent Crude oil expected to decline to around $80 a barrel by August 2026. If oil prices do decline to this extent they would be similar to their level in 2023 and 2024. However, there is clearly a risk that prolonged conflict leads to higher oil prices in the medium term and higher global inflation.

1.6 Official forecasts for inflation in St Helena's main trading partners, the UK and South Africa, are that inflation will fall towards the target rates. South Africa has a new target for inflation of 3%. However, the conflict in the Middle East is likely to put upward pressure on global inflation in 2026 and 2027.

**Table 2: Global Inflation, OECD, UK and South Africa inflation forecasts**

| | 2025 Estimated % | 2026 Forecast % | 2027 Forecast % | 2028 Forecast % |
|---|---|---|---|---|
| Global average CPI | 4.1 | 4.4 | 3.7 | 3.4 |
| UK CPI | 3.4 | 2.3 | 1.9 | 2.0 |
| South Africa CPI | 3.2 | 3.3 | 3.2 | 3.0 |

Period: Calendar year

Source: IMF, *World Economic Outlook* database April 2026; Bank of *England Monetary Policy Report,* February 2026, South African Reserve Bank, *Monetary Policy Committee Forecast Report*, January 2026

## Outlook for St Helena

1.7 Economic activity remains subdued. In the latest year for which data are available, 2023/24, GDP fell by 3.7%, and the decline in the population in the years after this will have put downward pressure on GDP in 2024/25 and 2025/26. However, inflation has fallen sharply declining from a peak of 8.2% in Q4 2024 to 2.3% in Q1 2026. Unemployment remains low and average wages increased, with median full time wages rising by 3.8% more than prices in 2023/24.

1.8 Economic growth in the future should be boosted by the Equiano fibre optic cable, and the government's plans to strengthen economic growth through financial services and tourism. St Helena has some strong economic fundamentals that should encourage investors. The St Helena pound is pegged to the British pound and the UK's commitment to St Helena remains strong as demonstrated by the agreement of a multi-year spending settlement. S&P Global, the ratings agency, confirmed that SHG's long-term rating was "BBB-/A-3" with a stable outlook in March 2026.

1.9 Nevertheless, there are downward pressures that are a risk for growth. There is a declining working age population. Also as a small remote island, the economy is focused on a few key sectors and highly dependent on imported goods and services. It is vulnerable to changes in supply lines, and shocks either from within the island—such as the closure of the airport due to fire engine failure—or from overseas, such as the conflict in the Middle East.

1.10 Government finances are also coming under strain as a result of the changing demographics. The increasing number of people over 65 has put upward pressure on health and social care spending. Health and social care spending now accounts for 29% of the government's budget, compared with 27% in the previous financial year. Funds from EDIP and BIOT have been used to support health and education. In addition, the threat of litigation, arising from medical negligence cases and cases relating to the prison, increases the risks to government finances.

1.11 Government finances and the economic outlook for the island will be heavily affected by the UK's approach to aid, as the vast majority of the government's revenue comes from the FCDO, and government spending is a major part of the economy. The UK government (UKG) has chosen to increase spending on defence and reduce the development aid budget. The target for development aid has been reduced from 0.7% to 0.3% of Gross National Income (GNI), with an intention that it returns to 0.7% when fiscal conditions allow. The UK has announced a three year allocation of £130 million each year for 2026/27 to 2028/29 for all ODA eligible territories which are St Helena, Tristan da Cunha, Pitcairn and Montserrat. UKG has said it is increasingly moving from being a donor to being an investor.

## Economic activity

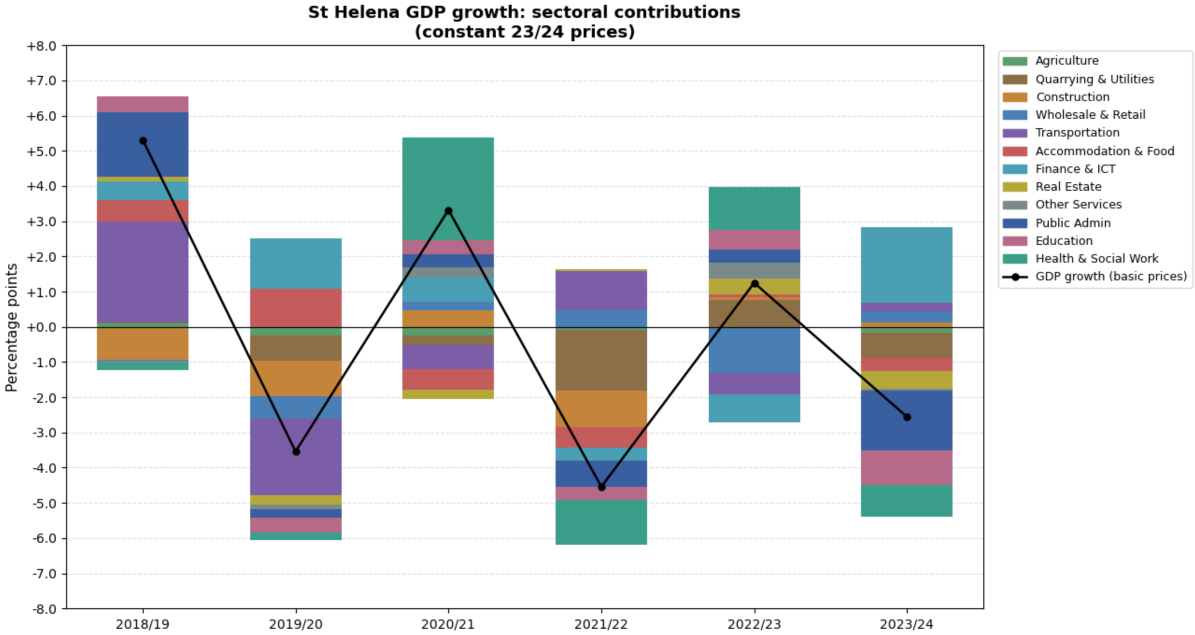
1.12 Economic activity, as measured by GDP, tends to be volatile in St Helena. New transport arrangements or the timing of the building of large infrastructure projects have a large impact on economic activity. Both the construction of the airport and COVID had substantial impacts on GDP. Looking at the last year for which data are available (2023/24), total output was £39.4 million. This was a fall of 3.7% compared with the previous year once adjusted for the change in prices, so St Helena was producing less goods and services. Some of the fall in GDP reflects the falling population, however even adjusting for the change in the population by looking at GDP per person, there was a decline of 2.2%. There is a similar picture over three years, with GDP falling in real terms, and GDP per capita falling, but not as sharply as total GDP.

1.13 GDP does not capture everything that is important to a government. It does not take account of improvements to the environment or reductions in inequality. Nevertheless, it is a useful measure of how the economy is performing.

1.14 An alternative measure to GDP is Gross National Income (GNI). GDP is a measure of the total value of the goods and services produced within the territorial boundaries of St Helena, regardless of whether that value is produced by its residents. GNI is derived from GDP by adding an estimate of the income earned abroad by residents and deducting an estimate of the income earned on St Helena by non-residents. GNI per capita is a key indicator for St Helena as it is used for judging if St Helena automatically qualifies for Official Development Assistance (ODA) from the UK. In 2023/24, the last year for which information is available, GNI per capita in St Helena was $11,220, which was substantially below the high income threshold of $14,005 for the same year. The high income threshold has not substantially changed, in 2026/27 it is $13,935.

1.15 In 2023/24 a substantial amount of growth came from finance and communications. SHG (as measured by health, education and public administration) accounted for just less than 40% of the economy.  The Statistics Office has found a new way of presenting the sectors in St Helena.  Chart 2 shows the growth rate of the economy as measured by basic prices and how the different sectors are contributing to growth rate.  It covers the COVID period which will have strongly influenced the patterns of growth. It suggests that there is not consistent strength in any one sector and that growth is highly volatile.

**Chart 2: Sectoral contributions to GDP growth in St Helena**




Source: St Helena Government Economics Unit

1.16 Looking forward, the government has a number of policies that are likely to boost growth in St Helena.  However, it may take several years before the impact of any policies are seen in the data, because of the lags in producing and publishing the statistics.  Nevertheless, stronger tourism and financial services, and possible changes to the immigration policy, could strengthen economic growth and support the growth of the working age population.  Other possible sources of growth include upgrading the telecommunications infrastructure and strengthening higher education. Macroeconomic forecasting is focused on the economic indicators that are likely to have the greatest impact on government revenue: inflation, wages and population trends, rather than GDP.

## Tourism and aviation

1.17 Tourism remains the largest revenue generator for St Helena outside official development assistance.  It will be a crucial sector for future development.  Travel restrictions imposed as a result of the COVID-19 pandemic severely impacted the travel industry.  In St Helena a *Tourism Recovery Strategy 2022/23-2024/25* was implemented following the easing of travel restrictions after COVID with the goal of returning to 2019 arrival levels, which was the island's best year for tourism to date. Data show that arrivals in 2024/25 reached 99% of the 2019 level.

1.18 St Helena possesses several characteristics that make it a desirable destination for potential tourists. World-class hiking trails, marine life, dark skies, biodiversity, historical and cultural offerings can be targeted towards specific niche markets to build St Helena as a high-value, low-volume travel destination. There are some challenges for tourism, such as the cancellation of air services due to weather conditions. However, remoteness is part of the appeal of St Helena as a destination.

1.19 The *Tourism Development Programme* (TDP) has supported several projects since 2023 that could not be funded under the recurrent tourism budget. These include maintenance and improvement of several important buildings and points of interest, including the Post Office, the Market, and High Knoll Fort. Several Post Box walks have been upgraded and accredited by the Green Flag award scheme under the TDP.

1.20 On 6 February 2026, St Helena Airport was unable to operate under normal conditions due to the required number of fire vehicles being unavailable. This disruption to flight operations lasted for 10 days, during which four scheduled Airlink flights were cancelled. However, Category 4 flights, two private charters and one medevac flight were still able to operate during this period.

1.21 Passengers experienced flight cancellations, extended delays and additional costs. Local businesses, particularly in the tourism and hospitality sectors, suffered lost revenue and cancellations, while supply chains relying on air freight were disrupted. To support affected business, a business support scheme was implemented to assist those directly affected by the airport disruption. The scheme provided compensation to eligible businesses with the government forward purchasing services to the value of the lost earnings.

1.22 The fiscal year 2026/27 will see the implementation of another round of the TDP. Focus areas will include: product development and infrastructure; marketing, promotion, and PR; staffing, training, up-skilling and institutional arrangements. The primary objective will be to achieve 4% growth in arrivals year-on-year, with a tourist industry capable of accommodating 6,000 annual visitors by 2031, including accommodation provided by the private sector.

## Financial Services

1.23 Financial services are key to strengthening growth. Executive Council discussed and agreed that SHG would continue with the Financial Services and Company Registry Development Programme (FSCRDP) in January 2026, and a budget of £320,000 has been allocated to this work stream. The objectives of this work stream are that financial services enhance St Helena as a place to do business, strengthen consumer protection, reinforce governance standards, increase locally generated revenues and improve the effectiveness of regulatory standards.

1.24 The FSCRDP includes a project to strengthen the banking services that are available to people and businesses in St Helena, working closely with the Bank of St Helena (BOSH). Also, businesses are now using electronic payment terminals that are directly connected to international payment networks, Visa and MasterCard, facilitating purchases by overseas tourists including passengers from cruise ships.

1.25 SHG wants financial services to grow in a sustainable and ethical way. Therefore, SHG is taking a number of actions to update its approach to financial services regulation and working practices on the island. SHG is updating the Anti-Money Laundering Programme, and Combatting Financial Terrorism framework and legal practices. St Helena now has a Publicly Accessible Register of Beneficial Ownership (PARBO) for St Helena's Company Registry and SHG is continuing to align the island's institutions with the Financial Action Task Force (FATA) recommendations.

1.26 As part of SHG's ethical approach to developing financial services, it is keen to ensure that trusts are not misused for tax evasion purposes. So, in July 2025 an ordinance was enacted to prevent abusive business practices (Prevention of Abusive Practices Ordinance 2025), but further legislative measures will be necessary.

1.27 SHG is also transforming the Company Registry (CR) into a modern registry for use by internationally active businesses. This work builds on the 2020 Company Registry Policy, and its purpose is to support the creation of a commercially viable CR product for internationally active businesses. The Financial Services Regulatory Authority (FSRA) has identified and contracted a highly experienced legislative drafting consultant to produce an extensive package of primary and secondary legislation, and work has begun on drafting this legislation. Product development work has begun, including a proposal to develop a CR product specifically for "ESG" businesses (i.e. businesses which take the environment and social considerations into account, and which operate with high standards of corporate governance and transparency). SHG envisages that the project will take two to three years to complete and will generate additional government revenue.

## Communications

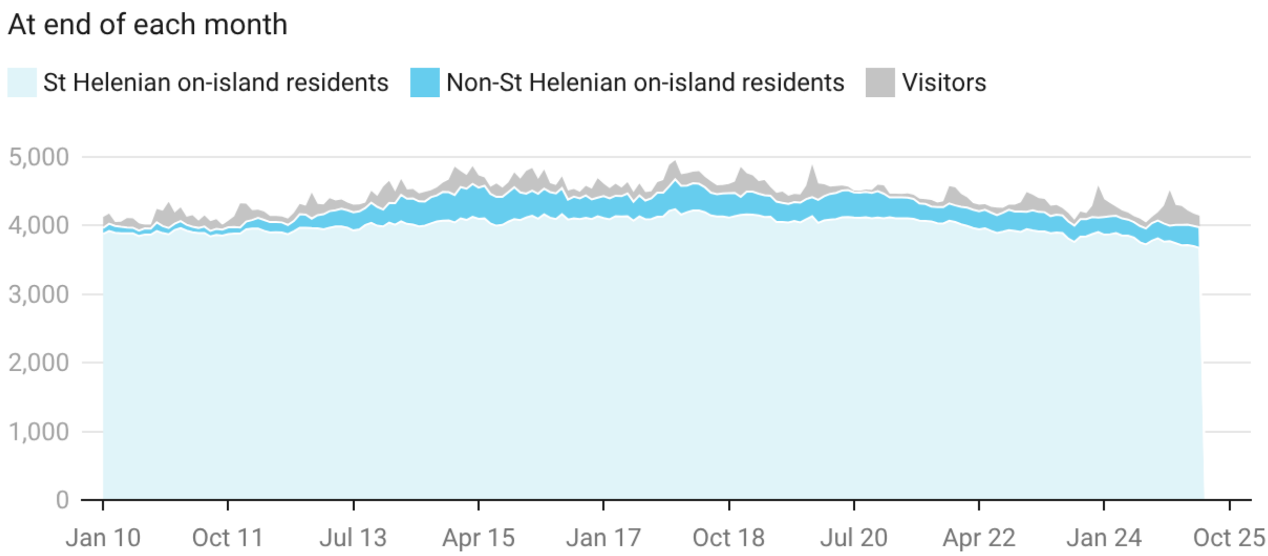
1.28 Communications on the island have been transformed by the connection of the Equiano fibre optic cable to the island's local copper network in October 2023. The packages offered by Sure have both reduced in price and improved the speed and data capacity. Households and businesses now spend less on telecommunication than they did prior to October 2023 and receive more data at higher speeds.

1.29 Options are being formulated to agree the way forward on public telecommunications beyond the existing telecommunications licence which continues under the old Telecommunications Ordinance 1989. In 2024, the licence was extended with a minimum term of 18 months; this minimum term has now ended, and the licence continues indefinitely until either SHG or Sure St Helena Ltd give 12 months' notice. Ministers are actively looking at options to provide long term stability for communications services on St Helena.

## Population

1.30 A key challenge for St Helena is the aging and declining population. There has been a fall in the resident population of St Helena to 3,970 in May 2025, which was 114 lower than the previous year. This continues the trend over the past few years, where there are more deaths than births and more people leaving than arriving.

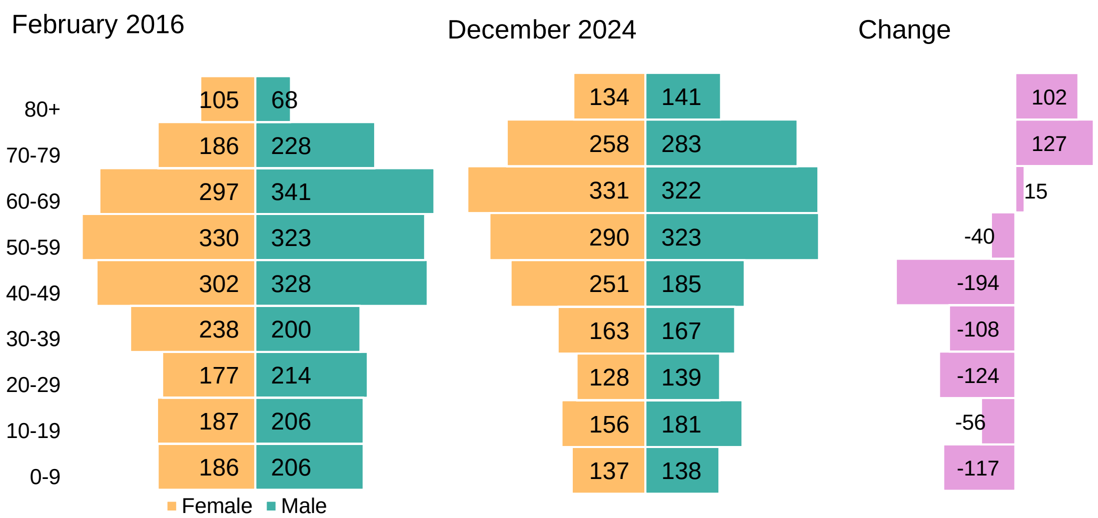
**Chart 3: Population of St Helena, Residents and Visitors**




Source: St Helena Statistics Office

1.31 There has been an increase in the number of residents over 65 years of age, but this has been more than offset by falls in other age groups, leading to a rapid change in the average age of the population. Compared to a year earlier, at the end of December 2024, there has been a decrease in the number of resident children on-island (0-14 years) from 518 to 487, and a decrease in those of roughly working age (15-64 years) from 2,434 to 2,299. But the number of people aged 65 and over increased, from 1,147 to 1,155. The charts below show how much change there has been in the different age groups between February 2016 and December 2024.

**Chart 4: Resident population by gender and age group, February 2016 and December 2024**




Source: St Helena Statistics Office

1.32 As a result of these changes the Old Age Dependency Ratio of the resident on-island population (the number of those 65 and over compared to those of roughly working age) was 50.2 at the end of December 2024, which is high by international standards.

1.33 St Helenians are no longer asked for their residence status when they enter St Helena, so the classification of St Helenian arrivals into residents and visitors is less reliable than in the past.  Detailed data to the end of December 2024 are available and selected indicators are available up to June 2025, where data were available to enable the calculation.

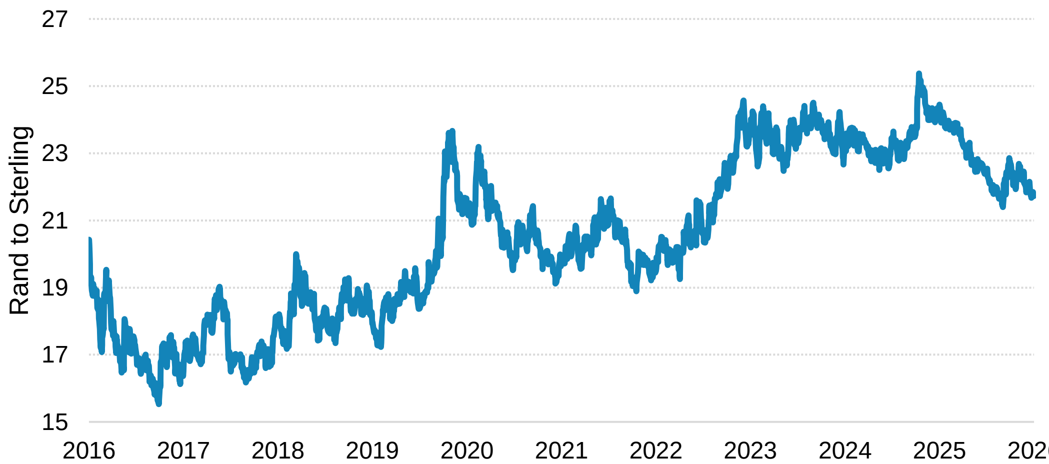
## Exchange rates

1.34 Under St Helena's Currency Fund arrangement, the St Helena pound (£) is pegged at a fixed 1 to 1 exchange rate to the UK pound (GBP).  As such, there is no movement in the rate of exchange between the St Helena pound and the British pound.  As a result of pegging the St Helena pound to the UK pound, the aid settlement that SHG gets from the UK is not subject to changes in value due to a fluctuation in the exchange rate, and this makes financial planning easier.

1.35 As the St Helena pound is fixed to the British pound, the St Helena pound is exposed to changes between the British pound and other currencies.  A large proportion of St Helena's imports originate from South Africa, so changes in the exchange rate between the British pound and the South African rand can have a substantial impact on St Helena.

1.36 Over the last decade, the exchange rate has been as low as 16 rand but has been as high as 25 rand to the St Helena pound.  Over the last year the rand has generally been appreciating against the St Helena pound, putting upward pressure on prices in St Helena.  SHG does not forecast the exchange rate, as these are difficult to predict, but it does monitor exchange rates closely and consider what impact the exchange rate is having.

**Chart 5: Daily exchange rate of South African Rand against British Sterling, May 2016 - May 2026**




Source: Bank of England

## Inflation

1.37 Inflation in St Helena has fallen from a peak of 8.2% in Q4 2024 to 2.3% in the first quarter of 2026. The sharp downward fall reflects food inflation falling and communications prices not changing. Increases in the prices of housing and energy have been putting upward pressure on inflation, and this was before the outbreak of hostilities would have affected prices on the island.

1.38 Prices in St Helena (and the cost of living) are influenced heavily by prices in UK and South Africa as many goods are imported. Oil prices and the exchange rate between the UK pound and the South African rand have large impacts on prices on the island, as do decisions by regulators about energy and communication prices.

1.39 Inflation in 2026/27 is forecast to average 4.5% in the year as a whole compared with 3.9% in the previous financial year. There is upward pressure coming from higher oil prices and the recent strength of the rand. However, inflation has fallen very sharply over the last two quarters, and South African inflation is expected to be lower as the inflation target has been reduced. There is clearly a risk that a prolonged conflict in the Middle East could lead to higher prices in St Helena in 2026/27.

1.40 The forecast for inflation in St Helena in 2026/27 (4.5%) is similar to the inflation rate of 4.7% in 2022/23 when the war in Ukraine put similar upward pressure on oil prices. At that time, SHG introduced measures to reduce price pressures in St Helena. The new inflation forecast is an upward revision to the forecast that was used in the minimum wage consultation when the government was forecasting inflation would be 4.1% in 2026/27. Over the medium term, inflation is expected to fall to 3%. This represents a balance between the long term inflation forecasts for the UK and South Africa.

**Table 3: Inflation in St Helena 2025/26 to 2030/31**

| | 2025/26 Outturn % | 2026/27 Forecast % | 2027/28 Forecast % | 2028/29 Forecast % | 2029/30 Forecast % | 2030/2031 Forecast % |
|---|---|---|---|---|---|---|
| Increase in Consumer Price Index | 3.9 | 4.5 | 3.5 | 3.0 | 3.0 | 3.0 |

Period: April to March

Source: SHG Economics Unit

# PART 2: BUDGET OUTLOOK

## Summary

- The St Helena government provides services which it pays for from UKG aid and local revenues such as taxation. **The government aims to balance the budget each year** without borrowing and is now planning over a longer time horizon.
- **The UK government and the St Helena government have agreed a multi-year aid settlement**, and the settlement delivers a 4.8% increase in core financial aid for 2026/27, followed by increases in 2027/28 and 2028/29.
- **Local tax revenues are forecast to grow modestly**, with taxes on income rising from £7.6 million in 2025/26 to £8.0 million in 2026/27, and revenue from consumption taxes also increasing gradually. The government has introduced a tax on vaping products.
- There will be funding allocated for introducing **child benefit and protecting people from the higher oil prices.** There will be additional funds for existing services such as health and education.

## Fiscal Strategy and Budget Balance

2.1 The St Helena government provides services such as health and education, it invests in infrastructure such as building new port facilities at Rupert's and makes cash transfers to support the incomes of individuals and families. SHG pays for these by a combination of budgetary support from the UK and local revenues.

2.2 St Helena is a remote small island and the local revenue raised by the government is only a fraction of expenditure demands, driven by an aging and declining population. SHG is currently reliant upon ODA for both its recurrent expenditure needs and to support its capital investment programme. Aid from the UK government, through the FCDO, accounts for around 68% of revenue for the main government budget.

2.3 The government's fiscal strategy is to aim to balance its budget each year, so the revenue it gets is the same as its spending. The government seeks to manage SHG's recurrent budget sustainably, while ensuring the island's capital is improved, liabilities are managed prudently, and revenue and expenditure policies support sustained economic growth.

2.4 SHG uses the General Reserve of the Consolidated Fund to manage short term fluctuations in receipts and spending. It does not use deficit financing. SHG is not free to borrow other than in accordance with guidelines agreed between SHG and the UKG, and the UKG has historically supported the infrastructure needs of the island.

2.5 The government could cut taxes, but that would require cutting services. It could increase spending, but that would require it to raise taxes. As such, government decisions about spending and taxes need to be carefully balanced. Stronger economic growth would feed through to higher local revenues, which in turn would enable the government to increase spending, and the FCDO have confirmed that it would not cut budgetary aid if taxes were increased.

2.6 SHG is adopting a longer term approach to fiscal policy.  UKG is providing a three year financial aid settlement for St Helena, after many years of one year budgets.  This new multiyear framework will provide greater certainty.  In addition, the government is now using tax projections for five years, whereas previously forecasts were only prepared for three years.  This approach provides greater certainty for planning, supporting stronger longer term decision making.

2.7 In any one year, expenditure may exceed receipts.  In such case, there is a fall in the General Reserve. Conversely, if receipts are greater than spending, the reserve increases.  In 2026/27, SHG estimates the General Reserve will contribute £414,000 to spending.

**Table 4: Net contribution to the General Reserve of the Consolidated Fund**

| | 2025/26 Estimated outturn £'000 | 2026/27 Forecast £'000 | 2027/28 Projection £'000 |
|---|---|---|---|
| Net amount contributed to the Consolidated Fund | 1,294 | (414) | 0 |

Source: SHG Treasury

## Official Development Assistance receipts

2.8 A major source of revenue for SHG is aid from the UKG. Official Development Assistance (ODA) is available to jurisdictions where Gross National Income (GNI) per capita is less than the World Bank's high-income threshold. As mentioned in Chapter 1, in 2023/24 GNI per capita in St Helena was $11,220, which is substantially below the high income threshold of $13,935 for 2026/27, so St Helena is eligible to receive ODA from donor nations.

## United Kingdom Financial Aid Mission aid settlement

2.9 The St Helena Government and the UK's Foreign, Commonwealth and Development Office have agreed a three year aid settlement. The settlement delivers a 4.8% increase in the original core financial aid for 2026/27, followed by increases in 2027/28 and 2028/29. This represents an additional £1.72 million in 2026/27, bringing St Helena's core aid to £37.51 million, up from £35.79 million in 2025/26. There may also be the opportunity to unlock additional funding, depending on performance.

2.10 A financial aid settlement for three years provides greater certainty, and will enable longer term planning.  The multi-year settlement will help SHG to plan services and programmes with greater confidence, manage projects more efficiently and prioritise investments with the greatest social and economic impact.

2.11 Within the three year aid settlement, there is the possibility of unlocking additional funding.  If SHG undertakes certain actions or delivers certain results such as achieving a balanced year-end outturn, FCDO aid will be increased. This is known as conditionality. The exact way this will work is still being agreed between the governments, however, it should enable SHG to secure additional financial aid to deliver additional services. This supports the move in the relationship from donor to investor with 50% of any additional funding being ring-fenced for economic development.

2.12 The aid settlement contains a core component and certain ring-fenced funds. Airport operations and tourism have operational separate funding streams. Funding for police operations on St Helena are shown as a separate line because operational policing reports directly to the Governor.

**Table 5: Composition of the 2026/27 to 2028/29 Aid Settlement**

| | 2025/26 Outturn £'000 | 2026/27 Forecast £'000 | 2027/28 Forecast £'000 | 2028/29 Forecast £'000 |
|---|---|---|---|---|
| Core Financial Aid excluding ring fenced funds | 30,397 | 31,817 | 32,567 | 33,332 |
| Ring-fenced Tourism Development Fund | 500 | 550 | 550 | 550 |
| Ring-fenced Support | 1,200 | 1,200 | 1,200 | 1,200 |
| Police Operations (St Helena) | 698 | 776 | 776 | 776 |
| Conditionality Payments | | | 1,000 | 1,000 |
| **Core Financial Aid** | **32,795** | **34,343** | **36,093** | **36,858** |
| Operational Costs of St Helena Airport Limited | 2,995 | 3,165 | 3,198 | 3,256 |
| **Total Financial Aid Package** | **35,790** | **37,508** | **39,291** | **40,114** |

Source: SHG Treasury, Conditionality payments would depend on performance

## Capital Funding and the Economic Development Investment Programme

2.13 The UK government has made an additional £40 million over the next three years available through the Economic Development Investment Programme (EDIP). This will support essential capital investment including the Bulk Fuel Infrastructure. An indicative pipeline of projects to be funded under EDIP has been included as Annex C to the budget.

## Other Funding Sources

2.14 In 2026/27, the UK government has also committed to an investment of up to £9.05 million in St Helena as part of an extension to the existing Memorandum of Understanding (MOU) relating to the British Indian Ocean Territory (BIOT) for a period up to April 2028. This is additional to the £6.65 million that the UK government previously committed as part of the earlier BIOT agreement.

2.15 In the new arrangement, a one-off payment of £8 million will be used to support SHG's strategic priorities. Key investment areas include improvements in health and education outcomes, as well as investment in telecommunications and renewable energy infrastructure. UKG confirmed that it will make a one-off unrestricted ex-gratia payment to SHG of £250,000. Also included in the £9.05 million is up to £800,000 to strengthen preparedness for any potential future migrant arrivals. This funding does not form part of the budget allocation for ODA.

## Local revenues

2.16 In 2026/27, taxation is expected to raise £14 million, which represents 26% of total revenue and 84% of local revenue. In St Helena, the vast majority of taxation comes from taxes on income and customs duties. There is no VAT.

2.17 While a tax may be charged on a particular activity, such as an import, the impact of the tax may not be absorbed by the organisation that pays the tax. The organisation may pass on the impact of the tax (for example higher prices) to those who pay for goods and services.

## Taxes on Income

2.18 SHG raises a substantial amount of local revenue from taxes on income – PAYE, income tax paid by the self-employed, corporation tax and withholding tax on savings. The table below sets out the outturn in 2025/26 and the forecasts for future years.

**Table 6: Forecasts and planned income tax receipts, 2025/26 to 2030/31**

| | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
|---|---|---|---|---|---|---|
| | Estimated Outturn £'000 | Forecast £'000 | Forecast £'000 | Forecast £'000 | Forecast £'000 | Forecast £'000 |
| PAYE Income Tax | 5,880 | 6,190 | 6,460 | 6,710 | 6,960 | 7,230 |
| Self-Employment Income Tax | 360 | 370 | 390 | 400 | 420 | 440 |
| Corporation Tax | 1,340 | 1,380 | 1,440 | 1,480 | 1,520 | 1,560 |
| Withholding Tax | 30 | 30 | 30 | 30 | 30 | 30 |
| **Total** | **7,600** | **7,980** | **8,320** | **8,620** | **8,930** | **9,250** |

Period: April to May, Rounded to £10,000, and rows may not add up total due to rounding.
Source: SHG Economics Unit

2.19 In 2025/26, receipts from taxes on income were strong. Income tax raised a substantial amount of revenue, possibly due to substantial spending on Technical Cooperation Officers and greater enforcement activities. Also, corporation tax receipts were higher than expected.

2.20 SHG is forecasting that it will raise £7,980 million in 2026/27 from this group of taxes, an increase of 5% compared with the previous year. Income tax receipts from PAYE are expected to remain strong. Wages are expected to rise, partly because of the increase in the minimum wage. Also, more people will pay income tax, and a greater share of their income will be taxed and taxed at a higher rate. This is expected to more than offset the impact of the falling working population.

## Taxes on Consumption

2.21 There are a variety of taxes on consumption, and in this budget all of these taxes are discussed in this section. Customs duties and the service tax effectively tax consumption of goods and services in St Helena.

2.22 Import duties are levied on most goods that are imported into St Helena. For many goods the duty is set as a percentage of the value of the good (ad valorem). The rate for many goods is 20%, but for some goods, such as certain foods, a rate of 5% is set. For some other goods the amount of tax paid depends on the volume that is imported. No duty is imposed on certain imported goods either because of the essential nature of those items, or the person importing the goods is not liable to pay duty on imports in particular circumstances.

**Table 7: Forecast and planned consumption tax receipts, 2025/26 to 2030/31**

| | 2025/26 Estimated Outturn £'000 | 2026/27 Forecast £'000 | 2027/28 Forecast £'000 | 2028/29 Forecast £'000 | 2029/30 Forecast £'000 | 2030/31 Forecast £'000 |
|---|---|---|---|---|---|---|
| Customs ad valorem | 2,020 | 2,100 | 2,160 | 2,220 | 2,270 | 2,330 |
| Customs — alcohol | 1,230 | 1,250 | 1,240 | 1,230 | 1,230 | 1,220 |
| Customs — tobacco | 1,200 | 1,250 | 1,280 | 1,270 | 1,260 | 1,260 |
| Customs — petrol | 260 | 270 | 280 | 280 | 290 | 300 |
| Customs — diesel | 850 | 690 | 710 | 730 | 740 | 760 |
| Customs - excise and liquor | 220 | 220 | 230 | 240 | 240 | 250 |
| Services Tax | 580 | 610 | 630 | 640 | 660 | 680 |
| **Total** | **6,350** | **6,380** | **6,530** | **6,610** | **6,700** | **6,800** |

Period: April to May, Rounded to £10,000, and rows may not add up total due to rounding
Source: SHG Economics Unit

2.23 In 2025/26, customs duties fell back compared with the previous year. In 2024/25, duties had been boosted by imports for the OneWeb Earth station, and they fell sharply in 2025/26.

2.24 For most customs duties, moderate growth is expected in coming years. Receipts from ad valorem custom duties are expected to grow slightly, as higher prices increase import prices, but the falling population slightly offsets this. Customs duties are forecast using the total population, whereas income receipts forecast is based on the working age population, and the total population is declining at a slower rate.

2.25 The forecasts for alcohol and tobacco reflect recent government decisions. Alcohol duties were increased by 2.2% in April 2026, at the beginning of the financial year. This was based on the outturn for CPI inflation in Q4 2025, which was the latest rate of inflation when the ordinance was changed. Tobacco duties were increased by more – 4.2% – as smoking is known to be harmful.

2.26 The government decided to introduce vaping duty on the 1st of April 2026. Vaping is associated with harms, and higher prices should discourage vaping. E-cigarettes containing nicotine approved by the UK's medicine regulator – the

Medicine and Healthcare product Regulatory Agency (MHRA) – now attract a duty of £1.00 per 10 ml of liquid.  Also, e-cigarettes containing no nicotine also attract the same duty.  E-cigarettes containing nicotine that have not been approved by MHRA attract a duty of £5.00 per 10 ml of liquid.  The rates were set to encourage people to vape rather than smoke tobacco products, but to discourage vaping compared to not vaping at all.

2.27 Forecasts for petrol and diesel duties – like forecasts for tobacco, alcohol and vapes – are very sensitive to the timing of ships.  A ship arriving just before or just after the year's end can have a substantial impact on receipts in individual years. Diesel receipts were boosted in March 26 by the arrival of a large shipment, and this will lead to a low level of receipts in the following months.

## Non-Taxation Local Revenues

2.28 Non-taxation receipts are forecast to contribute £2.7 million to revenue in 2026/27.  In 2026/27, the government will continue to review its non-tax revenue arrangements.  A number of fees were revised in 2025/26 and other fees are expected to increase to full cost recovery where appropriate to do so.

**Table 8: Forecasts and planned non-taxation receipts (2025/26 to 2027/28)**

| | 2025/26 Original estimate £'000 | 2026/27 Forecast £'000 | 2027/28 Planning assumption £'000 | 2028/29 Planning assumption £'000 |
|---|---|---|---|---|
| Duty and licences | 262 | 291 | 291 | 291 |
| Fees and fines | 612 | 791 | 799 | 806 |
| Government rents | 349 | 459 | 468 | 484 |
| Earnings of portfolios | 69 | 69 | 69 | 69 |
| Income received | 686 | 759 | 731 | 733 |
| Treasury receipts | 322 | 370 | 268 | 268 |
| **Total** | **2,300** | **2,739** | **2,626** | **2,651** |

Period: April to March,
Source: SHG Treasury

## Government Revenue

2.29 Taking account of the decisions affecting receipts, SHG expects revenue from the main financial aid package and local revenues to be £55 million in 2026/27. Local revenues are expected to account for 32% of revenue in the current budget year.

**Table 9: Composition of Government Revenue for 2026/27 to 2028/29**

| | 2026/27 Forecast £'000 | 2027/28 Forecast £'000 | 2028/29 Forecast £'000 |
|---|---|---|---|
| **Core Financial Aid** | **34,343** | **36,093** | **36,858** |
| Operational Costs of St Helena Airport Limited | 3,165 | 3,198 | 3,256 |
| **Total Financial Aid Package** | **37,508** | **39,291** | **40,114** |
| Taxes on Income* | 7,980 | 8,320 | 8,620 |
| Taxes on Consumption* | 6,380 | 6,530 | 6,610 |
| Non-Taxation receipts | 2,739 | 2,626 | 2,651 |
| Recharges | 442 | 473 | 490 |
| **Total Public Sector Revenue (excluding BIOT and EDIP)** | **55,058** | **57,240** | **58,485** |

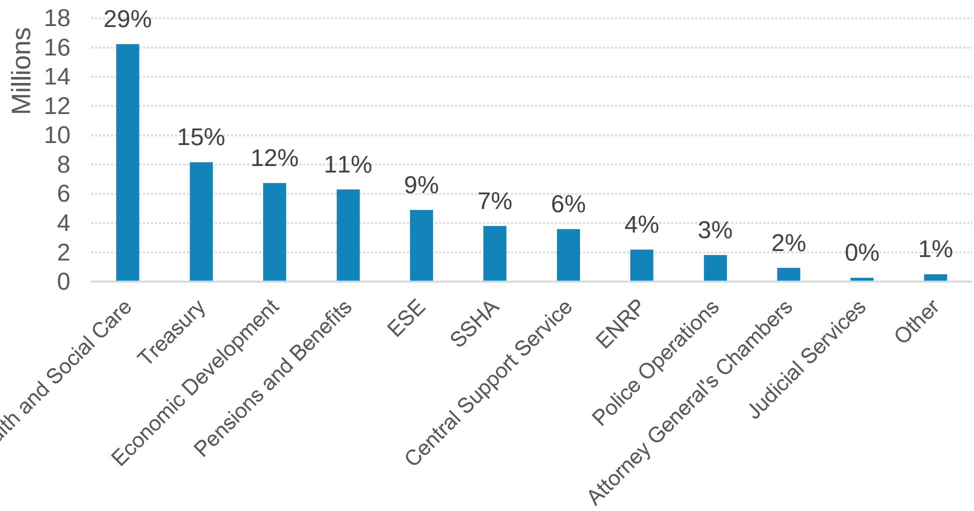
* Taxes on Income and Consumption are rounded to the nearest £10,000, consistent with Tables 6 and 7. Columns may not sum as total constructed from unrounded revenue forecasts.
Period: April to March,
Source SHG Treasury

## Public Spending

2.30 In 2026/27, SHG expects to spend £55 million delivering public services (as well as providing support through BIOT funding). Spending is forecast to be £55 million, so it will equal revenue from aid and local sources. Therefore, SHG is planning to achieve a broadly balanced budget with a small contribution from the General Reserve.

2.31 Chart 6 shows the expenditure by different portfolios and functions as a percentage of total expenditure, with Technical Cooperation (TC) Programme posts notionally allocated to the portfolio to which the specific TC post aligns most closely. So, for example, a TC teacher post is included in Education, Skills and Employment expenditure. Details of indicative BIOT spending, which are not included in Chart 6, are set out in Annex D.

**Chart 6: Public Expenditure by Different Portfolios and Functions**

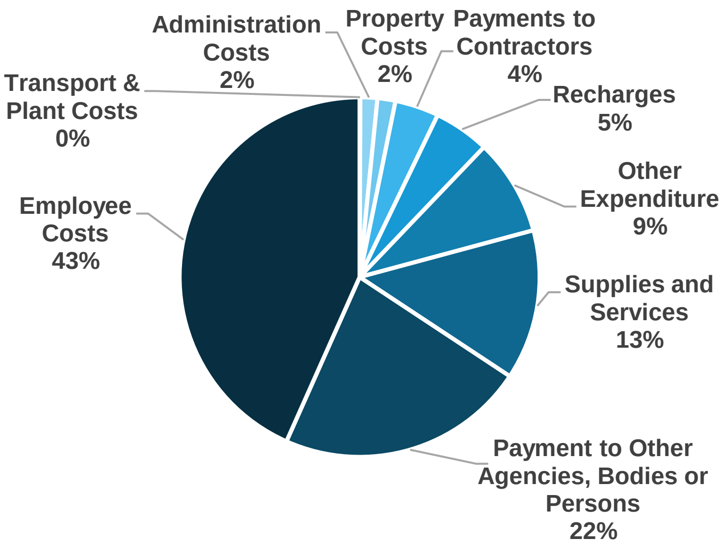



Source: SHG Treasury

2.32 Health and Social Care is expected to account for 29% of total expenditure. This has risen from 27% in the previous financial year. Expenditure by the Treasury is the second largest component of spending, and it holds the budget for many central government expenditures like grants and subsidies. This has fallen as a share of total spending from 19% over the last year.

2.33 Chart 7 shows the type of activity that SHG spends funds on. Almost half of spending goes on employee costs, including TCs. The second largest component is payment to other agencies, bodies or persons which includes the Basic Island Pension and Income Related Benefits.

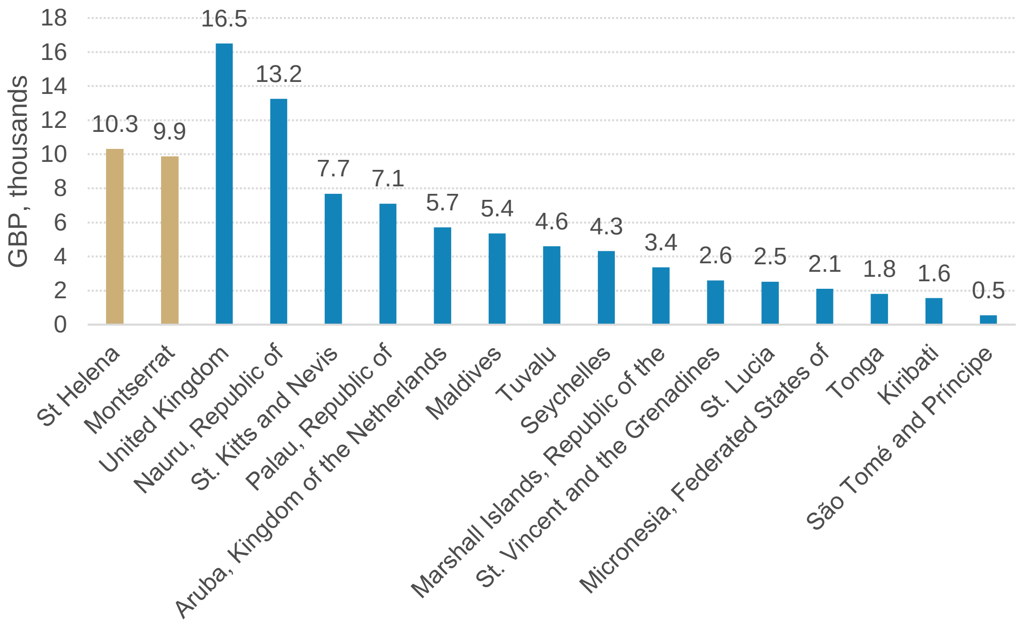
**Chart 7: Public Expenditure by Different Types of Activity**




Source: SHG Treasury

2.34 Chart 8 presents public expenditure per capita for St Helena, United Kingdom and selected small islands. Public expenditure per capita in St Helena was £10,300 in 2022/23, compared to £9,900 for Montserrat, and £16,500 for the UK in 2022.

**Chart 8: Public expenditure per capita for St Helena and other small islands, 2022/23 (yellow), 2022 (blue), GBP, thousands**




Source: SHG Economics Unit based on IMF, World Economic Outlook, April 2026; St Helena Budget Book 2022/23; Montserrat Budget Estimates for 2023/2024 -2026, Statistics St Helena, and Statistics Department Montserrat. Exchange rates for 2022 are sourced from Bank of England Database, Maldives Monetary Authority, National Reserve Bank of Tonga, Aruba Departamento di Impuesto, Eastern Caribbean Central Bank, Banco Central de São Tomé e Príncipe, and Central Bank of Seychelles.
Note: Data in blue have been calculated using IMF estimates GGX (General Government Expenditure) and LP (Population) and converted to Pound Sterling. Data in yellow, for St Helena and Montserrat, are taken from domestic sources specified.

## Capital investment

2.35 Capital spending by SHG is dominated by projects funded under EDIP. Notable capital projects that have been funded include the completion of the Rupert's cargo handling facility, the maintenance programmes for the roads and the Crown Estate. Current projects include construction of a new prison, the BFI and work on the schools. Looking slightly further out, it is envisaged that some funding will be used this year to progress the renewable energy agenda as well as addressing waste water and water resource management.

2.36 Expenditure in future years will depend upon the identification and approval of suitable projects and the achievement of milestones within individual projects. SHG seeks to over-programme projects under the EDIP to ensure that there is a pipeline of ready to go projects to ensure full utilisation of the funding available under EDIP. The availability of capital funding provides a significant fiscal stimulus for the private sector which has been taken into account in the forecast of revenues for self-employed and corporation tax.

2.37 Maintaining infrastructure is important.  There are risks to St Helena if capital assets are not appropriately preserved.  Failure of assets can trigger expensive emergency actions, including purchasing equipment where the focus may be how quickly something can be delivered, rather than providing longer term value.  As St Helena has very long supply lines, it is neither quick nor cheap to replace equipment and rebuild infrastructure, and so maintenance is an important use of funds.

## Significant Policy Decisions of the Government

2.38 The following section summarises the estimated financial impact on SHG of the significant policy decisions the government has made. Further details of those decisions can be found in **Annex B: Details of significant policy decisions**.  The impacts shown in this section reflect the net impact on the finances of SHG.

### Decisions affecting payments

2.39 The government has made the following significant policy decisions affecting payments.  It has decided to increase support for the Safeguarding Board.  It has set funds aside for introducing Child Benefit and to mitigate the effect of higher world oil prices to protect the people of St Helena from the impacts of the conflict in the Middle East.  There are initiatives to support growth, including interventions to support agricultural development and a grant scheme for enterprises.  There is also funding for protecting the environment from invasive species.  As well as the key new initiatives, substantial additional funding will strengthen existing services such as health, including mental health, and education.

**Table 10: Summary of policy decisions affecting payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| **Head 12:** | | | | |
| **Central Support Service —** | | | | |
| Safeguarding Board | 0 | 20 | 30 | 52 |
| Development & Implementation of Data Protection Legislation | | 15 | 249 | 249 |
| **Head 17: Treasury —** | | | | |
| Child Benefit Tax Policy | 0 | 82 | 217 | 217 |
| Taxation Administration Reform | 0 | 40 | 95 | 110 |
| Mitigation of fuel price crisis (Subsidy to Connect Saint Helena) | 0 | 172 | 0 | 0 |
| **Head 19:** | | | | |
| **Economic Development —** | | | | |
| Agriculture Development Programme Interventions for improved agriculture | 0 | 50 | 412 | 516 |
| Financial Support for grant scheme for enterprises | 0 | 25 | 0 | 0 |
| **Head 26:** | | | | |
| **Environment Natural Resources and Planning —** | | | | |
| Additional funding for improving control and management of invasive species | 0 | 70 | 70 | 70 |
| **Total** | **0** | **474** | **1,073** | **1,214** |

## Decisions affecting receipts

2.40 The government has made the following significant policy decisions affecting receipts.

**Table 11: Summary of policy decisions affecting receipts**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| **Head 17: Treasury —** | | | | |
| 2.2% increase in alcohol duty (indexation) | 0 | 20 | 20 | 20 |
| 4.2% increase in tobacco duty (indexation plus 2 % points) | 0 | 45 | 45 | 45 |
| Introduction of duty on vaping fluids | 0 | 11 | 43 | 43 |
| **Total** | **0** | **76** | **108** | **108** |

# PART 3: BUDGETING AND FISCAL MANAGEMENT

## Summary

- The 2026/27 budget is mainly **cash-based**, with some accrual-style treatment for capital changes, so it does not fully reflect items such as depreciation, amortisation, or asset revaluations.
- **Funds and appropriations are structured to support delivery.** Government money is managed through a mix of the **Consolidated Fund, Special Funds, and Appropriations**, with appropriations generally made at the **portfolio/output level** rather than by input line, giving managers some operational flexibility.
- The Appropriation Bill proposes £48.977 million for recurrent expenditure and £0.195 million for capital expenditure.
- **Medium-term planning is becoming more strategic.** SHG is using a **Medium-Term Expenditure Framework** and the **Strategic Outcome Framework (SOF)** to prioritise resources over time, focusing on efficiency, restructuring and joined-up delivery.

## Basis of preparation

3.1 This section outlines SHG's overall approach to fiscal management and describes how monies are made available to parts of the government to enable the delivery of outcomes. The budget for 2026/27 is cash-based but includes certain principles of accrual budgeting to show some increases and decreases in capital. The budget, therefore, does not reflect certain revenues and expenses that would be shown if it were prepared on an accrual basis, such as depreciation and amortisation expense, or revenues associated with the revaluation of assets.

3.2 Unlike SHG's annual financial statements, the whole-of-government budget statements are not consolidated, meaning that they include internal transactions within government (generally referred to as recharges). The whole-of-government budget statements are not, therefore, directly comparable to SHG's financial statements. The annual financial statements, therefore, include a reconciliation between the budget statements and financial statements.

3.3 Diagram 1 shows the structure of SHG, and each Head of Expenditure's main areas of policy and service delivery responsibility.

## Diagram 1: Structure of the St Helena Government and Heads of Expenditure

**Head 17: Treasury**

Treasury & Accounting Services
Financial Planning & Management
Pensions Administration
Currency
Procurement Services
Revenue & Taxation
Post & Customer Services
Social Benefits

**Head 20: Welfare and Benefits**[a]

**Head 19: Economic Development Portfolio**

Strategic Economic Development Policy
Export, Trade, & Investment
Digital Development
Air/Sea Access
Tourism
Company Registry & Financial Services Development
Property (Crown Estates, Housing, & Land Registry).

**Head 22: Education, Skills & Employment Portfolio**

**Schools:**
Primary education
Secondary education
Inclusion Service
Teacher Training

**Lifelong Learning:**
St Helena Community College
Career Access St Helena (CASH) (Employment)
Public Library
St Helena Research Institute

**Head 12: Central Support Service-**

Administration Support
Supporting the Governor's Office
SHG UK Rep
Information & Research
Statistics
Performance
Communications and marketing
Geospatial Information System (GIS)
Technical Services
Human Resources & Organisational Development
Supporting the Executive Council & Legislative Council

**Legislative Council**[b]

**Head 23: Health & Social Care Portfolio**

**Health:**
Medical Services
Dental Services
Hospital/Theatre, Oncology, 0-19 & Community Nursing
Mental Health Service
Environmental Health
Laboratory Services
Pharmacy Services
Occupational & Physiotherapy Services
Health Promotion

**Social Care:**
Children's Services
Adult's Social Care
Residential Services
Sheltered Accommodation
Probation Services
Domiciliary Care Services
Safe Haven
Supported Living
Office of Public Guardian

**Head 26: Environment, Natural Resources & Planning Portfolio**

**Environmental Protection, Water & Energy Policy:**
Environmental Risk Management
Environmental Protection
Water & Energy Policy

**Nature Conservation:**
Terrestrial Conservation
Marine & Fisheries Conservation
Marine Enforcement

**Natural Resources:**
Agriculture
Forestry
Biosecurity

**Planning**:
Planning & Building Control

**Head 15: Safety, Security & Home Affairs Portfolio**

HM Prison Service
Fire & Rescue Service
Sea Rescue
Emergency Planning
HM Customs
Immigration
Port Control/Harbour
Maritime Authority
Shipping Registry
Rockfall, Roads & Building Maintenance

**Head 16: Judicial Services**

**Head 14: Attorney General's Chambers**

**Head 18: Police Operations**[c]

(a) Appropriated by standing appropriations in section 4 of the *Pensions Ordinance 2012* section 16 of the *Social Security Ordinance 2010.*

(b) Independent body but not a distinct head of expenditure, supported by the Central Support Service

(c) Reports directly to the Governor

## Special funds

3.4 Special funds are established by instruments made under the *Public Finance Ordinance 2010* or by specific legislation. Special funds allow monies to be earmarked for specific purposes and held outside of the Consolidated Fund.

3.5 The legislation that establishes a special fund will set out the circumstance in, or purposes for which, monies within the special fund may be withdrawn. Withdrawals from special funds, therefore, do not need to be supported by an appropriation. Special funds, nonetheless, form part of the finances of SHG and contribute to the outcomes being pursued by the government.

3.6 There are three broad categories of special funds:

- funds associated with the receipts and management of donated funds intended for developmental projects;
- funds that operate as trading accounts; and
- other funds for special purposes.

3.7 The various special funds are summarised in table 12.

**Table 12: Summary of special funds**

| Special fund | Establishment | Purpose |
|---|---|---|
| **Development projects** | | |
| **EDF Projects Fund** | Special Fund (EDF Projects) Order 2011 made under the *Public Finance Ordinance 2010* | Manage the expenditure and revenues of projects funded by the European Union's European Development Fund |
| **DFID Funded Projects Fund** | Special Fund (DFID Projects) Order 2011, made under the *Public Finance Ordinance 2010* | Manage the expenditure and revenues of projects funded by the UK Department for International Development (DFID, now FCDO) and which do not meet the purposes of any other special fund |
| **Environmental Management Projects Fund** | Special Fund (Environmental Management Projects) Order 2014 made under the *Public Finance Ordinance 2010* | Manage the expenditure and revenues of projects funded by the UK Department for Environment, Food and Rural Affairs and other environmental agencies |
| **FCO Projects Fund** | Special Fund (FCO Projects) Order 2019 made under the *Public Finance Ordinance 2010* | Manage the income, expenditure, assets and liabilities associated with project funding provided by the Foreign and Commonwealth Office (now the FCDO) |
| **Other Locally Funded Projects Fund** | Subsection 5(1) of the *Special Funds Ordinance 2012* | Finance locally funded development projects |
| **UNDP Projects Fund** | Special Fund (UNDP) Order 2011 made under the *Public Finance Ordinance 2010* | Manage the expenditure and revenues of United Nations Development Programme funded projects |

**Table 12: Summary of special funds continued**

| Special fund | Establishment | Purpose |
|---|---|---|
| **Trading accounts** | | |
| **Bulk Fuel Installation Trading Account** | Special Fund (Bulk Fuel Installation Trading Account) Order 2016 made under the *Public Finance Ordinance 2010* | Manage the income, expenditure, assets and reserves associated with the operation of the bulk fuel facilities owned by SHG |
| **Housing Service Trading Account** | Special Fund (Housing Service Trading Account) Order 2013 made under the *Public Finance Ordinance 2010* | Manage the expenditures and revenues with respect to the management and maintenance of the Government Landlord Housing stock |
| **Internal Audit Service Trading Account** | Special Fund (Internal Audit Service Trading Account) Order 2019 made under the *Public Finance Ordinance 2010* | Manage the expenditures of, and revenues from charges for services provided by, the SHG Internal Audit Service |
| **IT Trading Account** | Special Fund (IT Trading Account) Order 2011 made under the *Public Finance Ordinance 2010* | Manage the expenditures and expenditures of the IT Section |
| **St Helena Airport Trading Account** | Special Fund (St Helena Airport Trading Account) Order 2018 made under the *Public Finance Ordinance 2010* | Manage the income, expenditure, assets, liabilities and reserves associated with the operation of the St Helena Airport |
| **St Helena Audit Service Trading Account** | Special Fund (St Helena Audit Service Trading Account) Order 2013 made under the *Public Finance Ordinance 2010* | Manage the revenues and expenditures of the St Helena Audit Service |
| **Transport Trading Account** | Special Fund (Transport Trading Account) Order 2011, made under the *Public Finance Ordinance 2010* | Manage the revenues and expenditures of the Transport Section |
| **Cable Landing Station Trading Account** | Special Fund (Cable Landing Station) Order 2024, made under the *Public Finance Ordinance 2010* | Manage the revenues and expenditures of the Cable Landing Station. |
| **St Helena Research Institute Trading Account** | Special Fund (St Helena Research Institute) Order 2024, made under the *Public Finance Ordinance 2010* | Manage the revenues and expenditures of the St Helena Research Institute. |
| **Public Transport Service Trading Account** | Special Fund (Public Transport Service) Order 2024, made under the *Public Finance Ordinance 2010* | Manage the revenues and expenditures of the Public Transport Service |
| **Other special funds** | | |
| **Animal Husbandry Fund** | Subsection 7(1) of the *Pasturage (Government Lands) Ordinance 1938* | Receives all monies raised under the ordinance, payments from the fund may be made for activities that improve agricultural land and the breeding of animals |

| Special fund | Establishment | Purpose |
|---|---|---|
| **Capital Receipts Fund** | Subsection 4(1) of the *Special Funds Ordinance 2012* | Receives all receipts from the sale or long lease of Crown property (other than Government landlord houses), and payments from the fund may be made for additions, repairs, renewals, renovations and improvements to Crown property |
| **Government Landlord Housing Capital Fund** | Subsection 3(1) of the *Special Funds Ordinance 2012* | Receives sales revenues or long-term lease proceeds from Government Landlord Housing, the fund may be used to finance the construction or purchase of, or major renovations to, social housing |

## Appropriations

3.8 Appropriations are generally made at the portfolio level, although some alternate arrangements are made for specific agencies and items of expenditure.

3.9 Appropriations are provided for the provision of 'outputs,' not 'inputs'. That is, the costs of the various types of services provided by each portfolio are shown, rather than line-by-line resources that are inputted into each portfolio.

3.10 This approach means that there is flexibility about what inputs may be used to provide for each output, and provides Portfolio Directors and Accounting Officers flexibility as to how they use monies appropriated in delivering outcomes.

## Recurrent appropriations

The Appropriation Bill 2026 proposes to appropriate amounts for recurrent expenditure to:

- each of the five portfolios;
- the Treasury;
- the Central Support Service;
- Police Operations;
- the Attorney General's Chambers; and
- Judicial Services.

3.11 The total amount proposed to be appropriated for recurrent expenditure is £48.977 million.

3.12 An additional £6.3 million in recurrent expenditure related to pensions and benefits is expected to be made available via the standing appropriations in section 4 of the Pensions Ordinance 2012 section 16 of the Social Security Ordinance 2010.

## Capital appropriations

The Appropriation Bill 2026 proposes to appropriate amounts for capital expenditure to the following portfolios:

- Central Support Service
- Safety, Security & Home Affairs;
- Economic Development; and
- Health and Social Care.

3.13 The total amount proposed to be appropriated for capital expenditure via the Appropriation Bill 2026 is £0.195 million.

## Medium-Term Expenditure Framework

3.14 In 2024/25, the previous government implemented the use of the Strategic Outcome Framework (SOF) to better prioritise the allocation of resources to the government's strategic priorities.  In 2025/26 the new government reviewed the SOF, updated the priorities and has used this framework to allocate funding to different activities.  The Strategic Outcomes from the government's vision are set out in the table below.

**Table 13 : Strategic Outcomes used in the Medium-Term Expenditure Framework**

| | |
|---|---|
| 1 | People living healthier longer, supported by financially sustainable health and social care services that are accessible, equitable, preventative and person-centred. |
| 2 | People on St Helena have the skills and confidence to adapt, thrive, and contribute to the island's future through higher quality, inclusive & lifelong education. |
| 3 | People live in inclusive and safe communities, with fair access to adequate housing, essential services, and opportunities for civic participation and social connection. |
| 4 | St Helena's heritage, culture, natural landscapes, land, ocean and biodiversity are protected and restored for current and future generations through strong partnerships and responsible stewardship. |
| 5 | The island has secure, efficient and environmentally responsible energy, water and resource systems that strengthen climate resilience and help stabilise the cost of living. |
| 6 | St Helena operates within ecological limits, with more sustainable patterns of consumption, production and waste that meet human needs while protecting the environment. |
| 7 | The island has an inclusive, sustainable and locally driven economy, creating fair opportunities for decent work, business growth and enterprise across all communities. |
| 8 | Modern, resilient infrastructure and technology supporting cyber security, productivity connectivity and social wellbeing across St Helena. |
| 9 | Government operates transparently, efficiently and sustainably, delivering value for money and trusted public services. |
| 10 | Communities feel safe and confident in the systems that protect them, with justice and security delivered through collaborative approaches and trusted institutions. Children and vulnerable adults are effectively safeguarded through coordinated, multi-agency prevention, early intervention and support services |

Source: SHG Central Support Services

3.15 Each activity within the Portfolio was identified and costed.  Activities were then scored and ranked based on their contribution to the ministerial priorities and outcomes.  If an activity was a statutory responsibility, this was reflected in the decisions. The framework also considered the achievability and deliverability of each activity by examining a number of different factors, including the availability of resources.

3.16 The SOF will take some time to fully embed in the planning process; however, it provides Ministers with a clear evidence base to support decision making around how to prioritise and allocate scarce resources, and will help the government to work effectively across the different portfolios.

## PART 4: ASSETS AND LIABILITIES

### Summary

- **The Consolidated Fund is SHG's main public fund**, receiving government revenues unless legislation directs money to a specific purpose fund, and withdrawals must be authorised by law. At the end of March 2026, the balance was estimated to be £5.6 million.
- The **General Reserve is the cash buffer within the Consolidated Fund,** used to support day-to-day operations and financial resilience, with SHG aiming to maintain a minimum balance for prudence and liquidity.
- The **Currency Fund underpins the St Helena pound's 1:1 peg to sterling**, earns income mainly from commemorative coin issuance, and can transfer excess reserves to SHG with approval.
- **SHG faces significant financial risks**, including overseas medical referrals, fuel infrastructure pressures, essential service obligations, hotel loan guarantees, litigation claims, and unfunded pension liabilities.

### The Consolidated Fund and Reserves

4.1 The Consolidated Fund is established in the *Constitution*. The *Constitution* provides that the Consolidated Fund shall receive all revenues or other moneys raised or received by and for the purposes of the government of St Helena, unless an Ordinance requires monies to be paid into a specific purpose fund. The Constitution provides that monies may not be withdrawn from the Consolidated Fund unless authorised by a law, such as by an appropriation ordinance. [1]

4.2 In addition to cash receipts, SHG also accrues amounts related to the receipt or revaluation of assets, or the recognition of liabilities in certain "reserves" within the Consolidated Fund, even when there is no cash receipt or payment from the Consolidated Fund arising from those transactions. The accrual balance of the Consolidated Fund will, therefore, exceed the cash that is available to support expenditure.

**Table 14: Net contribution to the General Reserve of the Consolidated Fund**

| | 2025/26 Original estimate | 2025/26 Revised estimate £'000 | 2025/26 Estimated outturn £'000 | 2026/27 Forecast £'000 | 2027/28 Projection £'000 |
|---|---|---|---|---|---|
| Net amount contributed to the General Reserve of the Consolidated Fund | 0 | (308) | 1,294 | (414) | 0 |

Source: SHG Treasury

[1] See: Constitution s 98(1), s 98(2) and s 99(1).

## General Reserve

4.3 The General Reserve is essentially the residual part of the Consolidated Fund that contains all amounts that are not recognised in other, specific, reserves. Its balance is effectively the amount of cash that is available to SHG in the Consolidated Fund at any one time. It is estimated that, at the end of March 2025, the balance on the General Reserve was £4.2 million; however, at the end of March 2026 the balance is estimated to be £5.6 million.

### *Minimum balance of the General Reserve*

4.4 Setting a minimum balance for the General Reserve is a critical control. It helps ensure the sustainability of public finances, that liquidity is available to manage the day-to-day operations of SHG and that SHG is able to meet future financial obligations.

4.5 A minimum balance on the General Reserve is not a legally binding constraint on the use of the reserve, but it sets a benchmark that shows the government's commitment to financial prudence. It also provides a buffer of public funds that is available in extraordinary circumstances or to meet unforeseen expenditure pressures.

4.6 As the balance of the Consolidated Fund was below the minimum threshold of £5.0 million in March 2025, there was a management strategy to mitigate and manage the risk that SHG was not able to meet is short-term and long-term financial cash requirements.

4.7 At the end of 2026/27 SHG expects the balance of the General Reserve to be £5.2 million.

## Other reserves

4.8 In addition to the General Reserve, the Consolidated Fund also includes the following other reserves.

### *Aid Funded Infrastructure Reserve*

4.9 The Aid Funded Infrastructure Reserve was established to accrue the value of FCDO aid funded infrastructure assets acquired through non-exchange transactions, namely the airport and Rupert's Wharf. An amount equivalent to depreciation is debited from the balance of this reserve over the useful life of each of those assets.

### *Capital Reserve*

4.10 The Capital Reserve provides for the initial accrual recognition of the purchase of property, plant and equipment within the Statement of Financial Position. An amount is credited to the Capital Reserve to reflect expenditure on assets and an amount equivalent to depreciation is then charged to the reserve over the useful life of the asset.

### *Donated Asset Reserve*

4.11 The Donated Assets Reserve represent the accrual value of assets donated to SHG. The fund balance is adjusted each year for new donated assets received and to reflect the change in value of assets held.

### *Investments in Subsidiaries Reserve*

4.12 The Investments in Subsidiaries Reserve provides for the initial recognition of investments in subsidiaries. An amount is credited to this reserve to reflect the investment of funds in a subsidiary organisation. When returns on investments are realised, either through sale of shares or distribution of profits, funds are transferred back to the General Reserve.

### *Litigation Reserve*

4.13 The Litigation Reserve is not a source of funding to meet the cost of litigation. It merely provides for the accrual recognition of a provision reflecting the expected value of unresolved litigation claims currently under review by the Attorney General.

4.14 The balance of the reserve is not the sum of the total claims against SHG, but rather a risk weighted estimate of the likely litigation exposure to SHG at any one time. The balance changes each year as claims are resolved and settlements are reached or as claims are discontinued and provisions are derecognised.

### *Pension Reserve*

4.15 The Pension Reserve provides for the accrual of the negative balance arising from the unfunded liability in the SHG Defined Benefit Pension Scheme.

### *Revaluation Reserve*

4.16 The Revaluation Reserve contains the accrual gains made by SHG from increases in the value of its property, plant and equipment. The balance is reduced when assets with accumulated gains are:

- revalued downwards or impaired and the gains are lost;
- used in the provision of services and the gains are consumed through depreciation; or
- disposed of and the gains are realised.

## The Currency Fund

4.17 The Currency Fund is provided for by the *Currency Ordinance 1975*. The Currency Fund provides for the stability of the island's currency by matching each St Helena Pound with GBP pounds.

4.18 The fund also generates revenue through the issuing authority for precious metal coins, mainly gold, silver and occasionally platinum. The fund receives a royalty for each coin sold based on a number of factors such as the size, weight and denomination of each coin.

4.19 The fund has a number of expenses including investment management fees, audit fees, the costs of notes and coins and other incidental costs. Any surplus or deficit in the year is transferred to the General Reserve of the Currency Fund.

4.20 The *Currency Ordinance 1975* provides that the Currency Commissioners may, with the agreement of the Governor, provide any excess in the General Reserve of the fund over a specified minimum balance to SHG as revenue.

4.21 In considering the pressures on the Currency Fund for the coming year, there are no plans to withdraw any funding in 2026/27 from the Currency Fund to support the 2026/27 budget.

## State-owned entities

4.22 SHG has an interest in several entities that provide critical services and support to the island and its residents.

**Table 15: State-owned entities**

| Entity | Nature of SHG interest |
|---|---|
| **Bank of St Helena Ltd** | Wholly owned |
| **Connect Saint Helena Ltd** | Wholly owned |
| **Solomon & Company (St Helena) Plc** | Majority shareholder (62.9%) |
| **St Helena Hotel Development Ltd** | Wholly owned |
| **St Helena Airport Limited (company limited by guarantee)** | SHG is the sole member |

## Risk management and identified risks

4.23 SHG is exposed to certain risks that may alter the outlook for its financial position.

### Risk management

4.24 Inevitably there are reasons why public finances might be stronger or weaker in St Helena. There is a possibility that revenues could be higher dues to a stronger pick up in the global economy and tourism growing more strongly than the expected rate of 4%. Oil prices could fall very rapidly if there is confidence that the conflict in the Middle East is finished.

4.25 However there are a set of risks that could lead to weaker public finances. Pressure on health spending could be higher. Also, infrastructure may fail and need urgent replacement. Local revenues could fall especially if the working age population falls more quickly than expected.

4.26 As discussed in this document, the island and SHG are heavily dependent on funds from UKG. If there were changing priorities for UKG for domestic or political reasons leading to a different approach to aid, there could be substantial impacts on the economy in St Helena and the services provided by SHG.

4.27 SHG works to reduce risks across its activities through on-going improvements to business systems and processes. There is monthly monitoring of spending and revenue so any weakness can be addressed during the financial year. SHG currently has a policy of self-insurance meaning that, rather than having a relationship with a commercial insurance provider for managing key risk areas, it plans to draw on its own reserves to pay for any liabilities arising during the year. SHG does not have reinsurance arrangements, although work is under way to consider options, especially within the medical field.

## Identified risks

4.28 As well as the general processes on monitoring and self-insurance SHG has identified several specific risks. The main categories of risk that have been identified by SHG are discussed below.

### *Overseas medical referrals and medical evacuation*

4.29 There is limited capacity to provide specialist and tertiary medical care on the island. Where a clinical assessment determines a patient should be referred overseas for medical treatment, SHG meets the cost of that referral. Some of these costs are recovered by fees and charges at local rates.

4.30 The number of overseas medical referrals and medical evacuations, and the range of medical procedures that a patient undergoes while off-Island, is difficult to predict and poses a risk to SHG's financial position.

4.31 SHG is working with the UK's Health Security Agency to ensure that the funds for health and social care are used in the most effective way to support people in St Helena. Until this work is complete, the Health & Social Care Portfolio will continue to adhere to the policy adopted in 2023/24 to limit overseas referrals solely to cases where there is a demonstrable risk to life, limb and sight. All other cases are included on a 'waiting list' to be referred at a later time.

### *Continued operation of the Bulk Fuel Installation*

4.32 The existing Bulk Fuel Installation (BFI) is nearing the end of its economic and engineering life. A design review of the new BFI was completed in 2024/25 with a view to determining what is required to bring that asset into operation. A contract has been awarded to undertake a health check of the new BFI and to undertake the works for commissioning and testing of the new facility. This work is expected to take around 18 -24 months to complete. The transition from the old to new BFI is unlikely in the short term. The project is being funded through the Economic Development Investment programme (EDIP).

### *Essential and statutory service provision*

4.33 Particularly because St Helena is a small and remote island community, SHG is relied upon to – although not necessarily legally required to – provide certain essential services that are not provided by the private sector, or the private sector alone.

4.34 Access to the island, both by sea and by air, is a particular area where SHG must ensure stable and reliable services for the island. In other areas, SHG is legally required to provide specific services, or provide specific services in a manner that is consistent with the island's human rights obligations and other legislative requirements.

4.35 Ensuring the ongoing provision of essential and statutory services to the island poses a risk for SHG that may impact its finances going forward.

### *Fuel Risk Share arrangement with Connect Saint Helena Ltd*

4.36 The subsidy arrangement with Connect Saint Helena Ltd includes provision for additional subsidy if the purchase price of fuel from the Bulk Fuel Installation is more than a specific price agreed in the annual subsidy arrangement.

### *Guarantee for St Helena Hotel Development Ltd*

4.37 SHG currently provides financial support to St Helena Hotel Development Ltd, which is intended to support the business to become financially self-sustaining. SHG is also a guarantor of a £1.0 million loan to St Helena Hotel Development Ltd from the Bank of St Helena Ltd. The guarantee matures on 1 November 2026. If during the guarantee period, a liability crystallises for SHG, it would create a financial pressure.

### *Litigation risk*

4.38 SHG is the subject of a range of litigation claims. Whether individual claims will result in a financial liability for SHG cannot be known with certainty at the present time, and the overall value of any liability cannot be estimated with certainty. SHG seeks to manage litigation risk via its self-insurance arrangements using the Consolidated Fund. This presents a significant risk to public finances.

### *Unfunded pension liabilities*

4.39 SHG operates two employer pension schemes for SHG salaried employees (defined benefit (DB) and defined contributions (DC)), and a state pension, the Basic Island Pension (BIP). The DB pension for SHG employees has been closed to new entrants since 2010.

4.40 The DB scheme is an unfunded scheme, which is financed through the recurrent budget annually when pension payments fall due. The BIP is not supported by a social contributions scheme, and must also be financed through the recurrent budget annually when pension payments fall due. The unfunded nature of both of these schemes pose a risk to the government's financial position going forward.

# PART 5: DETAILS OF RECURRENT AND CAPITAL EXPENDITURE AND REVENUE

## GOVERNMENT OF ST HELENA
## SUMMARY OF BUDGETED EXPENDITURE AND REVENUE

| | Original Estimate 2025/26 £'000 | Revised Estimate 2025/26 £'000 | Original Estimate 2026/27 £'000 | Forecast Estimate 2027/28 £'000 | Forecast Estimate 2028/29 £'000 |
|---|---|---|---|---|---|
| **EXPENDITURE** | | | | | |
| **Recurrent Expenditure** | | | | | |
| Central Support Service | 10,788 | 11,376 | 12,324 | 12,726 | 13,234 |
| Attorney General's Chambers | 105 | 156 | 150 | 147 | 148 |
| Safety, Security and Home Affairs | 3,049 | 2,989 | 3,428 | 3,456 | 3,525 |
| Judicial Services | 147 | 147 | 151 | 155 | 158 |
| Treasury | 8,875 | 11,490 | 7,612 | 7,895 | 7,930 |
| Police Operations | 894 | 976 | 806 | 901 | 901 |
| Economic Development | 5,907 | 6,369 | 6,481 | 7,006 | 7,651 |
| Education, Skills and Employment | 3,871 | 3,771 | 4,184 | 4,429 | 4,556 |
| Health and Social Care | 9,655 | 11,576 | 11,866 | 12,506 | 12,702 |
| Environment, Natural Resources and Planning | 1,723 | 1,745 | 1,975 | 1,950 | 1,953 |
| | **45,014** | **50,595** | **48,977** | **51,171** | **52,758** |
| Pensions & Benefits | 6,189 | 6,189 | 6,300 | 6,394 | 6,493 |
| **Total Recurrent Expenditure** | **51,203** | **56,784** | **55,277** | **57,565** | **59,251** |
| **Capital Expenditure** | | | | | |
| Central Support Service | 0 | 0 | 18 | 200 | 200 |
| Safety, Security and Home Affairs | 46 | 0 | 46 | 46 | 46 |
| Economic Development | 250 | 0 | 125 | 433 | 257 |
| Health and Social Care | 264 | 127 | 6 | 242 | 1,326 |
| **Total Capital Expenditure** | **560** | **127** | **195** | **921** | **1,829** |
| **TOTAL EXPENDITURE** | **51,763** | **56,911** | **55,472** | **58,486** | **61,080** |
| **REVENUE** | | | | | |
| Taxes | 13,216 | 13,906 | 14,369 | 14,850 | 15,230 |
| Duty and Licences | 262 | 262 | 291 | 291 | 291 |
| Fines and Fees | 612 | 612 | 791 | 799 | 806 |
| Government Rents | 349 | 349 | 459 | 468 | 484 |
| Earnings Government Departments | 69 | 69 | 69 | 69 | 69 |
| Income Received | 686 | 686 | 759 | 731 | 733 |
| Treasury Receipts | 322 | 322 | 370 | 268 | 268 |
| FCDO Financial Aid | 32,795 | 36,945 | 34,343 | 36,093 | 36,858 |
| FCDO Airport Operations Funding | 2,995 | 2,995 | 3,165 | 3,198 | 3,256 |
| Recharges | 457 | 457 | 442 | 473 | 490 |
| **TOTAL REVENUE** | **51,763** | **56,603** | **55,058** | **57,240** | **58,485** |
| **CONTRIBUTION FROM THE CONSOLIDATED FUND** | **0** | **308** | **414** | **0** | **0** |
| **TOTAL FUNDING** | **51,763** | **56,911** | **55,472** | **57,240** | **58,485** |

# SUMMARY OF TOTAL REVENUE

## GOVERNMENT OF ST HELENA
## TOTAL REVENUE

| Sub-Head No. | | Previous Year Original Estimate 2025/26 £'000 | Current Year Estimate 2026/27 £'000 | Forecast Estimate 2027/28 £'000 | Forecast Estimate 2028/29 £'000 |
|---|---|---|---|---|---|
| | **TAXES** | **13,216** | **14,369** | **14,850** | **15,230** |
| 012-00200 | Taxes - PAYE | 5,296 | 6,195 | 6,460 | 6,710 |
| 012-00201 | Taxes - Self Employed | 340 | 374 | 390 | 400 |
| 012-00202 | Taxes - Corporation Tax | 1,150 | 1,380 | 1,440 | 1,480 |
| 012-00203 | Taxes - Service Tax | 640 | 610 | 630 | 640 |
| 012-00204 | Taxes - Withholding Tax | 29 | 30 | 30 | 30 |
| 012-00205 | Customs - Other | 2,500 | 2,100 | 2,160 | 2,220 |
| 012-00206 | Customs - Alcohol | 1,100 | 1,250 | 1,240 | 1,230 |
| 012-00207 | Customs - Tobacco | 1,100 | 1,250 | 1,280 | 1,270 |
| 012-00208 | Customs - Petrol | 300 | 270 | 280 | 280 |
| 012-00209 | Customs - Diesel | 480 | 690 | 710 | 730 |
| 012-00210 | Liquor Duty | 1 | 0 | 0 | 0 |
| 012-00220 | Excise Duty | 280 | 220 | 230 | 240 |
| | **DUTY & LICENCES** | **262** | **291** | **291** | **291** |
| 013-00301 | Stamp Duty | 30 | 36 | 36 | 36 |
| 013-00302 | Dog Licence | 5 | 4 | 4 | 4 |
| 013-00303 | Firearm Licence | 4 | 4 | 4 | 4 |
| 013-00304 | Liquor Licence | 9 | 10 | 10 | 10 |
| 013-00305 | Road Traffic Licence | 181 | 205 | 205 | 205 |
| 013-00307 | Gaming Machine Licence | 2 | 2 | 2 | 2 |
| 013-00310 | Other Licences & Duty Received | 31 | 30 | 30 | 30 |
| | **FINES & FEES** | **612** | **791** | **799** | **806** |
| 014-00403 | Court Fees & Fines | 12 | 12 | 12 | 12 |
| 014-00404 | Light Dues | 11 | 11 | 11 | 11 |
| 014-00405 | Cranage | 6 | 3 | 3 | 3 |
| 014-00407 | Dental Fees | 25 | 33 | 33 | 34 |
| 014-00408 | Fees of Office | 10 | 11 | 11 | 11 |
| 014-00409 | Medical & Hospital | 130 | 207 | 212 | 214 |
| 014-00413 | Trade Marks | 8 | 10 | 10 | 10 |
| 014-00414 | Post Office Charges | 3 | 3 | 3 | 3 |
| 014-00415 | Meat Inspection Fees | 4 | 6 | 6 | 6 |
| 014-00416 | Vet Services | 34 | 46 | 46 | 46 |
| 014-00417 | Birth, Marriage & Death Fees | 4 | 4 | 4 | 4 |
| 014-00418 | Land Registration Fees | 18 | 14 | 14 | 14 |
| 014-00419 | Spraying Fees | 3 | 3 | 3 | 3 |
| 014-00420 | Immigration Fees | 106 | 156 | 156 | 156 |
| 014-00428 | Fish/Food Testing Fees | 21 | 28 | 30 | 34 |
| 014-00430 | Planning Fees | 3 | 13 | 13 | 13 |
| 014-00431 | GIS Fees | 6 | 6 | 6 | 6 |
| 014-00432 | Company Registration Fees | 3 | 3 | 3 | 3 |
| 014-00450 | Other Fees Received | 205 | 222 | 223 | 223 |

# GOVERNMENT OF ST HELENA
# TOTAL REVENUE

| Sub-Head No. | | Previous Year Original Estimate 2025/26 £'000 | Current Year Estimate 2026/27 £'000 | Forecast Estimate 2027/28 £'000 | Forecast Estimate 2028/29 £'000 |
|---|---|---|---|---|---|
| | **GOVT RENTS** | **349** | **459** | **468** | **484** |
| 015-00503 | Gardens | 9 | 10 | 10 | 10 |
| 015-00504 | Leased House Plots | 46 | 40 | 45 | 57 |
| 015-00505 | Boarding & Lodging | 117 | 150 | 150 | 152 |
| 015-00506 | Commercial Property Rents | 169 | 201 | 202 | 204 |
| 015-00507 | Miscellaneous Receipts | 1 | 1 | 4 | 4 |
| 015-00508 | Agricultural Buildings | 7 | 7 | 7 | 7 |
| 015-00509 | Warehouse Rent | 0 | 50 | 50 | 50 |
| | **EARNINGS GOVERNMENT DEPTS** | **69** | **69** | **69** | **69** |
| 016-00601 | Stamp Sales( Postal) | 26 | 26 | 26 | 26 |
| 016-00602 | Stamp Sales (Philatelic) | 25 | 25 | 25 | 25 |
| 016-00603 | Sale of Firewood | 18 | 18 | 18 | 18 |
| | **INCOME RECEIVED** | **686** | **759** | **731** | **733** |
| 011-00110 | Miscellaneous Receipts | 10 | 89 | 121 | 123 |
| 017-00750 | Other Income Received | 676 | 670 | 610 | 610 |
| | **TREASURY RECEIPTS** | **322** | **370** | **268** | **268** |
| 018-00800 | Commission | 3 | 3 | 3 | 3 |
| 018-00801 | Interest | 192 | 240 | 240 | 240 |
| 018-00804 | Currency Fund Surplus | 0 | 0 | 0 | 0 |
| 018-00806 | Dividends | 102 | 102 | 0 | 0 |
| 018-00808 | Argos | 25 | 25 | 25 | 25 |
| | **TOTAL LOCAL REVENUE** | **15,516** | **17,108** | **17,476** | **17,881** |
| | **FINANCIAL AID** | **35,790** | **37,508** | **39,291** | **40,114** |
| 018-00810 | FCDO Financial Aid | 32,795 | 34,343 | 36,093 | 36,858 |
| 018-00815 | FCDO Airport Operations Funding | 2,995 | 3,165 | 3,198 | 3,256 |
| | **RECHARGES** | **457** | **442** | **473** | **490** |
| 019-00905 | Customs | 402 | 355 | 386 | 403 |
| 019-00906 | Other | 53 | 85 | 85 | 85 |
| 019-00907 | Postal | 2 | 2 | 2 | 2 |
| | **TOTAL REVENUE** | **51,763** | **55,058** | **57,240** | **58,485** |

# SUMMARY OF TOTAL RECURRENT EXPENDITURE

## GOVERNMENT OF ST HELENA
## TOTAL RECURRENT EXPENDITURE

| Sub-Head No. | | Previous Year Original Estimate 2025/26 £'000 | Current Year Estimate 2026/27 £'000 | Forecast Estimate 2027/28 £'000 | Forecast Estimate 2028/29 £'000 |
|---|---|---|---|---|---|
| | **EMPLOYEE COSTS** | **22,302** | **23,960** | **25,213** | **25,848** |
| 021-01103 | Salaries | 14,387 | 16,467 | 17,476 | 17,432 |
| 021-01105 | Allowances | 2,442 | 2,951 | 2,867 | 3,375 |
| 021-01107 | Staff Mileage Allowance | 13 | 12 | 13 | 13 |
| 021-01201 | Defined Benefit Pensions | 1,806 | 1,811 | 1,861 | 1,911 |
| 021-01202 | Pension Contribution | 1,375 | 1,546 | 1,680 | 1,716 |
| 021-01205 | Training Expenses | 260 | 313 | 392 | 457 |
| 021-01302 | Wages - Part Time Staff | 473 | 597 | 624 | 629 |
| 021-01304 | Overtime | 154 | 171 | 177 | 177 |
| 021-01400 | Other Employee Costs | 1,392 | 92 | 123 | 138 |
| | **PROPERTY COSTS** | **872** | **893** | **914** | **939** |
| 022-02101 | Building Maintenance | 43 | 42 | 45 | 47 |
| 022-02102 | Grounds Maintenance | 11 | 10 | 10 | 10 |
| 022-02107 | Roads Maintenance | 3 | 3 | 3 | 3 |
| 022-02203 | Electricity | 641 | 638 | 656 | 676 |
| 022-02302 | Rent of Premises | 12 | 12 | 10 | 10 |
| 022-02401 | Water | 103 | 125 | 126 | 129 |
| 022-02403 | Maintenance of Sewer Lines | 18 | 18 | 18 | 18 |
| 022-02501 | Maintenance of Street Lights | 4 | 4 | 4 | 4 |
| 022-02601 | Cleaning Materials | 37 | 41 | 42 | 42 |
| | **TRANSPORT & PLANT COSTS** | **33** | **34** | **33** | **33** |
| 023-03501 | Vehicle Hire Charges - Outside SHG | 33 | 34 | 33 | 33 |
| | **SUPPLIES & SERVICES** | **6,132** | **7,457** | **7,797** | **8,046** |
| 024-04101 | Furniture & Equipment | 174 | 272 | 212 | 226 |
| 024-04102 | Tools | 33 | 34 | 30 | 30 |
| 024-04103 | Materials | 556 | 616 | 630 | 702 |
| 024-04104 | Fert/Pesticides/Fungicides | 8 | 8 | 7 | 7 |
| 024-04105 | Chemicals | 4 | 15 | 12 | 12 |
| 024-04107 | Lubricating Oils | 6 | 6 | 6 | 6 |
| 024-04108 | Plant & Equipment Maintenance | 46 | 47 | 43 | 44 |
| 024-04109 | Medical Supplies | 856 | 1,214 | 1,318 | 1,361 |
| 024-04110 | Vet Drugs/Stores | 35 | 40 | 40 | 39 |
| 024-04111 | Animal Feed | 2 | 1 | 1 | 1 |
| 024-04114 | Repairs & Maintenance | 17 | 12 | 15 | 11 |
| 024-04115 | Fuel | 333 | 356 | 358 | 361 |
| 024-04116 | Computer Equipment | 14 | 33 | 23 | 25 |
| 024-04120 | Publicity & Promotional Activities | 284 | 305 | 295 | 298 |
| 024-04123 | Prisoner Rehabilitation | 28 | 25 | 26 | 27 |
| 024-04201 | Food Provisions | 222 | 293 | 306 | 309 |
| 024-04301 | Uniforms | 40 | 49 | 44 | 44 |
| 024-04302 | Protective Clothing | 52 | 50 | 49 | 50 |

# GOVERNMENT OF ST HELENA
# TOTAL RECURRENT EXPENDITURE

| Sub-Head No. | | Previous Year Original Estimate 2025/26 £'000 | Current Year Estimate 2026/27 £'000 | Forecast Estimate 2027/28 £'000 | Forecast Estimate 2028/29 £'000 |
|---|---|---|---|---|---|
| 024-04401 | Library Books & Materials | 5 | 5 | 5 | 6 |
| 024-04402 | Stamp Issues | 22 | 22 | 22 | 22 |
| 024-04403 | Computer Consumables | 60 | 63 | 65 | 65 |
| 024-04405 | Training Materials | 75 | 205 | 206 | 204 |
| 024-04406 | Photocopy Consumables | 13 | 13 | 12 | 13 |
| 024-04407 | IT Renewals & Licences | 295 | 361 | 356 | 354 |
| 024-04503 | Overseas Medical Treatment | 2,100 | 2,419 | 2,727 | 2,777 |
| 024-04504 | Medical Evacuation | 230 | 380 | 390 | 390 |
| 024-04505 | Postal Charges | 7 | 7 | 9 | 12 |
| 024-04508 | Scientific & Technical Analysis | 132 | 188 | 172 | 172 |
| 024-04509 | Occupational Therapy | 5 | 5 | 5 | 5 |
| 024-04710 | Education Broadband | 413 | 413 | 413 | 413 |
| 024-04800 | Other Supplies & Services | 65 | 0 | 0 | 60 |
| | **ADMINISTRATION COSTS** | **738** | **842** | **782** | **829** |
| 025-05101 | Printing | 14 | 14 | 14 | 14 |
| 025-05102 | Stationery | 18 | 20 | 21 | 21 |
| 025-05105 | General Office Expenses | 3 | 7 | 7 | 26 |
| 025-05201 | Postages | 5 | 5 | 5 | 5 |
| 025-05202 | Telephones, Fax & Internet Charges | 463 | 461 | 457 | 458 |
| 025-05203 | International Telecoms | 17 | 6 | 6 | 5 |
| 025-05205 | Other Administration Costs | 35 | 42 | 36 | 51 |
| 025-05206 | Advertising | 142 | 243 | 191 | 203 |
| 025-05300 | Banking Fees | 16 | 17 | 17 | 17 |
| 025-05301 | Investment Management Fees | 24 | 26 | 27 | 28 |
| 025-05302 | Bank Charges - Debit Card | 1 | 1 | 1 | 1 |
| | **PAYMENT TO OTHER AGENCIES, BODIES OR PERSONS** | **12,114** | **12,361** | **12,857** | **13,050** |
| 026-06101 | Examination & Testing Fees | 37 | 26 | 26 | 26 |
| 026-06104 | Student Scholarship Scheme | 8 | 8 | 12 | 10 |
| 026-06105 | Apprenticeships | 150 | 151 | 151 | 151 |
| 026-06106 | Miscellaneous Farmers Support | 6 | 21 | 21 | 21 |
| 026-06117 | St Helena Hotel Development | 200 | 200 | 200 | 200 |
| 026-06141 | Public Solicitors Office | 80 | 100 | 100 | 100 |
| 026-06143 | Media Services | 28 | 28 | 28 | 28 |
| 026-06145 | Swimming Pool Contract | 105 | 108 | 110 | 110 |
| 026-06148 | Public Transport System | 87 | 157 | 157 | 157 |
| 026-06157 | St Helena National Trust | 43 | 44 | 44 | 44 |
| 026-06158 | Subsidy to Connect St Helena | 1,654 | 1,689 | 1,517 | 1,517 |
| 026-06159 | Equality & Human Rights | 123 | 126 | 126 | 126 |
| 026-06162 | Heritage Society | 19 | 19 | 20 | 20 |
| 026-06163 | New Horizons | 57 | 58 | 60 | 62 |
| 026-06165 | Legal Assistance Fund | 35 | 35 | 35 | 35 |
| 026-06166 | SHAPE | 89 | 92 | 94 | 97 |

# GOVERNMENT OF ST HELENA
# TOTAL RECURRENT EXPENDITURE

| Sub-Head No. | | Previous Year Original Estimate 2025/26 £'000 | Current Year Estimate 2026/27 £'000 | Forecast Estimate 2027/28 £'000 | Forecast Estimate 2028/29 £'000 |
|---|---|---|---|---|---|
| 026-06169 | Cleaning Services for the Elderly | 17 | 17 | 17 | 17 |
| 026-06200 | Miscellaneous Grants | 97 | 237 | 709 | 813 |
| 026-06204 | Wharf Management Fee | 3 | 0 | 0 | 0 |
| 026-06212 | Consultancy Fees | 984 | 749 | 828 | 806 |
| 026-06501 | Social Benefits | 1,171 | 1,235 | 1,235 | 1,235 |
| 026-06503 | Community Employment & Allowances | 44 | 44 | 44 | 44 |
| 026-06504 | Better Life Allowances | 258 | 258 | 259 | 260 |
| 026-06505 | Basic Island Pension | 3,214 | 3,254 | 3,298 | 3,347 |
| 026-06506 | Child in Need Allowance | 75 | 75 | 75 | 75 |
| 026-06507 | Community Carer Allowances | 327 | 352 | 372 | 372 |
| 026-06508 | Home Care Support Workers | 88 | 113 | 121 | 121 |
| 026-06700 | St Helena Airport Ltd Subsidy Payments | 2,995 | 3,165 | 3,198 | 3,256 |
| 026-06701 | Freight Transport Subsidy | 120 | 0 | 0 | 0 |
| | **OTHER EXPENDITURE** | **4,555** | **4,787** | **4,920** | **5,463** |
| 027-07101 | Councillors Expenses | 386 | 395 | 396 | 397 |
| 027-07102 | Election Expenses | 12 | 1 | 1 | 1 |
| 027-07104 | Compensation | 333 | 382 | 140 | 140 |
| 027-07106 | UK Representative | 212 | 257 | 279 | 261 |
| 027-07111 | Ring-fenced Support | 1,200 | 1,200 | 1,200 | 1,200 |
| 027-07112 | Sub to Professional Bodies | 23 | 23 | 23 | 24 |
| 027-07114 | Legal Fees | 181 | 152 | 190 | 194 |
| 027-07116 | Ferry Service | 36 | 54 | 63 | 63 |
| 027-07128 | Accommodation & Travel | 502 | 613 | 608 | 671 |
| 027-07135 | Ad Hoc Committee Expenses | 21 | 50 | 70 | 92 |
| 027-07136 | Commonwealth Parliamentary Assoc. | 12 | 13 | 13 | 13 |
| 027-07138 | Transfer to Reserves | 1,551 | 1,560 | 1,850 | 2,320 |
| 027-07139 | Service Tax | 86 | 87 | 87 | 87 |
| | **PAYMENTS TO CONTRACTORS** | **1,899** | **2,178** | **2,257** | **2,220** |
| 028-08101 | Agricultural Contracts | 52 | 90 | 74 | 74 |
| 028-08102 | Bus Service | 250 | 276 | 302 | 302 |
| 028-08103 | Other Contracts | 1,202 | 1,402 | 1,456 | 1,405 |
| 028-08104 | Cleaning Contract | 395 | 410 | 425 | 439 |
| | **RECHARGES** | **2,558** | **2,765** | **2,792** | **2,823** |
| 029-09900 | Transport | 929 | 940 | 952 | 953 |
| 029-09903 | IT | 1,149 | 1,241 | 1,249 | 1,265 |
| 029-09904 | Customs | 168 | 217 | 205 | 209 |
| 029-09905 | Other | 23 | 63 | 67 | 67 |
| 029-09907 | Postal | 1 | 2 | 2 | 2 |
| 029-09908 | Audit Fees | 288 | 302 | 317 | 327 |
| | **TOTAL EXPENDITURE** | **51,203** | **55,277** | **57,565** | **59,251** |

# EXPENDITURE AND REVENUE BY HEAD

# HEAD 12

## CENTRAL SUPPORT SERVICE

## ACCOUNTING OFFICER:
## DEPUTY CHIEF SECRETARY

**Overview**

Central Support Service provides a wide range of support services to the five Portfolios, as well as to the Treasury and to the Executive and Legislative Councils. It also provides services directly to the public. The support services are wide ranging and pertinent to ongoing Public Service delivery, high level decision making, for example through the provision of statistical information, accountability, compliance, good internal and external communications and marketing.

Three priorities supports the delivery of the SHG Vision and Strategy 2026 -2029 and achievement of the Strategic Goals, Outcomes and Objectives.

**Portfolio Priorities**

Priority 1 - To enable and support the delivery of transformational change.

Priority 2 - To enable and support policy makers, portfolios and members of the public to make evidence based decisions.

Priority 3 - To support the Public Service to develop and deliver an effective and efficient service to our customers.

**Summary of Budgeted Expenditure and Revenue for 2026/27**

| | Recurrent Expenditure £'000 | Capital Expenditure £'000 | Revenue £'000 | Surplus/(Deficit) £'000 |
|---|---|---|---|---|
| Central Support Service | 2,372 | 18 | 30 | (2,360) |
| Public Accounts Committee | 6 | 0 | 0 | (6) |
| Central Human Resources & Organisational Development | 551 | 0 | 0 | (551) |
| Technical Co-operation Posts | 9,395 | 0 | 0 | (9,395) |
| **TOTAL** | **12,324** | **18** | **30** | **(12,312)** |

## HEAD 12: CENTRAL SUPPORT SERVICE

Accounting Officer: Deputy Chief Secretary

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Capital 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Capital 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 | Estimate Capital 2028/29 £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | | | | |
| Supporting Governor's Office | 157 | 0 | 160 | 0 | 169 | 0 | 169 | 0 | 171 | 0 |
| Management & Administration | 403 | 0 | 490 | 0 | 461 | 0 | 492 | 200 | 511 | 200 |
| Information Services | 41 | 0 | 46 | 0 | 46 | 0 | 46 | 0 | 46 | 0 |
| Public & National Affairs | 214 | 0 | 269 | 0 | 303 | 0 | 335 | 0 | 339 | 0 |
| Supporting Executive & Legislative Councils | 539 | 0 | 519 | 0 | 576 | 0 | 578 | 0 | 580 | 0 |
| Public Accounts Committee | 6 | 0 | 6 | 0 | 6 | 0 | 6 | 0 | 6 | 0 |
| Programme Management Office | 148 | 0 | 155 | 0 | 168 | 0 | 166 | 0 | 167 | 0 |
| Technical Services | 125 | 0 | 110 | 0 | 130 | 0 | 131 | 0 | 133 | 0 |
| Geographic Information System | 91 | 0 | 99 | 0 | 97 | 0 | 98 | 0 | 99 | 0 |
| Communications Hub | 341 | 0 | 214 | 0 | 339 | 18 | 312 | 0 | 311 | 0 |
| Statistics Office | 77 | 0 | 77 | 0 | 83 | 0 | 84 | 0 | 87 | 0 |
| Human Resources Services | 242 | 0 | 284 | 0 | 310 | 0 | 304 | 0 | 306 | 0 |
| Technical Co-operation Posts | 8,213 | 0 | 8,801 | 0 | 9,395 | 0 | 9,714 | 0 | 10,137 | 0 |
| Learning & Development | 191 | 0 | 146 | 0 | 241 | 0 | 291 | 0 | 341 | 0 |
| **TOTAL OUTPUTS** | **10,788** | **0** | **11,376** | **0** | **12,324** | **18** | **12,726** | **200** | **13,234** | **200** |
| **REVENUE BY OUTPUT** | | | | | | | | | | |
| Information Services | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 | 1 | 0 |
| Public & National Affairs | 17 | 0 | 17 | 0 | 17 | 0 | 17 | 0 | 17 | 0 |
| Technical Services | 6 | 0 | 6 | 0 | 6 | 0 | 6 | 0 | 6 | 0 |
| Geographic Information System | 6 | 0 | 6 | 0 | 6 | 0 | 6 | 0 | 6 | 0 |
| **TOTAL REVENUE** | **30** | **0** | **30** | **0** | **30** | **0** | **30** | **0** | **30** | **0** |
| **NET EXPENDITURE (REVENUE)** | **10,758** | **0** | **11,346** | **0** | **12,294** | **18** | **12,696** | **200** | **13,204** | **200** |

**Note:**

*Included in the Total Outputs is an amount of £164k which is recharges between Heads of expenditure and Trading Accounts.*

# HEAD 14

## ATTORNEY GENERAL'S CHAMBERS

## ACCOUNTING OFFICER:
## ATTORNEY GENERAL

## HEAD 14: ATTORNEY GENERAL'S CHAMBERS

Accounting Officer: Attorney General

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 |
|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | |
| Attorney General's Chambers | 105 | 0 | 156 | 0 | 150 | 147 | 148 |
| **TOTAL OUTPUTS** | **105** | **0** | **156** | **0** | **150** | **147** | **148** |
| **NET EXPENDITURE (REVENUE)** | **105** | **0** | **156** | **0** | **150** | **147** | **148** |

**Note:**

*Included is an amount of £20k which is recharges between Trading Accounts.*

# HEAD 15

## SAFETY, SECURITY & HOME AFFAIRS

ACCOUNTING OFFICER:
PORTFOLIO DIRECTOR
SAFETY, SECURITY & HOME AFFAIRS

**Overview**

The Safety Security & Home Affairs Portfolio is at the frontline of keeping citizens safe and the island secure and plays a fundamental role in the security and economic prosperity of St Helena. Close working across portfolios, local businesses and the community is required to help to tackle safety issues for the island. St Helena will prosper significantly from being open, engaged and connected to the rest of the world and it creates tremendous opportunities for individuals and the Island’s collective prosperity.

The Portfolio comprises Immigration and Customs, Fire and Rescue, Sea Rescue, Prison, Emergency Planning, Port Control, Maritime Authority, Health and Safety, Resilience Forum and Critical National Infrastructure Scrutiny, Highways Authority, Cyber Security Strategy, Roads, Rock fall Protection and Building Maintenance. The Portfolio has a range of licensing and inspection services including providing a 24 hour emergency services contact, control and command centre administered by the Police.

The Portfolio has five priorities which will support the delivery of the SHG Vision and Strategy 2026 -2029 and achievement of the Strategic Goals, Outcomes and Objectives.

**Portfolio Priorities**

Priority 1 - Keeping St Helena safe by tackling crime and working to better the lives of children, young people and those most vulnerable within our community.

Priority 2 - Working with partners, both internationally and in St. Helena, to secure our borders in order to protect the community and support economic development.

Priority 3 - Improving community trust and confidence in the services provided by the portfolio.

Priority 4 - Working with partners, volunteers and stakeholders to minimise and manage identified risks and to maintain public safety and our response to incidents.

Priority 5 - Working with the community, partners and stakeholders to help solve the issues most affecting our community to make us ‘Altogether Safer.

**Summary of Budgeted Expenditure and Revenue for 2026/27**

| | Recurrent Expenditure £'000 | Capital Expenditure £'000 | Revenue £'000 | Surplus/(Deficit) £'000 |
|---|---|---|---|---|
| Safety, Security and Home Affairs | 3,428 | 46 | 294 | (3,180) |
| **TOTAL** | **3,428** | **46** | **294** | **(3,180)** |

## HEAD 15: SAFETY, SECURITY & HOME AFFAIRS

Accounting Officer: Portfolio Director Safety, Security & Home Affairs

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Capital 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Capital 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 | Estimate Capital 2028/29 £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | | | | |
| Management & Administration | 55 | 0 | 55 | 0 | 84 | 0 | 84 | 0 | 84 | 0 |
| Fire & Rescue | 340 | 0 | 333 | 0 | 348 | 0 | 358 | 0 | 354 | 0 |
| HM Prison | 453 | 0 | 473 | 0 | 493 | 0 | 502 | 0 | 508 | 0 |
| Emergency Planning | 81 | 0 | 63 | 0 | 92 | 0 | 94 | 0 | 94 | 0 |
| Sea Rescue Service | 176 | 0 | 156 | 0 | 184 | 0 | 185 | 0 | 181 | 0 |
| Customs and Immigration | 455 | 0 | 491 | 0 | 532 | 0 | 526 | 0 | 528 | 0 |
| Port Management | 285 | 0 | 372 | 0 | 444 | 0 | 460 | 0 | 459 | 0 |
| Maritime Authority | 123 | 0 | 45 | 0 | 68 | 0 | 64 | 0 | 124 | 0 |
| Provision & Maintenance of Roads | 430 | 0 | 310 | 0 | 478 | 0 | 467 | 0 | 467 | 0 |
| Building Maintenance | 554 | 46 | 594 | 0 | 606 | 46 | 617 | 46 | 627 | 46 |
| Provision & Maintenance of Street Lighting | 22 | 0 | 22 | 0 | 22 | 0 | 22 | 0 | 22 | 0 |
| Rock Fall Protection | 75 | 0 | 75 | 0 | 77 | 0 | 77 | 0 | 77 | 0 |
| **TOTAL OUTPUTS** | **3,049** | **46** | **2,989** | **0** | **3,428** | **46** | **3,456** | **46** | **3,525** | **46** |
| **REVENUE BY OUTPUT** | | | | | | | | | | |
| Customs and Immigration | 111 | 0 | 111 | 0 | 212 | 0 | 212 | 0 | 212 | 0 |
| Port Management | 22 | 0 | 22 | 0 | 19 | 0 | 19 | 0 | 19 | 0 |
| Provision & Maintenance of Roads | 4 | 0 | 4 | 0 | 3 | 0 | 3 | 0 | 3 | 0 |
| Building Maintenance | 30 | 0 | 30 | 0 | 60 | 0 | 60 | 0 | 60 | 0 |
| **TOTAL REVENUE** | **167** | **0** | **167** | **0** | **294** | **0** | **294** | **0** | **294** | **0** |
| **NET EXPENDITURE (REVENUE)** | **2,882** | **46** | **2,822** | | **3,134** | **46** | **3,162** | **46** | **3,231** | **46** |

**Note:**

*Included in the Total Outputs is an amount of £481k which is recharges between Heads of expenditure and Trading Accounts.*

# HEAD 16

## JUDICIAL SERVICES

## ACCOUNTING OFFICER:
## CHIEF MAGISTRATE

## HEAD 16: JUDICIAL SERVICES

Accounting Officer: Chief Magistrate

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 |
|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | |
| Justice Administration | 147 | 0 | 147 | 0 | 151 | 155 | 158 |
| **TOTAL OUTPUTS** | **147** | **0** | **147** | **0** | **151** | **155** | **158** |
| **REVENUE BY OUTPUT** | | | | | | | |
| Justice Administration | 36 | 0 | 36 | 0 | 38 | 38 | 38 |
| **TOTAL REVENUE** | **36** | **0** | **36** | **0** | **38** | **38** | **38** |
| **NET EXPENDITURE (REVENUE)** | **111** | **0** | **111** | **0** | **113** | **117** | **120** |

**Note:**

*Included is an amount of £15k which is recharges between Heads of expenditure and Trading Accounts.*

# HEAD 17

## TREASURY

## ACCOUNTING OFFICER:
## DEPUTY FINANCIAL SECRETARY

**Overview**

The Treasury works on behalf of the Governor, the Minister responsible for finance and the Financial Secretary to oversee and drive the efficient and effective management of public finances in St Helena. Our purpose is to ensure that all Government revenues are collected promptly, all transactions and financial activities are accounted for accurately, all financial management reports and advice is provided to decision makers timeously and the assets and liabilities of the Government are managed appropriately.

We are responsible for ensuring that there is a robust system of internal controls that ensure the delivery of the Government's objectives as they relate to the management of public finances and lead on a number of strategic projects for the Island that seek to improve Public Financial Management in St Helena and the management of Fiduciary Risks.

We deliver this work through five core teams: Central Finance, Corporate Procurement, Customer Services Centre, Income Tax and Social Security. Together we aim to provide a service that is focused on meeting the needs of our customers and at the same time ensuring that proper, robust systems are in place that safeguard public funds and assets from misuse and misappropriation.

Three priorities supports the delivery of the SHG Vision and Strategy 2026 -2029 and achievement of the Strategic Goals, Outcomes and Objectives.

**Priorities**

Priority 1 - Strengthen Public Financial Management and Accountability.

Priority 2 - Secure and protect key revenue streams.

Priority 3 - Invest in our teams to improve capacity and capability.

**Summary of Budgeted Expenditure and Revenue for 2026/27**

| | Recurrent Expenditure £'000 | Capital Expenditure £'000 | Revenue £'000 | Surplus/(Deficit) £'000 |
|---|---|---|---|---|
| Treasury | 1,146 | 0 | 14,818 | 13,672 |
| DC Pension Scheme Payments | 1,087 | 0 | 0 | (1,087) |
| Payments on behalf of the Crown | 5,379 | 0 | 35,535 | 30,156 |
| **TOTAL** | **7,612** | **0** | **50,353** | **42,741** |

## HEAD 17: TREASURY

Accounting Officer: Deputy Financial Secretary

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 |
|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | |
| Management of Social Security | 46 | 0 | 46 | 0 | 50 | 50 | 50 |
| Revenue Services | 115 | 0 | 115 | 0 | 150 | 218 | 234 |
| Central Finance | 646 | 0 | 646 | 0 | 677 | 677 | 677 |
| Post & Customer Services Centre | 191 | 0 | 191 | 0 | 210 | 212 | 214 |
| Payments on behalf of the Crown | 7,825 | 0 | 10,440 | 0 | 6,466 | 6,680 | 6,697 |
| Corporate Procurement Services | 52 | 0 | 52 | 0 | 59 | 58 | 58 |
| **TOTAL OUTPUTS** | **8,875** | **0** | **11,490** | **0** | **7,612** | **7,895** | **7,930** |
| **REVENUE BY OUTPUT** | | | | | | | |
| Revenue Services | 13,619 | 0 | 13,619 | 0 | 14,723 | 15,236 | 15,633 |
| Post & Customer Services Centre | 93 | 0 | 93 | 0 | 95 | 95 | 95 |
| Payments on behalf of the Crown | 33,749 | 0 | 37,899 | 0 | 35,535 | 37,123 | 37,888 |
| **TOTAL REVENUE** | **47,461** | **0** | **51,611** | **0** | **50,353** | **52,454** | **53,616** |
| **NET EXPENDITURE (REVENUE)** | **(38,586)** | **0** | **(40,121)** | **0** | **(42,741)** | **(44,559)** | **(45,686)** |

**Note:**

*1. Included in the Total Outputs is an amount of £419k which is recharges between Heads of expenditure and Trading Accounts.*

*2. Included in the revenues above are the following: FCDO Financial Aid £34,343k, Customs Duty £5,780k and Taxes £8,589k.*

# HEAD 18

# POLICE OPERATIONS

## ACCOUNTING OFFICER: CHIEF OF POLICE

## HEAD 18: POLICE OPERATIONS

Accounting Officer: Chief of Police

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 |
|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | |
| Police Operations - St Helena Island | 698 | 0 | 758 | 0 | 806 | 901 | 901 |
| Police Operations - Ascension Island | 196 | 0 | 218 | 0 | 0 | 0 | 0 |
| **TOTAL OUTPUTS** | **894** | **0** | **976** | **0** | **806** | **901** | **901** |
| **REVENUE BY OUTPUT** | | | | | | | |
| Police Operations - St Helena Island | 189 | 0 | 189 | 0 | 213 | 213 | 213 |
| Police Operations - Ascension Island | 196 | 0 | 196 | 0 | 0 | 0 | 0 |
| **TOTAL REVENUE** | **385** | **0** | **385** | **0** | **213** | **213** | **213** |
| **NET EXPENDITURE (REVENUE)** | **509** | **0** | **591** | **0** | **593** | **688** | **688** |

**Note:**

*1. Ascension Island Police Operations, formerly under Head 18, are now excluded from the Consolidated Fund.*
*2. Included in the Total Output is an amount of £81k which is recharges between Trading Accounts.*
*3. Included in revenue under Police Operations for St Helena Island is the Road Traffic Licenses of £205k.*

# HEAD 19

## ECONOMIC DEVELOPMENT

ACCOUNTING OFFICER:
PORTFOLIO DIRECTOR
ECONOMIC DEVELOPMENT

### Overview

The role of the Economic Development Portfolio is to facilitate sustainable economic development as outlined in the Sustainable Economic Development Plan 2023-2033. The Portfolio manages and delivers some specific strategic projects and programmes, including the Tourism Development Programme, Telecommunications Programme, and Financial Services and Company Registry Development Programme.

The portfolio has six priorities which will support the delivery of the SHG Vision and Strategy 2026 -2029 and achievement of the Strategic Goals, Outcomes and Objectives.

### Portfolio Priorities

Priority 1 - An open an accessible island - Open and accessible for people and culture, capital and finance.
Priority 2 - A productive island - Increase productivity, labour force participation and capital investment.
Priority 3 - A breath of fresh air - Preserve and celebrate what makes us unique.
Priority 4 - A united island - Ensure everyone shares in the benefit.
Priority 5 - Effective infrastructure - Growth is supported by better infrastructure.
Priority 6 - Make St Helena Government a facilitator of business.

### Summary of Budgeted Expenditure and Revenue for 2026/27

| | Recurrent Expenditure £'000 | Capital Expenditure £'000 | Revenue £'000 | Surplus/(Deficit) £'000 |
|---|---|---|---|---|
| Economic Development | 226 | 0 | 0 | (226) |
| Financial Services & Company Registry Development | 320 | 0 | 0 | (320) |
| Tourism | 624 | 0 | 0 | (624) |
| Civil Aviation | 1,980 | 125 | 0 | (2,105) |
| Airport Operations | 3,165 | 0 | 3,165 | 0 |
| Property | 166 | 0 | 292 | 126 |
| **TOTAL** | **6,481** | **125** | **3,457** | **(3,149)** |

## HEAD 19: ECONOMIC DEVELOPMENT

Accounting Officer: Portfolio Director Economic Development

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Capital 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Capital 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 | Estimate Capital 2028/29 £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | | | | |
| Economic Development | 202 | 0 | 178 | 0 | 226 | 0 | 623 | 0 | 727 | 0 |
| Financial Services & Company Registry Development | 320 | 0 | 320 | 0 | 320 | 0 | 320 | 0 | 320 | 0 |
| Visitor Information Service | 74 | 0 | 74 | 0 | 74 | 0 | 74 | 0 | 74 | 0 |
| Tourism Development Programme | 500 | 0 | 500 | 0 | 550 | 0 | 550 | 0 | 550 | 0 |
| Civil Aviation & Shipping | 1,714 | 250 | 2,176 | 0 | 1,980 | 125 | 2,074 | 433 | 2,557 | 257 |
| Airport Operations | 2,995 | 0 | 2,995 | 0 | 3,165 | 0 | 3,198 | 0 | 3,256 | 0 |
| Crown Estates & Land Registration | 102 | 0 | 126 | 0 | 166 | 0 | 167 | 0 | 167 | 0 |
| **TOTAL OUTPUTS** | **5,907** | **250** | **6,369** | **0** | **6,481** | **125** | **7,006** | **433** | **7,651** | **257** |
| **REVENUE BY OUTPUT** | | | | | | | | | | |
| Airport Operations | 2,995 | 0 | 2,995 | 0 | 3,165 | 0 | 3,198 | 0 | 3,256 | 0 |
| Crown Estates & Land Registration | 263 | 0 | 263 | 0 | 292 | 0 | 298 | 0 | 311 | 0 |
| **TOTAL REVENUE** | **3,258** | **0** | **3,258** | **0** | **3,457** | **0** | **3,496** | **0** | **3,567** | **0** |
| **NET EXPENDITURE (REVENUE)** | **2,649** | **250** | **3,111** | **0** | **3,024** | **125** | **3,510** | **433** | **4,084** | **257** |

**Note:**

*1. Included in the Total Outputs is an amount of £50k which is recharges between Heads of expenditure and Trading Accounts.*

*2. Included in the revenue above is FCDO Financial Aid for operational costs to St Helena Airport £3,165k.*

# HEAD 20

## PENSIONS AND BENEFITS

## ACCOUNTING OFFICER:
## DEPUTY FINANCIAL SECRETARY

## HEAD 20: PENSIONS AND BENEFITS

Accounting Officer: Deputy Financial Secretary

**Pensions and Benefits provides for statutory payments. Pensions are payable in accordance with the Pensions Ordinance 2012, to persons with qualifying service in the Saint Helena Government. The social benefits, Basic Island Pension and Income Related Benefit are awarded to eligible claimants under the authority of the Social Security Ordinance 2010.**

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 |
|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | |
| Defined Benefit Pension | 1,806 | 0 | 1,806 | 0 | 1,811 | 1,861 | 1,911 |
| Basic Island Pension | 3,214 | 0 | 3,214 | 0 | 3,254 | 3,298 | 3,347 |
| Income Related Benefit | 1,169 | 0 | 1,169 | 0 | 1,235 | 1,235 | 1,235 |
| **TOTAL OUTPUTS** | **6,189** | **0** | **6,189** | **0** | **6,300** | **6,394** | **6,493** |
| **NET EXPENDITURE (REVENUE)** | **6,189** | **0** | **6,189** | **0** | **6,300** | **6,394** | **6,493** |

**Note:** *Head 20 Pensions and Benefits is not required to be appropriated from the Consolidated Fund under the Appropriation Ordinance as these payments are authorised under the Pensions Ordinance 2012 and Social Security Ordinance 2010 respectively.*

# HEAD 22

## EDUCATION, SKILLS AND EMPLOYMENT

ACCOUNTING OFFICER:
PORTFOLIO DIRECTOR
EDUCATION, SKILLS AND EMPLOYMENT

**Overview**

The role of the Education, Skills & Employment Portfolio is to ensure that education services are provided to meet the needs of the people of St Helena and support the economic and human capital development of the island. A key focus of the Portfolio is to implement the recommendations of the St Helena Education Review 2025, deliver the primary school reorganisation and working to secure COBIS standards in our schools.

As part of core education provision, four schools provide full-time compulsory schooling for children from five to sixteen years of age under the Education Ordinance (2008). This is supported by the Teacher Training and Inclusion Sectors. The St Helena Public Library Service is also a core service.

The Portfolio also provides a range of non-core services which include Early Years education for children from age three, sixth form education for eligible sixteen to eighteen year olds, management of tertiary education and operation of the Lifelong Learning Sector which encompasses the St Helena Community College, Career Access St. Helena and the St. Helena Research Institute.

The Portfolio has six priorities which will support the delivery of the SHG Vision and Strategy 2026 -2029 and achievement of the Strategic Goals, Outcomes and Objectives.

**Portfolio Priorities**

Priority 1 - Complete the school reorganisation project in line with the recommendations of the 2024/5 review.

Priority 2 - Complete the post 16 review and implement the recommendations that come from that.

Priority 3 - Improve the quality of education by increasing the number of well qualified staff and gaining COBIS accreditation (by 2028), improving educational outcomes for all.

Priority 4 - Improve our status and profile in the wider research and Higher Education arena.

Priority 5 - Improve the safety and safeguarding of children in and out of school.

Priority 6 - Build an inclusive educational system which is to the benefit of all cohorts of children.

**Summary of Budgeted Expenditure and Revenue for 2026/27**

| | Recurrent Expenditure £'000 | Capital Expenditure £'000 | Revenue £'000 | Surplus/(Deficit) £'000 |
|---|---|---|---|---|
| Education, Skills and Employment | 4,184 | 0 | 1 | (4,183) |

## HEAD 22: EDUCATION, SKILLS AND EMPLOYMENT

Accounting Officer: Portfolio Director Education, Skills and Employment

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 |
|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | |
| Management and Administration | 163 | 0 | 163 | 0 | 202 | 268 | 366 |
| Vocational Education | 424 | 0 | 424 | 0 | 502 | 510 | 510 |
| Key Stage 1 | 0 | 0 | 0 | 0 | 486 | 498 | 499 |
| Key Stage 2 | 0 | 0 | 0 | 0 | 565 | 600 | 601 |
| Pilling Primary and Pre-school | 335 | 0 | 335 | 0 | 0 | 0 | 0 |
| Harford Primary and Pre-school | 349 | 0 | 349 | 0 | 0 | 0 | 0 |
| St Paul's Primary and Pre-School | 362 | 0 | 362 | 0 | 0 | 0 | 0 |
| Secondary Education | 1,058 | 0 | 1,058 | 0 | 1,123 | 1,125 | 1,128 |
| Inclusion | 312 | 0 | 312 | 0 | 425 | 430 | 430 |
| Education Standard Support | 434 | 0 | 334 | 0 | 436 | 462 | 462 |
| Education Reform | 250 | 0 | 250 | 0 | 263 | 288 | 313 |
| Teacher Training | 65 | 0 | 65 | 0 | 57 | 79 | 79 |
| Tertiary Education | 85 | 0 | 85 | 0 | 86 | 130 | 128 |
| Public Library | 34 | 0 | 34 | 0 | 39 | 39 | 40 |
| **TOTAL OUTPUTS** | **3,871** | **0** | **3,771** | **0** | **4,184** | **4,429** | **4,556** |
| **REVENUE BY OUTPUT** | | | | | | | |
| Vocational Education | 1 | 0 | 1 | 0 | 1 | 1 | 1 |
| Secondary Education | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **TOTAL REVENUE** | **1** | **0** | **1** | **0** | **1** | **1** | **1** |
| **NET EXPENDITURE (REVENUE)** | **3,870** | **0** | **3,770** | **0** | **4,183** | **4,428** | **4,555** |

**Note:**

*1. Appropriated under Head 22 are new Outputs called Key Stage 1 and Key Stage 2 to replace the previous Primary and Pre-School Outputs*

*2. Included in the Total Outputs is an amount of £398k which is recharges between Heads of expenditure and Trading Accounts.*

# HEAD 23

## HEALTH AND SOCIAL CARE

## ACCOUNTING OFFICER:
## PORTFOLIO DIRECTOR
## HEALTH & SOCIAL CARE

**Overview**

The Health and Social Care Portfolio is responsible for the delivery of all primary health, secondary health and social care needs on the island.

The Portfolio has six priorities which will support the delivery of the SHG Vision and Strategy 2026 -2029 and achievement of the Strategic Goals, Outcomes and Objectives.

**Portfolio Priorities**

Priority 1 - Ensure a safe statutory offer for children and adults.

Priority 2 - Primary prevention and management of chronic diseases.

Priority 3 - Provide evidence based primary secondary and tertiary healthcare.

Priority 4 - Provide a health and social care governance system.

Priority 5 - Statutory Probation service delivery.

Priority 6 - Delivery of core and preventative health services.

**Summary of Budgeted Expenditure and Revenue for 2026/27**

| | Recurrent Expenditure £'000 | Capital Expenditure £'000 | Revenue £'000 | Surplus/(Deficit) £'000 |
|---|---|---|---|---|
| Health Services | 4,713 | 6 | 308 | (4,411) |
| Aero Medical Evacuation | 380 | 0 | 0 | (380) |
| Overseas Medical Treatment | 2,419 | 0 | 15 | (2,404) |
| Children and Adult Social Care | 4,096 | 0 | 208 | (3,888) |
| Better Life Allowance | 258 | 0 | 0 | (258) |
| **TOTAL** | **11,866** | **6** | **531** | **(11,341)** |

## HEAD 23: HEALTH AND SOCIAL CARE

Accounting Officer: Portfolio Director Health & Social Care

| | Estimate Recurrent 2025/26 £'000 | Estimate Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Capital 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Capital 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 | Estimate Capital 2028/29 £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | | | | |
| Management & Administration | 348 | 0 | 382 | 0 | 394 | 0 | 395 | 0 | 406 | 0 |
| Local Medical | 1,540 | 237 | 2,083 | 100 | 2,068 | 0 | 2,156 | 237 | 2,224 | 1,326 |
| Overseas Medical | 2,344 | 0 | 2,785 | 0 | 2,824 | 0 | 3,145 | 0 | 3,195 | 0 |
| Hospital/Acute Care | 699 | 0 | 761 | 0 | 963 | 0 | 1,036 | 0 | 1,045 | 0 |
| Community Care (Primary Care) | 212 | 15 | 224 | 15 | 237 | 0 | 238 | 0 | 238 | 0 |
| Dental | 139 | 0 | 152 | 0 | 156 | 0 | 162 | 0 | 163 | 0 |
| Environmental Health | 208 | 12 | 212 | 12 | 211 | 6 | 211 | 5 | 211 | 0 |
| Laboratory | 320 | 0 | 378 | 0 | 366 | 0 | 365 | 0 | 411 | 0 |
| Hospital Resilience | 105 | 0 | 107 | 0 | 118 | 0 | 119 | 0 | 120 | 0 |
| Mental Health | 98 | 0 | 101 | 0 | 175 | 0 | 252 | 0 | 253 | 0 |
| Social Care Support Services | 46 | 0 | 46 | 0 | 49 | 0 | 50 | 0 | 50 | 0 |
| Learning Disabilities | 175 | 0 | 200 | 0 | 205 | 0 | 207 | 0 | 208 | 0 |
| Supported Accommodation (Family Centre) | 115 | 0 | 120 | 0 | 130 | 0 | 130 | 0 | 130 | 0 |
| Sheltered Accommodation | 324 | 0 | 401 | 0 | 402 | 0 | 402 | 0 | 403 | 0 |
| Community Care | 1,366 | 0 | 1,739 | 0 | 1,750 | 0 | 1,762 | 0 | 1,763 | 0 |
| Domiciliary Care | 410 | 0 | 429 | 0 | 442 | 0 | 446 | 0 | 450 | 0 |
| Probation Services | 13 | 0 | 13 | 0 | 15 | 0 | 15 | 0 | 15 | 0 |
| Safe Haven & Children's Residential Services | 98 | 0 | 189 | 0 | 162 | 0 | 191 | 0 | 192 | 0 |
| Children Services | 257 | 0 | 275 | 0 | 279 | 0 | 280 | 0 | 281 | 0 |
| Adult Services | 838 | 0 | 979 | 0 | 920 | 0 | 944 | 0 | 944 | 0 |
| **TOTAL OUTPUTS** | **9,655** | **264** | **11,576** | **127** | **11,866** | **6** | **12,506** | **242** | **12,702** | **1,326** |

## HEAD 23: HEALTH AND SOCIAL CARE

Accounting Officer: Portfolio Director Health & Social Care

| | Estimate Recurrent 2025/26 £'000 | Estimate Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Capital 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Capital 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 | Estimate Capital 2028/29 £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUE BY OUTPUT** | | | | | | | | | | |
| Management & Administration | 0 | 0 | 0 | 0 | 13 | 0 | 13 | 0 | 13 | 0 |
| Local Medical | 60 | 0 | 60 | 0 | 120 | 0 | 121 | 0 | 122 | 0 |
| Overseas Medical | 15 | 0 | 15 | 0 | 15 | 0 | 16 | 0 | 16 | 0 |
| Hospital/Acute Care | 42 | 0 | 42 | 0 | 89 | 0 | 92 | 0 | 93 | 0 |
| Dental | 26 | 0 | 26 | 0 | 37 | 0 | 37 | 0 | 38 | 0 |
| Environmental Health | 7 | 0 | 7 | 0 | 10 | 0 | 10 | 0 | 10 | 0 |
| Laboratory | 40 | 0 | 40 | 0 | 39 | 0 | 42 | 0 | 46 | 0 |
| Supported Accommodation | 7 | 0 | 7 | 0 | 12 | 0 | 12 | 0 | 12 | 0 |
| Sheltered Accommodation | 16 | 0 | 16 | 0 | 16 | 0 | 16 | 0 | 16 | 0 |
| Community Care | 94 | 0 | 94 | 0 | 150 | 0 | 154 | 0 | 157 | 0 |
| Domiciliary Care | 0 | 0 | 0 | 0 | 30 | 0 | 60 | 0 | 62 | 0 |
| **TOTAL REVENUE** | **307** | **0** | **307** | **0** | **531** | **0** | **573** | **0** | **585** | **0** |
| **NET EXPENDITURE (REVENUE)** | **9,348** | **264** | **11,269** | **127** | **11,335** | **6** | **11,933** | **242** | **12,117** | **1,326** |

**Note:**

1. *Included in the Total Outputs is an amount of £777k which is recharges between Heads of expenditure and Trading Accounts.*
2. *Included in Overseas Medical Output above is £380k for Aero Medical Evacuation and £2,419k for Overseas Medical Treatment.*

# HEAD 26

ENVIRONMENT, NATURAL RESOURCES
AND PLANNING

ACCOUNTING OFFICER:
PORTFOLIO DIRECTOR
ENVIRONMENT, NATURAL RESOURCES
& PLANNING

**Overview**

The Environment, Natural Resources and Planning Portfolio's mission is to protect and enhance our natural environment through sustainable growth of our natural capital, through providing professional and resourceful services. The portfolio has responsibility for programmes in agriculture, forestry, biosecurity, environmental protection and risk management, water and energy policy, terrestrial conservation, marine and fisheries conservation, marine compliance and enforcement, and a land planning and building control service.

The portfolio has six priorities which will support the delivery of the SHG Vision and Strategy 2026 -2029 and achievement of the Strategic Goals, Outcomes and Objectives..

**Portfolio Priorities**

Priority 1 - Protect the natural environment by conserving biodiversity, preventing, minimising or mitigating against any negative activity and or impact to conserve and enhance the Island's natural capital. This includes increasing our capacity to safeguard natural habitats and save critically endangered species.

Priority 2 - Manage our natural resources sustainably to increase food production (agricultural and fisheries related) and provide forestry services and products.

Priority 3 - Implement an effective land planning and building control system in support of sustainable development and economic growth.

Priority 4 - Safeguard St Helena through implementing a robust biosecurity system and reducing the environmental impact of invasive species.

Priority 5 - Facilitate actions to ensure at least 80% of demand on the Island is served by renewable energy and deliver reform of St Helena's energy regulatory framework to accommodate current and future developments in the sector.

Priority 6 - Facilitate development and implementation of a long term water resource management plan for St Helena.

**Summary of Budgeted Expenditure and Revenue for 2026/27**

| | Recurrent Expenditure £'000 | Capital Expenditure £'000 | Revenue £'000 | Surplus/(Deficit) £'000 |
|---|---|---|---|---|
| Environment, Natural Resources and Planning | 1,975 | 0 | 141 | (1,834) |

## HEAD 26: ENVIRONMENT, NATURAL RESOURCES AND PLANNING

Accounting Officer: Portfolio Director, Environment Natural Resources & Planning

| | Original Recurrent 2025/26 £'000 | Original Capital 2025/26 £'000 | Revised Recurrent 2025/26 £'000 | Revised Capital 2025/26 £'000 | Estimate Recurrent 2026/27 £'000 | Estimate Recurrent 2027/28 £'000 | Estimate Recurrent 2028/29 £'000 |
|---|---|---|---|---|---|---|---|
| **EXPENDITURE BY OUTPUT** | | | | | | | |
| Management & Administration | 133 | 0 | 119 | 0 | 129 | 129 | 130 |
| Forestry | 248 | 0 | 262 | 0 | 313 | 313 | 313 |
| Marine and Fisheries Enforcement | 90 | 0 | 81 | 0 | 90 | 90 | 90 |
| Biosecurity Services | 58 | 0 | 60 | 0 | 80 | 79 | 80 |
| Agricultural Support | 299 | 0 | 310 | 0 | 350 | 353 | 353 |
| Grounds Maintenance | 51 | 0 | 49 | 0 | 57 | 48 | 48 |
| Planning & Development Control | 94 | 0 | 93 | 0 | 113 | 111 | 111 |
| Upkeep of Public Facilities & Areas | 46 | 0 | 41 | 0 | 38 | 39 | 39 |
| Environmental Protection | 74 | 0 | 62 | 0 | 79 | 79 | 80 |
| Terrestrial Conservation | 174 | 0 | 174 | 0 | 198 | 189 | 189 |
| Marine Conservation | 87 | 0 | 89 | 0 | 131 | 116 | 116 |
| Environmental Risk Management | 369 | 0 | 405 | 0 | 397 | 404 | 404 |
| **TOTAL OUTPUTS** | **1,723** | **0** | **1,745** | **0** | **1,975** | **1,950** | **1,953** |
| **REVENUE BY OUTPUT** | | | | | | | |
| Forestry | 22 | 0 | 22 | 0 | 22 | 22 | 22 |
| Marine and Fisheries Enforcement | 25 | 0 | 25 | 0 | 25 | 25 | 25 |
| Biosecurity Services | 1 | 0 | 1 | 0 | 1 | 1 | 1 |
| Agricultural Support | 50 | 0 | 50 | 0 | 62 | 62 | 62 |
| Planning & Development Control | 9 | 0 | 9 | 0 | 21 | 21 | 21 |
| Environmental Protection | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Environmental Risk Management | 10 | 0 | 10 | 0 | 10 | 10 | 10 |
| **TOTAL REVENUE** | **118** | **0** | **118** | **0** | **141** | **141** | **141** |
| **NET EXPENDITURE (REVENUE)** | **1,605** | **0** | **1,627** | **0** | **1,834** | **1,809** | **1,812** |

**Note:**

*Included in the Total Outputs is an amount of £359k which is recharges between Heads of expenditure and Trading Accounts.*

St Helena
Government

# ANNEX A: SHG VISION AND STRATEGY 2026 – 2029

St Helena is a unique and special place to call home, defined by its strong sense of community, rich heritage, extraordinary natural environment, and people who consistently demonstrate resilience, kindness and determination. While these strengths provide firm foundations for our future, we face a complex set of interconnected social, economic and environmental challenges that must be addressed if we are to secure the island's long-term sustainability, prosperity and the well-being of our community.

These challenges include our remoteness and small size, rising costs of living, an ageing and declining population, labour shortages, fragile infrastructure, and the need to reverse long-term trends that threaten the island's sustainability and create the conditions for sustainable population and economic growth. These pressures reinforce one another: population decline reduces the labour force, skills base, tax base and long-term resilience of our community; weaknesses in key systems can undermine confidence; environmental degradation threatens water, food and health security; and uncertainty about the future can contribute to outward migration.

By working together, we can address these challenges, build on our strengths, invest in our people and environment, and focus on long-term solutions, to build a stronger, more inclusive and resilient St Helena for current and future generations.

This Vision and Strategy sets out a clear path to first stabilise these trends and begin to reverse them over time.

St Helena's future will not be secured through a single intervention or short-term initiative. It will be achieved through sustained effort, partnership and investment, building on the strengths that have enabled our community to endure and adapt throughout its history.

**Our vision is for a fair, inclusive, more resilient St Helena, confident in its future, responsible in its stewardship and united in purpose to become a sustainable thriving community with people at its heart.**

We aspire to be a community:

- where every person is valued, has the opportunity to live a healthy and fulfilling life;
- where all children and learners - including those with additional educational needs - have equitable access to high-quality education, support, and opportunity;
- where families are supported, businesses can grow, and the environment and our heritage are protected as strategic assets.
- where government is open, accountable, and responsive, and people feel informed, heard, and able to influence decisions that affect their lives.

<u>At its heart, this strategy is about creating the conditions for people to choose St Helena as a place to live, learn, work, visit, invest, raise a family and build a future.</u>

## OUR APPROACH

We recognise that rebuilding confidence will require phased reform, a clear focus on what is affordable and sustainably delivered within our financial and institutional capacity and a greater emphasis on resilience, prevention and self-resilience where appropriate .

We also recognise:

- the increasing costs of service delivery, particularly in health and social care;
- the impact of a shrinking workforce; and
- the pressures arising from global economic conditions, including costs of fuel, disruptions to global supply chains, and the availability of pharmaceuticals.

This requires careful prioritisation, reform of how services are delivered, and a stronger focus on long-term sustainability.

## STRATEGIC THEMES

The strategy is built around three interconnected themes shaped by the voices and experiences of St Helenians:

1. **Stabilising the Population and Labour Market:** Creating conditions for people to stay, return, and contribute through fulfilling careers, skills development, and fair access to services.
2. **Protecting Living Standards and Core Services:** Ensuring immediate support for those under pressure, while reforming health, social care, education, and infrastructure for long-term sustainability.
3. **Enabling Sustainable, Locally Driven Growth:** Diversifying the economy, investing in digital and physical infrastructure, and working with businesses, investors and community organisations to develop productive economic sectors which safeguard the environment as a strategic asset, and create an enabling environment for growth.

Key actions include aligning education and workforce planning with current and future needs, commitment to partnership with the community in preventative healthcare, investing in utilities, and public service modernisation. The strategy also recognises the need for incremental tax and revenue reform and disciplined public financial management. The Strategy will suport initiatives already underway, such as the continued implementation of the Tourism Development Programme, Company Registry and Financial Services Development Programme, and completion of the long overdue immigration reforms. It also seeks to explore new areas of Government intervention, with fresh thinking already commenced with the fishery, in high value agriculture, wharf redevelopment, and on expanding the St Helena Research Institute.

## IMPLEMENTATION

Implementation is aligned to Strategic Outcomes and Objectives - see Annex A - and will be phased, with clear milestones and measurable deliverables. Government will communicate openly about progress and constraints, adapt as needed based on evidence and lived experience. Delivery will require strong collaboration across Government, businesses, community and voluntary organisations, investors and residents. We will work in partnership across portfolios, communities, business and civil society, creating opportunities for public engagement, participation and feedback throughout implementation.

Government recognises that long-term sustainability cannot be achieved solely through increasing taxation on a shrinking workforce. It requires a broader and fairer revenue base, improved compliance, growth-linked revenues and disciplined public financial management. Delivery also requires strong collaboration across Government, business, community and voluntary organisations, investors and residents.

By focusing first on stabilising people's lives and rebuilding trust, while strengthening the foundations of our economy, services, and environment, we will build confidence in St Helena's future, step by step, and together.

## Key Priorities 2026–2029

Following on from the above, the Government will focus on nine cross government priorities:

1. Stabilise the rate of outward migration and support labour market needs
2. Improve health, wellbeing and prevention outcomes
3. Reform education and build the future workforce
4. Invest in utilities and infrastructure
5. Enable sustainable, locally driven economic growth
6. Grow revenues fairly and sustainably
7. Reform and strengthen the public service to support effective, transparent and accountable governance
8. Safeguard the environment, heritage and culture as strategic assets
9. Protect living standards

Together, these priorities reflect a balanced and realistic approach - stabilising the present, reforming key systems, and building the foundations for a more resilient, inclusive, and confident St Helena.

Specific actions that will be undertaken in support of the priorities are set out in the table below. They will inform key performance indicators that will be monitored, with progress reports being published on a quarterly basis.

| KEY PRIORITIES | STRATEGIC OUTCOME | We will undertake the following key actions:- |
|---|---|---|
| 1.Stabilise the rate of outward migration and support labour market needs | 2. People on St Helena have the skills and confidence to adapt, thrive, and contribute to the island's future through higher-quality, inclusive & lifelong education.<br>3. People live in inclusive and safe communities, with fair access to adequate housing, essential services, and opportunities for civic participation and social connection.<br>7. The island has an inclusive, sustainable and locally driven economy, creating fair opportunities for decent work, business growth and enterprise across all communities. | 1. Finalise and enact amendments to Immigration Ordinance<br>2. Develop and implement a comprehensive monitoring and evaluation plan for the Labour Market Strategy 2025 - 2030.<br>3. Develop policy on investment visas and remote worker visas<br>4. Progress double tax agreements and other policies that enable more freedom to work on St Helena<br>5. Develop and implement a 3-year marketing strategy to ensure alignment with organisational goals |
| 2.Improve health, wellbeing and prevention outcomes | 1. People living healthier longer, supported by financially sustainable health and social care services that are accessible, equitable, preventative and person-centred.<br>10. Communities feel safe and confident in the systems that | 6. Establish service improvement standards<br>7. Review & implementation of strengthened mental health service provision following UKHSA strategy work<br>8.Provide routine specialist secondary/ tertiary care<br>9. Undertake elective surgery<br>10. Maintain access to GP services<br>11. Assess feasibility & success of diabetes remission and prevention pilot programmes |

| | | |
|---|---|---|
| | protect them, with justice and security delivered through collaborative approaches and trusted institutions. Children and vulnerable adults are effectively safeguarded through coordinated, multi-agency prevention, early intervention and support services. | 12. Comply with Adults and Childcare procedures in line with legislation and good practice |
| 3. Reform education and build the future workforce | 2. People on St Helena have the skills and confidence to adapt, thrive, and contribute to the island's future through higher-quality, inclusive & lifelong education.<br>7. The island has an inclusive, sustainable and locally driven economy, creating fair opportunities for decent work, business growth and enterprise across all communities. | 13.Open two new schools (KS1 and KS2) with facilities which are compliant with agreed COBIS standards<br>14. Complete a post-16 education review which includes careers education and pathways across qualifications that also supports the Labour Market Strategy by September 2026<br>15. Strengthen educational quality and outcomes by ensuring an increase in the proportion of teaching staff with appropriate professional qualifications from 90% of staff with Level 4 to 40% of staff with Level 5 by 2029. Reduce the number of classes taught by locally trained teachers below Level 4, who are working towards professional teaching qualifications<br>16. Establish a University College on St Helena building on the already existing Research Institute and fostering economic benefits and entrepreneurship<br>17. All senior leaders in the Portfolio trained to Level 3 Designated Safeguarding Lead by September 2026.<br>18. Develop cross-portfolio collaboration to create a neurodevelopmental support pathway |
| 4. Invest in utilities and infrastructure | 3. People live in inclusive and safe communities, with fair access to adequate housing, | 19. Ensure telecommunications licensing framework protects the consumer, and ensure fair pricing for the economy<br>20. Upgrade the island's local communications network |

| | | |
|---|---|---|
| | essential services, and opportunities for civic participation and social connection.<br><br>5. The island has secure, efficient and environmentally responsible energy, water and resource systems that strengthen climate resilience and help stabilise the cost of living.<br>8. Modern, resilient infrastructure and technology supporting cyber security, productivity connectivity and social wellbeing across St Helena. | 21. Improve St Helena's energy resilience through increased energy generation from renewables<br>22. Review and reform St Helena's energy regulatory framework<br>23. Strengthen St Helena's long-term water security and resilience through implementation of a new Water Resources Management Plan<br>24. Continue to repair roads infrastructure<br>25. Delivery of the Wharf Development Programme |
| 5. Enable sustainable, locally driven economic growth | 6. St Helena operates within ecological limits, with more sustainable patterns of consumption, production and waste that meet human needs while protecting the environment.<br>7. The island has an inclusive, sustainable and locally driven economy, creating fair opportunities for decent work, business growth and enterprise across all communities | 26. Through the Tourism Strategy, continue to commercialise the sector through growing the Destination Management industry<br>27. Deliver reforms in financial services regulation to enable enhanced access to banking services<br>28. Use the innovation fund and other initiatives to assist the private sector in creating projects with investable equity that creates real returns for investors<br>29. Develop new incentives to encourage capital investment and market the island to encourage Foreign Direct Investment<br>30. Undertake fisheries sector review and develop and implement a new fisheries sector policy for St Helena, with a view to developing our offshore fisheries to enable enhanced, sustainable, commercialisation in the sector |

| | | |
|---|---|---|
| | 8. Modern, resilient infrastructure and technology supporting cyber security, productivity connectivity and social wellbeing across St Helena. | 31. Establish and implement a new Agriculture Policy and provide effective underpinning legislation for sustainable agriculture through review and reform of St Helena's agricultural legislation<br>32. Facilitate the development and implementation of data protection legislation<br>33. Development and implementation of a revised Land Development Control Plan |
| 6.Grow revenues fairly and sustainably | 9. Government operates transparently, efficiently and sustainably, delivering value for money and trusted public services | 34. Through the property disposal plan, market opportunities that promote adaptive re-use of built heritage and enable commercial opportunities to be available from heritage assets<br>35. Undertake a comprehensive review of the tax administration function to strengthen the collection of income tax revenue for the Government<br>36. Develop an overarching tax policy for SHG and lead the implementation of the Government's tax policy programme |
| 7. Reform and strengthen the public service to support effective, transparent and accountable governance | 9. Government operates transparently, efficiently and sustainably, delivering value for money and trusted public services | 37. Deliver and embed a comprehensive People Strategy<br>38. Implement Digital Transformation Strategy within approved funding envelope<br>39. Implement the PFM Reform Programme<br>40. Supply spatial analysis and accessible data so policy makers, portfolios and the public can make evidence-based decisions.<br>41. Increase multi-agency working across the Emergency Services<br>42. Embed Risk management in decision making allowing for more effective allocation of limited resources.<br>43. Monitor and evaluate SHG communications through public feedback, media analysis, and surveys to identify areas for improvement and ensure maximum impact. |
| 8. Safeguard the environment, heritage and culture as strategic assets | 4. St Helena's heritage, culture, natural landscapes, land, ocean and biodiversity are protected and restored for current and | 44. Develop and implement an Environment Strategy.<br>45. Management Plans in place for all of St Helena's terrestrial National Conservation Areas (NCAs) |

| | | |
|---|---|---|
| | future generations through strong partnerships and responsible stewardship. | 46. Reform St Helena's environmental protection legislation (EPO) through improvements to the primary Ordinance and establishing regulations to give effect to priority areas of the Ordinance<br>47. Develop and implement an environmental assessment framework (EAF) for projects, programmes, policies and activities with associated awareness raising<br>48. Strengthen St Helena's biosecurity legislative framework through establishment of a dedicate Biosecurity Ordinance and supporting Regulations. |
| 9. Protect living standards | 3. People live in inclusive and safe communities, with fair access to adequate housing, essential services, and opportunities for civic participation and social connection.<br>5. The island has secure, efficient and environmentally responsible energy, water and resource systems that strengthen climate resilience and help stabilise the cost of living.<br>9. Government operates transparently, efficiently and sustainably, delivering value for money and trusted public services | 49. Implement new social security regulation changes to reflect outcome of pensions review.<br>50. Manage an effective property service and develop a housing strategy that is evidence based, sustainable, and responsive to the current and future needs of the population over a 10-year period<br>51. Provide social and economic statistics that are fit for purpose.<br>52. Review the Public Transport Service |

**ANNEX A - STRATEGIC OUTCOMES AND OBJECTIVES 2026 – 2029**

| STRATEGIC OUTCOMES | STRATEGIC OBJECTIVES |
|---|---|
| **People – Healthy, Educated, and Secure Communities** | |
| 1. People living healthier longer, supported by financially sustainable health and social care services that are accessible, equitable, preventative and person-centred. | 1. Improved health & social outcomes for all<br>2. Data driven planning and delivery of services for prevention & management of NCDs.<br>3. Effective primary, secondary & tertiary healthcare provision |
| 2. People on St Helena have the skills and confidence to adapt, thrive, and contribute to the island's future through higher-quality, inclusive & lifelong education | 1. Education provision meets COBIS and safeguarding standards<br>2. Educational outcomes improve towards UK average benchmarks<br>3. On island skills availability better aligned with labour market needs<br>4. Increased focus and participation in lifelong learning and vocational pathways<br>5. Schools are compliant and operationally consistent in safeguarding practices<br>6. . Early years and Additional Educational Needs (AEN) provision strengthened |
| 3. People live in inclusive and safe communities, with fair access to adequate housing, essential services, and opportunities for civic participation and social connection. | 1. Adequate, and affordable housing supply expanded<br>2. Adequate and affordable access to water and sanitation services<br>3. Improved access to affordable digital connectivity<br>4. Access to reliable and affordable energy<br>5. Waste collected and managed in line with SHG Waste Management Strategy<br>6. Access to safe, inclusive and accessible public spaces for all |
| Place - Protected and Sustainable Environment | |
| 4. St Helena's heritage, culture, natural landscapes, land, ocean and biodiversity are protected and restored for current and future generations through strong partnerships and responsible stewardship. | 1. Effective prevention of marine and terrestrial pollution<br>2. Effective management and protection and regeneration of marine and coastal ecosystems supports ecosystem services.<br>3. Effective conservation, regeneration and use of terrestrial ecosystems supports ecosystem services and water security<br>4. Energy and water use per capita maintained at baseline level or below<br>5. Invasive species, biosecurity and disease risks are better controlled<br>6. Sustainable land management |

| | |
|---|---|
| 5. The island has secure, efficient and environmentally responsible energy, water and resource systems that strengthen climate resilience and help stabilise the cost of living. | 1. St Helena energy needs met<br>2. Renewable energy generation expanded<br>3. Energy supply is reliable and more resilient to shocks<br>4. Energy is affordable<br>5. More efficient use of energy<br>6. Water resource management strengthened through water resource strategy and delivery plan<br>7. Resource efficiency and circular economy opportunities developed |
| 6. St Helena operates within ecological limits, with more sustainable patterns of consumption, production and waste that meet human needs while protecting the environment. | 1. Reduce our consumption of imported diesel<br>2. Increased recycling and reduced landfill<br>3. Reduce reliance on imported food<br>4. Increased availability of good quality, affordable healthy locally produced food<br>5. More sustainable agriculture<br>6. More sustainable fishing<br>7. Improved stewardship of agriculture land |
| Prosperity – Resilient and Inclusive Economy | |
| 7. The island has an inclusive, sustainable and locally driven economy, creating fair opportunities for decent work, business growth and enterprise across all communities. | 1. Slow the decline in the working-age population and strengthen labour market participation<br>2. Increase in tourist sector<br>3. Enhanced ability to attract new streams of revenue<br>4. Increase in locally generated revenue<br>5. Establish a post 16 Institution on island to help meet local vocational, academic & research led development needs<br>6. Increase in number of leisure arrivals<br>7. Increase in proportion of GDP attributable to private sector activity<br>8. Increase in proportion of GDP attributable to exports<br>9. Effective and efficient marketing of St Helena as a place to visit, live, work and invest |
| 8. Modern, resilient infrastructure and technology supporting cyber security, productivity connectivity and social wellbeing across St Helena. | 1. Adequate, safe, reliable and resilient roads/bridges infrastructure<br>2. Adequate, safe, reliable and resilient buildings<br>3. Effective rock guard protection to mitigate evacuation risks to the community<br>4. Robust IT infrastructure supporting and safeguarding delivery of public services |

| Governance – Accountable, Responsive, and Trusted Leadership | |
|---|---|
| 9. Government operates transparently, efficiently and sustainably, delivering value for money and trusted public services | 1. The right number of staff with the right skills and support to deliver services<br>2. Efficient and effective e-government services available<br>3. Effective use of public finances: procurement, financial management and asset planning strengthened<br>4. Improved financial and budget information<br>5. Effective revenue collection<br>6. Effective liability management (e.g pensions)<br>7. Robust statistical data to inform decision making<br>8. GIS fully embedded to inform decision making<br>9. Efficient and effective programme/project management<br>10. Efficient and effective communications that support SHG's overarching Strategic Outcomes and Objectives<br>11. Partnership working with UK and donors aligned to long-term strategy |
| 10. Communities feel safe and confident in the systems that protect them, with justice and security delivered through collaborative approaches and trusted institutions. Children and vulnerable adults are effectively safeguarded through coordinated, multi-agency prevention, early intervention and support services | 1. All emergency/rescue services meeting required standards in safeguarding St Helena<br>2. Compliant and effective prison capacity and operations<br>3. Effective compliant data protection against cyber crime<br>4. Effective compliant maritime policies and operations for a safe and economically productive maritime sector<br>5. Effective community policing<br>6. Effective border security, meeting the Immigration Policy objectives<br>7. Effective disaster management and emergency planning to safeguard the community<br>8. Children are kept safe in and out of school<br>9. Effective maintenance of SHG vehicle fleet including heavy equipment to ensure CNI (critical national infrastructure) operability |
| These Strategic Outcomes and Objectives translate the Government's vision into measurable change in people's lives, the sustainability of the island's environment, and the resilience of the economy. Together they guide portfolio planning, budget prioritisation and external partnership engagement over the period 2026–2029. | |

# ANNEX B:

# DETAILS OF SIGNIFICANT POLICY DECISIONS

# ESTIMATES OF RECURRENT AND CAPITAL EXPENDITURE AND REVENUE

# 2026/27 — 2028/29

## DECISIONS AFFECTING RECEIPTS

Since the 2025/26 Budget, the government has made the following significant decisions affecting SHG receipts.

**Table A1: Summary of policy decisions affecting receipts**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| **Head 17: Treasury –** | | | | |
| 2.2% increase in alcohol duty (indexation) | 0 | 20 | 20 | 20 |
| 4.2% increase in tobacco duty (indexation plus 2% points) | 0 | 45 | 45 | 45 |
| Introduction of duty on vaping fluids | 0 | 11 | 43 | 43 |
| **Total** | **0** | **76** | **108** | **108** |

## Decisions affecting receipts in detail

### *Head 17: Treasury — Increases in alcohol and tobacco duty*

The rates of import duty on alcohol and tobacco products were reviewed by the Treasury.

**Impact on receipts**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| 2.2% increase in alcohol duty (indexation) | 0 | 20 | 20 | 20 |
| 4.2% increase in tobacco duty (indexation plus 2% points) | 0 | 45 | 45 | 45 |

As in prior years, the government considered increasing the rate of import duty on alcohol and tobacco products.  It decided to increase alcohol duty by 2.2%, the rate of inflation in the quarter proceeding the decision to increase alcohol duties. Tobacco duties were increased by more, reflecting the harm done by tobacco. These increases are designed to discourage harmful tobacco and alcohol consumption. These changes apply to importations that occurred on or after 1 April 2026.

### *Head 17: Treasury — Introduction of duty on vaping fluids*

The government introduced of an import tax on fluids associated with e-cigarettes. Electronic cigarettes, or vapes, are a common and increasingly popular substitute for tobacco.  The health effects of vaping are not yet fully known or understood, but it is likely that vaping has detrimental health effects, relative to not smoking or vaping at all.  Moreover, in other jurisdictions vaping has been identified as a pathway to tobacco smoking amongst younger people.  So SHG has introduced duties on vaping.

**Impact on receipts**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Introduction of duty on vaping fluids | 0 | 11 | 43 | 43 |

E-cigarettes containing nicotine approved by the UK's medicine regulator - the Medicine and Healthcare product Regulatory Agency (MHRA) now attract a duty of £1.00 per 10 ml of liquid. E-cigarettes containing no nicotine also attract this duty. E-cigarettes containing nicotine that have not been approved by MHRA attract a duty of £5.00 per 10 ml of liquid. The rates were set to encourage people to vape rather than smoke tobacco products, but to discourage vaping compared to not vaping at all.  These changes apply to importations that occurred on or after 1 April 2026.

## DECISIONS AFFECTING PAYMENTS

Since the 2025/26 Budget, the government has made the following significant decisions affecting SHG payments.

**Table A2: Summary of policy decisions affecting payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| **Head 12: Central Support Service —** | | | | |
| Safeguarding Board | 0 | 20 | 30 | 52 |
| Development & Implementation of Data Protection Legislation | | 15 | 249 | 249 |
| **Head 17: Treasury —** | | | | |
| Child Benefit Policy | 0 | 82 | 217 | 217 |
| Taxation Administration Reform | 0 | 40 | 95 | 110 |
| Mitigation of fuel price crisis (Subsidy to Connect Saint Helena) | 0 | 172 | 0 | 0 |
| **Head 19: Economic Development —** | | | | |
| Agriculture Development Programme | 0 | 50 | 412 | 516 |
| Financial Support for small and medium enterprises | 0 | 25 | 0 | 0 |
| **Head 26: Environment Natural Resources and Planning —** | | | | |
| Additional funding for improving control and management of invasive species | 0 | 70 | 70 | 70 |
| **Total** | **0** | **474** | **1,073** | **1,214** |

## Decisions affecting payments in detail

### *Head 12: Central Support Service — Safeguarding Board*

The government will provide funding to Central Support Services to establish the Safeguarding Board as an independent body, separating it from the Health and Social Care Portfolio.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Safeguarding Board | 0 | 20 | 30 | 52 |

The additional funding will ensure full independence from the Health and Social Care Portfolio, enabling objective and effective scrutiny of practices across all disciplines.

### *Head 12: Central Support Service — Data Protection Legislation*

Following the Executive Council's approval of the Data Protection Policy in October 2024, the government has allocated funding to support the upcoming drafting and development of St Helena's data protection legislation.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Development & Implementation of Data Protection Legislation | 0 | 15 | 249 | 249 |

The additional funding is necessary to enable the implementation of policy/legislation within St Helena Government.  This includes two permanent posts and operational costs.

### *Head 17: Treasury — Child Benefit Policy*

The government agreed to introduce a child benefit payment to support families with children aged 0 to 5 years inclusive. Its policy intention is to improve the financial situation of families with children.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Child Benefit Tax Policy | 0 | 82 | 217 | 217 |

This additional funding targets fiscal resources to parents with additional costs at a time in the family cycle when extra is needed, and to the next generation. It provides stability when incomes fluctuate, and 'follows the child' through changes in family partnership status. Child benefit is tangible evidence of the value society places on children, not just as an investment but also in their own right. Whether or not it is a universal benefit, it provides financial support for low-income households with children, including those on social security (IRB).

### *Head 17: Treasury — Taxation Administration Reform*

The government will provide additional funding to the Treasury for taxation administration reform to improve tax collection.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Taxation Administration Reform | 0 | 40 | 95 | 110 |

The additional funding will aim to increase staff capacity, enhance audit capabilities, and modernize systems to reduce revenue leakage and improve compliance improvements in tax collection.

### *Head 17: Treasury — Mitigation of fuel price crisis*

The government decided to incorporate the Fuel Risk Share Mechanism into the allocation for subsidy to Connect Saint Helena Ltd in the budget.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Mitigation of fuel price crisis | 0 | 172 | 0 | 0 |

In 2019/20 financial year, a Fuel Risk Share mechanism was put in place with Connect as part of their subsidy agreement, whereby SHG agreed to provide additional subsidy to cover the additional cost of fuel for electricity generation if the wholesale price of diesel excluding import duty goes above a base price agreed as part of the budget process. If the price of fuel dipped below the base price, Connect would reduce their subsidy requirement by an equivalent amount.

The government has decided to specifically set aside funding to mitigate the increased cost of fuel on electricity tariffs.

### *Head 19: Economic Development — Agriculture Development Programme*

The Economic Development Portfolio has been allocated additional funding for the delivery of improved agriculture.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Agricultural development programme interventions | 0 | 50 | 412 | 516 |

The additional funding will support agricultural development and help establish agriculture as a significant and sustainable pillar of the island's economy.

### *Head 19: Economic Development — Financial Support for Small and Medium Enterprises*

The Economic Development Portfolio has been allocated additional funding to provide financial support for small and medium enterprises.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Grant scheme for enterprises | 0 | 25 | 0 | 0 |

This funding will provide a grant scheme for small and medium enterprises to improve private productivity, strengthen business growth, and enhance the contribution of the private sector to the island's economy.

### *Head 26: Environment Natural Resources and Planning — Improving control and management of invasive species*

The government has provided funding for improving control and management of invasive species.

**Impact on payments**

| | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|---|---|---|---|---|
| Improving control and management of invasive species | 0 | 70 | 70 | 70 |

This funding is necessary to improve pasture for livestock production within the SHG agricultural estate allowing SHG to perform appropriate stewardship functions for its key livestock assets and contributing to agricultural and environmental outcomes for the community.

# ANNEX C:

# ECONOMIC DEVELOPMENT INVESTMENT PLAN (EDIP) INDICATIVE PIPELINE

# 2026/27 — 2028/29

## ANNEX C: ECONOMIC DEVELOPMENT INVESTMENT PLAN (EDIP) INDICATIVE PIPELINE

The EDIP programme is managed through the relevant programme boards. These report to the steering committee, comprising Ministers, Senior SHG and FCDO officials. EDIP projects are jointly approved by Ministers and the Senior Responsible Owner in FCDO.

The FCDO has confirmed an additional £40 million in EDIP funding up to 2029. Combined with unspent funding from the original EDIP programme allocation, approximately £45 million is available over the next three years, which could be £15 million per annum. There are a number of key projects which are already in progress such as the new prison, the completion of the new Bulk Fuel Installation (BFI) and the primary school reorganisation project. These commitments have already been approved.

The table below provides the initial indicative budgets that will be allocated to the projects that are in the pipeline. Detailed business cases will be required to support the approval of each infrastructure project. Planning is further advanced in years one and two, and work is underway to confirm these estimates. Additional work is in progress on the pipeline for year three. **To reiterate, these estimates are presented for illustrative purposes at this time and should not be considered final budgeted figures.**

There will be an element of over programming to ensure that the full allocation is spent in each year, as there is little to no discretion to roll over unspent funding from one year to the next.

**Table C1. EDIP indicative pipeline**

| Project | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 | Total £'000 |
|---|---|---|---|---|
| Resources | 527 | 392 | 95 | **1,014** |
| Telecoms - Resources | 156 | | | **156** |
| Fuel Resources | 209 | 159 | | **368** |
| Ruperts Cargo Handling Facility | 103 | | | **103** |
| R2 - Side Path & Field Road | 28 | | | **28** |
| Bulk Fuel Infrastructure | 5,830 | 5,229 | | **11,059** |
| New Prison | 2,565 | 6,878 | 4,328 | **13,771** |
| Primary School Reorganisation Key Stage 1 | 1,068 | 807 | | **1,875** |
| Primary School Reorganisation Key Stage 2 | 107 | 715 | 763 | **1,585** |
| Wastewater HTH | 201 | 604 | | **805** |
| Wastewater Jamestown | 116 | 177 | 548 | **841** |
| Water Security | 22 | | | **22** |
| St Helena Secondary School Fencing | 25 | | | **25** |
| New Bridge | 30 | | | **30** |
| Other Bridges | 50 | | | **50** |
| Telecoms | 1,600 | | | **1,600** |
| Renewable Energy Phase 1 | 960 | 5,440 | | **6,400** |
| **Total** | **13,597** | **20,401** | **5,734** | **39,732** |

# ANNEX D:

# BRITISH INDIAN OCEAN TERRITORY (BIOT) SPENDING AND INDICATIVE PIPELINE

# 2026/27 — 2028/29

## ANNEX D BRITISH INDIAN OCEAN TERRITORY FUNDING

St Helena Government received £6.65 million from the UK Government under an arrangement concerning potential future migrants from the British Indian Ocean Territory (BIOT). Formalised in 2024, the agreement provides support for St Helena in health, education and IT. The UK Government committed a one-off £6.65 million package to support the following areas.

**Table D1: Support for SHG priorities from initial BIOT Funding**

| Support for implementation of Strategic Priorities | £ million |
|---|---|
| Improvements in preventative health services | 1.5 |
| Improvements in education | 2.0 |
| Internal IT infrastructure improvement | 1.5 |
| Clearing the overseas medical referral waiting list | 1.65 |
| **Total Allocation** | **6.65** |

Portfolios began planning and spending this funding in the 2025/26 financial year. An Oversight Group, comprising relevant ministers and senior officials, oversees the use of these funds in line with business cases prepared by portfolios, setting out intended use and expected benefits.

Following further negotiations with the UK Government, the existing Memorandum of Understanding (MOU) was extended to April 2028. Under this extension, the UK Government has committed a further one-off payment of **£8 million** to support the Government’s strategic priorities, including improved health and education outcomes and investment in telecommunications and renewable energy infrastructure. SHG will also receive an additional one-off unrestricted ex-gratia payment of **£250,000**.

Actual spend for 2025/26 and indicative future spend are summarised in the table below. A further £800,000 has been set aside as a drawdown fund to help SHG prepare for any future migrant arrivals. The funding will support suitable accommodation, IT system and data protection upgrades, training for immigration officials, and a dedicated project manager.

**Table D2: Actual Spend form 2024 BIOT Agreement and Indicative Spend from 2026 BIOT agreement**

| Strategic Priority Area | 2025/26 Actual £'000 | 2026/27 Indicative £'000 | 2027/28 Indicative £'000 | 2028/29 Indicative £'000 | 2029/30 Indicative £'000 | 2030/31 Indicative £'000 | Total Forecast £'000 |
|---|---|---|---|---|---|---|---|
| **Health** | | | | | | | |
| Preventative Healthcare Strategy Implementation (BIOT 1) | 36 | 337 | 180 | 237 | 237 | 473 | **1,500** |
| Clearing the Backlog in Overseas Medical Referrals (BIOT 1)** | 947 | 641 | 62 | 0 | 0 | 0 | **1,650** |
| Overseas Medical Referrals (BIOT 2) | 0 | 500 | 500 | 0 | 0 | 0 | **1,000** |
| Health Essential Equipment Replacement Programme (BIOT 2) | 0 | 1,000 | 0 | 0 | 0 | 0 | **1,000** |
| **Education** | | | | | | | |
| Improvements in Education - Additional teaching capacity (BIOT 1) | 390 | 798 | 812 | 0 | 0 | 0 | **2,000** |
| Implementation of COBIS standards (BIOT 2) | 0 | 300 | 1,000 | 1,000 | 0 | 0 | **2,300** |
| **IT** | | | | | | | |
| SHG's Digital Strategy (BIOT 1) | 512 | 0 | 0 | 0 | 0 | 0 | **512** |
| Replacement of legacy devices (BIOT 1) | 0 | 988 | 0 | 0 | 0 | 0 | **988** |
| **Telecommunications and Renewable Energy Investments (BIOT 2)** | 0 | 700 | 3,000 | 0 | 0 | 0 | **3,700** |
| **Totals (BIOT 1 and 2)** | **1,885** | **5,264** | **5,554** | **1,237** | **237** | **473** | **14,650** |

Note ** The 2025/26 spend includes funding for urology equipment, ophthalmology equipment for diabetic eye care, and the restoration and modernisation of audiology services in St Helena, aimed at reducing future overseas medical treatment.