

ST. HELENA
LEGISLATIVE COUNCIL

THE SPEAKER

The Honourable Eric William Benjamin

EX-OFFICIO MEMBERS

The Honourable Chief Secretary	-	Mr Roy Burke
The Honourable Financial Secretary	-	Mr Dax Richards

ELECTED MEMBERS

The Honourable Cruyff Gerard Buckley
The Honourable Wilson Charles Duncan
The Honourable Gavin George Ellick
The Honourable Cyril Robert George
The Honourable Lawson Arthur Henry
The Honourable Brian William Isaac
The Honourable Christine Lilian Scipio O'Dean
The Honourable Bernice Alicia Olsson
The Honourable Dr Corinda Sebastiana Stuart Essex
The Honourable Derek Franklin Thomas
The Honourable Pamela Ward Pearce

CLERK OF COUNCILS

Mrs Carol George

PROCEEDINGS OF THE LEGISLATIVE COUNCIL

Thursday, 30th March, 2017

The Council met at 10.00 am
in the Council Chamber, Jamestown

(The Speaker in the Chair)

ORDER OF THE DAY**1. FORMAL ENTRY OF THE PRESIDENT****2. PRAYERS**
(The Right Reverend Bishop Fenwick)**3. ADDRESS BY THE PRESIDENT**

Honourable Members, Ladies and Gentlemen, good morning, and welcome to this first sitting of the nineteenth meeting of Legislative Council. May I first thank all who have assisted in the preparation for today and those persons who will continue to assist us throughout the Legislative Council meeting, and, in particular, I wish to thank South Atlantic Media for relaying these proceedings to the general public. We sincerely appreciate the work that you do to ensure that the business of this House runs smoothly and efficiently.

I welcome to our meeting Mrs Carol George who has been appointed Clerk of Councils for this meeting today as this post has recently become vacant, and here, let me, on behalf of Council, place on record our sincere thanks to our former Clerk of Councils, Miss Gina Benjamin, for her past valued services to this Council. In particular, I would like to thank her personally for the support that she has given to me in my role as Speaker. That support is appreciated by us all and we wish her well.

There were no attendances at overseas meetings by any of our Members since our last formal meeting to report, Honourable Members, and as this Council is nearing dissolution Honourable Members future attendances are likely to be selective and minimal.

At this time of year, it is normal to expect a lengthy two-day sitting of this Council. However, in the absence of a budget discussion today this is likely to be a shorter meeting, but the business before this Council today, Honourable Members, is, however, equally important as our Order Paper will show. There are ten Sessional Papers to present, six Questions for oral answers and four Motions, two of which are Bills for an Ordinance, one to authorize the use of money from the Consolidated Fund and the other to ratify an Order made by the Governor in Council. The meeting will draw to a close with the normal Adjournment

Debate. So, Honourable Members, I wish you well in your deliberations and before I invite the Clerk to call the next item of business I wish to inform you that I have given permission for some photographs to be taken here, unless Members have any objection. Any objections? No. Clerk of Councils?

4. PAPERS

SP No. 4/2017 – The Honourable Brian Isaac.

The Speaker –
Honourable Brian Isaac?

The Hon. Brian Isaac –
Mr Speaker, I beg to present Sessional Paper No. 4/2017 – St Helena Government – English Law (Application) Ordinance, 2005, the Sexual Offences Act (Application) (Amendment) Order, 2017.

Ordered to lie on the table.

SP No. 12/2017 – The Honourable Financial Secretary.

The Speaker –
The Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I beg to present Sessional Paper No. 12/2017 entitled Follow-up on previously issued Value for Money and Performance Audit recommendations.

Ordered to lie on the table.

SP No. 13/2017 – The Honourable Financial Secretary.

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I beg to present Sessional Paper No. 13/2017 entitled St Helena Government – Schedule of Special Warrants.

Ordered to lie on the table.

SP No. 14/2017 – The Honourable Financial Secretary.

The Hon. Dax Richards –
Mr Speaker, I beg to present Sessional Paper 14/2017 entitled the St Helena Government Rollover Budget 2017/2018.

Ordered to lie on the table.

SP No. 15/2017 – The Honourable Financial Secretary.

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I beg to present Sessional Paper 15/2017 entitled St Helena Government – Update to the St Helena Government Responses to Recommendations following the adoption of the Public Accounts Committee Reports laid before Legislative Council on 9th December 2016.

Ordered to lie on the table.

SP No. 16/2017 – The Honourable Financial Secretary.

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I beg to present Sessional Paper No. 16/2017 entitled Government of St Helena – a Bill for an Ordinance – The Income Tax (Amendment) Bill, 2017 and Mr Speaker, I also have the Certificate of Urgency from Her Excellency the Governor.

The Speaker –
Thank you. May I see, please?

Ordered to lie on the table.

SP No. 17/2017 – The Honourable Pamela Ward Pearce.

The Speaker –
Honourable Pamela Ward Pearce?

The Hon. Pamela Ward Pearce –

Mr Speaker, I beg to move that the Road Traffic (Amendment) Bill, 2017, sorry, I present Sessional Paper, I beg your pardon, I'll start again.

Mr Speaker, I beg to present Sessional Paper No. 17/2017 entitled Road Traffic (Amendment) Bill, 2017 and also that I have a Certificate of Urgency signed by the Governor for this.

The Speaker –
May I please see it. Thank you.

Ordered to lie on the table.

SP No. 18/2017 – The Honourable Chief Secretary.

The Speaker –
Honourable Chief Secretary?

The Hon. Roy Burke –

Mr Speaker, I beg to present Sessional Paper No. 18/2017 – Proceedings of the Legislative Council – Friday, 9th December 2016, First Sitting of the Seventeenth Meeting.

Ordered to lie on the table.

SP No. 19/2017 – The Honourable Chief Secretary.

The Speaker –

The Honourable Chief Secretary?

The Hon. Roy Burke –

Mr Speaker, I beg to present Sessional Paper 19/2017 – Proceedings of the Legislative Council – Monday, 12th December 2016 – Second Sitting of the Seventeenth Meeting.

Ordered to lie on the table.

SP No. 20/2017 – The Honourable Chief Secretary.

The Speaker –

The Honourable Chief Secretary?

The Hon. Roy Burke –

Mr Speaker, I beg to present Sessional Paper 20/2017 – Proceedings of the Legislative Council – Tuesday, 13th December 2016 – Third Sitting of the Seventeenth Meeting.

Ordered to lie on the table.

The Speaker –

Will the Clerk call the next item of business, please?

5.

QUESTIONS

Question No. 1 – The Honourable Christine Scipio O’Dean to ask the Honourable Chairman of the Economic Development Committee.

The Speaker –

The Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. Will the Honourable Chairman of the Economic Development Committee tell this House how much funding has been spent by St Helena Government, inclusive of Enterprise St Helena, within the last three financial years on inward investment?

The Speaker –

Thank you, Madam. The Honourable Chairman of the Economic Development Committee?

The Hon. Lawson Henry (Chairman, Economic Development Committee) –

Mr Speaker, I would like to thank the Honourable Member for her question. It is difficult to say exactly how much money has been spent on the last three years on inward investment as there are a number of officers whose time would not be easily attributable to the work done of encouraging inward investment and there would be no record of apportioning of this time in either SHG or ESH. It has, however, been possible to directly apportion costs associated with certain activities in ESH. It is estimated that over that three-year period, SHG/ESH have spent in the region of £375k on activities to encourage inward investment. These include representation in both South Africa and London offices, attending various events, the Investor Prospectus, website upgrades and due diligence checks on potential investors. Mr Speaker.

The Speaker –

Thank you, Honourable Member. Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. Mr Speaker, will the Honourable Chairman of Economic Development Committee tell this House what has been the return on this £375k investment and what are the tangible outputs for St Helena?

The Speaker –

The Honourable Chairman of Economic Development Committee?

The Hon. Lawson Henry –

Mr Speaker, a key theme and area focused for ESH since its inception has been economic development, supported with increased investment levels. To this end, ESH has been monitoring progress against three indicators as follows – (1) the number of investors secured; (2) the number of land and property transactions facilitated by ESH; and, (3) the number of capital investments generated by pounds by ESH, FDI and local private investor sector only does not account any public funds. Whilst ESH has continued to promote the island to potential investors there have also been a significant drive to encourage local investment and to this end ESH has reviewed its grant policies which in turn have seen a good uptake by local businesses. On the inward investment front, progress has been less visible and whilst there has been a reasonable level of interest shown; there were seventy general investment queries resulting from the various investor promotion events. In the main, these have not progressed and this is largely because of the uncertainties around the start of scheduled air services to the island. For the period in question, ESH was able to facilitate the following – four foreign investors secured, two within tourism and hospitality sector, one in the business sector and a further investor via a private land transaction where the investor has indicated that the purpose of purchasing the property and land is for agricultural and tourism development. In the latter case, ESH assisted this foreign investor in securing an Immigrants Land-holding Licence. ESH has facilitated three land transactions, two SHG and one private. The amount of investment secured from two investments is £600k, the investment relating to the private transaction is undisclosed, the other land transactions have been dealt with directly by SHG.

The Speaker –

Thank you, Honourable Member. The Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. Will the Honourable Chairman of Economic Development Committee tell this House what provision has been made for inward investment for the next financial year?

The Speaker –
Honourable Chairman?

The Hon. Lawson Henry –
ESH has projected the following spend on attracting inward investment for the new financial year 2017/18: UK Rep - £48k, SA Rep - £24k, enabling an investor promotion - £100k, total - £172k. Thank you.

The Speaker –
Thank you, Honourable Member. Any further questions? Clerk, call the next question, please?

Question No. 2 – The Honourable Christine Scipio O’Dean to ask the Honourable Financial Secretary.

The Speaker –
The Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –
Thank you, Mr Speaker. Mr Speaker, will the Honourable Financial Secretary give this Council an update on the operation and effectiveness of ASYCUDA?

The Speaker –
The Honourable Financial Secretary?

The Hon. Dax Richards (Financial Secretary) –
Mr Speaker, I’d like to thank the Honourable Member for her question. Mr Speaker, the ASYCUDA project came into effect from June 2016 where we all will remember well the teething issues that we had on the first couple of voyages. We have learned a lot from those experiences and we have tinkered with the system and processes behind the scenes to improve the customer experience at the wharf. As with most change, it will take time for this to embed itself, but I am confident that eight months on, ASYCUDA has been able to achieve some of the benefits that was originally envisaged from the project. We now have adopted a method that is internationally recognised where the manifest data is the fundamental document on which the system is based and all entries are processed. This is a significant change to what we did before and we now have traceability of each and every container that comes ashore and to its contents. The use of one of the modules in ASYCUDA allows shipping agents, such as Solomon’s, to collect freight charges before issuing of goods and weigh bills, so it is not only a benefit to the Customs Service but also to other agencies as well. We now have uniquely configured harmonized system codes that reflects unique duty rates that have been approved by Legislative Council and the world Customs Organisation. The HS Codes, which is the harmonized system codes, will ensure accurate detail data when reports are generated on imports and exports. These codes replace the old SITC codes. There are now faster clearance times as tally clerks are no longer needed to tally every piece of cargo from a container. Customs use risk assessment techniques to improve Customs

clearance times. In the initial stages of the project, a declaration would take time to create, especially for the larger importers. However, users confidence is on the increase and we are seeing that traders are taking advantage of functions within ASYCUDA that allow them to retrieve previous declarations, tweak those and then resubmit them without having to start all over from scratch, so they are now slowly getting used to all of the capabilities that ASYCUDA can actually provide. To minimize internet costs for users, the declaration pro application, which is an optional tool that works in conjunction with ASYCUDA, has been provided to users free of charge for the first year and we are working with the developer to source perpetual licenses for all users, is what we're trying to get to. There was no transparency in the old cash collection process and there was the potential for collusion amongst officers. This process has been simplified via ASYCUDA accounts module. The accounts module allows management to monitor staff movements effectively with appropriate levels of segregation of duties. Mr Speaker, one of our most common figuring complaints was the physical connectivity to the system, from users outside of the Customs Terminal especially. It was slow processing and some users were indicating that they were unable to gain access at all, but in order to provide an effective and efficient service, we have increased the size of the dedicated internet line and to date the feedback from users has been very positive with little or no complaints regarding the connectivity issues that we had when we originally implemented the system.

Since the introduction of standard operating procedures in ASYCUDA, Customs procedures in general have also improved and are more in line with international best practice. Manuals have been created for each module that is utilized in ASYCUDA and provides step by step instructions and screen checks to show how effectively to use the system. This, coupled with the ongoing training of new and existing users and businesses will ensure that the integrity of the system is maintained.

Another one of the key benefits is that the credit account facility will only allow traders to have a certain level of credit. If this credit line is breached, then ASYCUDA will not allow any further entries to be processed until payments have been received. This is a huge help for Customs in monitoring the outstanding debts and also customers to monitor their own credit lines with SHG.

ASYCUDA has also presented the opportunity for private individuals to set up and operate privately owned brokerage businesses. To date, one private individual has been operating a successful business and accommodates a large percentage of the smaller businesses on island. The individual showed willingness to take on two overseas consolidators as an island agent and we look to start when they actually start importing goods in the not too distant future. Two other private individuals have enquired and have indicated they are also interested in being brokers for the system and they will be registering with Customs in the not too distant future. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Financial Secretary. Honourable Christine Scipio O'Dean?

The Hon. Christine Scipio O'Dean –

Thank you, Mr Speaker and I'd also like to thank the Financial Secretary for a very comprehensive answer to my original question, but, Mr Speaker, can the Financial Secretary share with this House any statistics that have been viewed within the last quarter?

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I'd be happy to share with the House any statistics that we've been able to generate in the last quarter, obviously those would have to be redacted and then we can forward them around to Members for their information to see the level of statistical data that we're actually achieving from ASYCUDA.

The Speaker –

Thank you, Honourable Financial Secretary. Honourable Christine Scipio O'Dean?

The Hon. Christine Scipio O'Dean –

Thank you, Mr Speaker. Can the Honourable Financial Secretary tell this House if St Helena Government has been able to make any savings in staff costs and how much extra revenue has been collected since the implementation of ASYCUDA?

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. We don't envisage actually making any staff savings as a result of ASYCUDA, we actually do envisage having an increased number of staff on the wharf as we start to use some of the other functionality of ASYCUDA, such as the risk assessments and also using, looking at the post clearance Audit work, so once we start to implement new features within ASYCUDA we'll actually be looking to take on new staff. In terms of how much money that we've been able to generate, well, that's really the million dollar question, I would suggest, for ASYCUDA, but the simple answer at this stage is that we cannot say, but we will have a better idea once we've been able to compare more than one year's data, so as we get past this financial year and we start to go into the next financial year we will have a better understanding of the data that's coming out of the system. What we can say, however, is that we are confident that we are now capturing all of the imports and as a result we are collecting all the revenues associated with those imports, but we will continue to look for and implement continuous improvement plans for ASYCUDA and also for Customs as a whole.

The Speaker –

Thank you, Honourable Member. Honourable Christine Scipio O'Dean?

The Hon. Christine Scipio O'Dean –

Thank you, Mr Speaker. Will the Honourable Secretary tell this House if there are any processes in place where the ASYCUDA system is reviewed on a regular basis to identify gaps and where necessary actions will be taken if required?

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker and I thank the Member for her supplementary question. Mr Speaker, we recognise that we should be constantly reviewing our services to the customer and with the introduction of any new system we should review what we have done, understand any gaps, learn from our mistakes and take corrective action to make the system better. With that in mind, we intend to carry out a user survey prior to the one-year

anniversary of the introduction of ASYCUDA and this will give us an opportunity to assess how effective the system has been. Thank you.

The Speaker –

Thank you, Honourable Member. Are there any other questions for the Honourable Financial Secretary? No. Clerk.

Question No. 3 – The Honourable Christine Scipio O’Dean to ask the Honourable Chairman, Social and Community Development Committee.

The Speaker –

Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. Mr Speaker, will the Honourable Chairman of the Social and Community Development Committee tell this House what recommendations from the Roy Sainsbury report have been implemented during 2016/17 and what recommendations will be implemented for the next financial year?

The Speaker –

Thank you, Honourable Member. The Honourable Chairman of Social and Community Development Committee?

The Hon. Brian Isaac (Chairman, Social and Community Development Committee) –

Mr Speaker, I thank my Honourable Friend for raising this very important concern, question. At March 2016 meeting of the Social and Community Development Committee, the former Government Economist met to provide an update on implementation of the Sainsbury recommendations. In summary, out of the original twenty-five recommendations, ten have been fully implemented, six have been considered by the Committee as no longer appropriate, five require further work and prioritization in future years and four have been implemented but require ongoing work as and when other recommendations were implemented. No further recommendations were implemented during this financial year, only the continuation of previous implemented recommendations. There are no plans to implement any further Sainsbury recommendations in the current form as these recommendations will now form part of the consideration in the Social Protection Review due to take place in 2017/18 financial year. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Chairman. Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. Mr Speaker, will the Honourable Chairman of Social Community Development Committee tell this House what are the ten recommendations that has been fully implemented from the Roy Sainsbury report?

The Speaker –

Honourable Chairman?

The Hon. Brian Isaac –

Thank you, Mr Speaker. A summary of the ten recommendations implemented: Adopting a Minimum Standard approach as the basis for setting and upgrading benefit levels; (2) change the basic IRB awards from household to family; (3) undertaking further work on a possible shared household deduction to take into account the economy of scale of people living together and sharing household costs; (4) introduce a Basic Island Pension decision making protocol to establish a clear and accountable process for collecting and considering evidence and for making decisions; (5) consider the feasibility and timing of a review of the stock of Basic Island Pension awards based on the decision making protocols ensuring that the complaint and appeal procedures are more widely understood and the proper implementations so that the Claims Officer and staff are not inappropriately approached by clients and their representatives; (6) provide Claim Office staff with comprehensive and up to date administrative instructions; (7) allow a great range of evidence of work, caring or being disabled; (9) count work after the age of sixty-five towards qualifying years; and, (10) adopt the principle of the balance of probability as the standards of proof in Social Security decision making. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Chairman. Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. Mr Speaker, the Honourable Chairman of Social and Community Development Committee indicated in his response that the Committee has decided that six of the recommendations will no longer be appropriate, Mr Speaker, I can ask if the Honourable Social and Community Development, Chairperson of the Social and Community Development Committee I must say, excuse me, tell this House what are those six recommendations and also provide an explanation as to why the Committee decided that they are no longer appropriate? Thank you.

The Speaker –

Honourable Chair?

The Hon. Brian Isaac –

Thank you, Mr Speaker and I thank my Honourable Friend once again. Summary of the six recommendations considered no longer appropriate. (1) undertake further work on options whether or not to increase the income of transitional protection recipients in recognition of rising prices; (2) extend the Basic Island Pension entitlement to people who have worked fewer than twenty years on St Helena; (3) remove the rule imposing loss of entitlement for claimants off island for over ninety days; (4) abolishing, reducing in Basic Island Pension awards for claimants receiving a pension from other sources; (5) introduce a new conditional regime for Income Related Benefits that replicate and extend the requirements on the current unemployment allowance recipients; and, (6) merge unemployment allowance and Income Related Benefits. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Chairman. Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. I’d like to thank the Honourable Brian Isaac for explaining the six recommendations, but I don’t think I heard the reason as to why the Committee decided not

to take these recommendations forward, so could he complete answering my previous question, Mr Speaker?

The Speaker –

So what is the question?

The Hon. Christine Scipio O’Dean –

If he can tell this House the reasons why the six recommendations that he just stated, the Committee decided not to take forward, what was the reasons for not taking these recommendations forward?

The Speaker –

The Honourable Chairman of Social and Community Development?

The Hon. Brian Isaac –

Thank you, Mr Speaker and I thank my Honourable Friend for reminding me of not completing the question. The six recommendations, Mr Speaker, that was not recommended, considered no longer appropriate, consideration was given to being able to fund these, to continue to fund these proposals which we were unable to make a recommendation that funding would be available to support them and the Committee felt that these can be revisited some time when we are able to have a more firmer established benefits system, but at this appropriate time the Committee felt that it wasn’t appropriate to recommend these recommendations. There were a whole list of recommendations, twenty-five, and we went through them to see what we can implement, what we can’t implement and what would be in the future. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Chairman. Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. In my substantive question, to the answer to my substantive question, Mr Speaker, the Honourable Chairperson of Social Community Development Committee mentioned that there are five recommendations that requires further work and needs prioritization for future years, so will the Honourable Chairman of the Social and Community Development Committee advise this House what are those five recommendations?

The Speaker –

Thank you, Honourable Christine Scipio O’Dean. Honourable Chairman?

The Hon. Brian Isaac –

Thank you, Mr Speaker. I’m pleased to reply to the Mover that SHG is to work to introduce, the introduction of a child benefit allowance as soon as possible. This piece of work was undertaken by the former Economist, Mr Tom Harvey, and to date we have not received, the Committee have not received any response to this piece of work that has been undertaken. The current Economist will be invited to the next Social and Community Development Committee in April to take this piece of work forward. (2) was to count work off island as contributing to Basic Island Pension qualifying years and (3) to increase the income of retirement from 60 to 65 year olds, amend the Social Security Ordinance to include a section for declaration of resources and to set up a review of disability allowance, carer allowance

and occupational therapy payments with the long-term aim of including that in Social Security legislation rather than maintaining them as an instrument of policy. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker. In advising for information, Mr Speaker, in my role as Children’s Champion, I’m very disappointed that the Child Allowance hasn’t progressed in the way that we all anticipated and I hope that the Child Allowance element of the recommendation of the Roy Sainsbury report will be given a higher priority. Thank you, Mr Speaker. My final question, Mr Speaker, if I may, is that can the Honourable Chairman of the Social and Community Development Committee advise what are the four recommendations that has already been implemented, but requires ongoing work?

The Speaker –

Honourable Chairman?

The Hon. Brian Isaac –

Thank you, Mr Speaker, and I would like to respond to my Honourable Friend’s first part of the question. The Child Allowance is very dear to the hearts of everyone on the island and it’s something that I think would benefit the community, it will help to increase our population hopefully and as I said earlier on, this is a large piece of work that needs to be undertaken, it’s beyond what the Committee can do and the Committee will have to depend on the expertise of officials in supporting this to go forward, so, as I said earlier on, I am engaging the Economist at the next sitting of the Social and Community Development Committee to see where we are with this piece of work and to implement the findings. Thank you, Mr Speaker.

The summary of the four recommendations considered and ongoing issues that will be developed as various changes are made to the system are – (1) considering the option of establishing St Helena’s Employment Record that could form the basis of the Basic Island Pension decision making in the future; (2) mount an education and publicity campaign to explain why changes are justified; (3) commence as soon as possible the computerization of the Social Security system; and, (4) as the consequences of computerization, redefining the roles of the Claims Office staff so that more support can be offered to people out of work to enter to return to the labour market. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Chairman. Any other questions, please? Clerk?

Question No. 4 – The Honourable Dr Corinda Essex to ask the Honourable Chairman, Environment and Natural Resources Committee.

The Speaker –

Yes, Honourable Brian Isaac, you can click off your microphone. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Will the Honourable Chairperson of the Environment and Natural Resources Committee tell this House when it is expected that additional rockfall protection measures will be put in place in James Valley and in what approximate locations?

The Speaker –

Thank you, Honourable Dr Corinda Essex. The Honourable Chairperson of Environment and Natural Resources Committee?

The Hon. Pamela Ward Pearce (Chairperson, Environment and Natural Resources Committee) –

Thank you, Mrs Speaker. Elected Members will be aware that one of the activities of the Programme Improvement Plan for the Capital Programme, or PIP, which ran from 16th May 2016 to 31st October, was the development of a Rockfall Mitigation Strategy focusing on priority concerns. The strategy encompasses the studies carried out by various consultants over the past ten years and brings together all the findings in one document which looks to identify areas of risks and outline a mitigation strategy for each of the study areas. The strategy puts forward suggestions of rockfall mitigation works that are required on St Helena and what rockfall management actions are required to deal with the residual rockfall risks that remain following completion of the mitigation works. The initial strategy was completed by Mr John Cox and has been quality assured by W A Fairhurst whose representatives visited the island earlier this year. Fairhurst is also providing technical procurement and management support to the detailed design and tendering of the first phase of the rockfall protection measures based on the Rockfall Mitigation Strategy. Indeed, elected Members will recall a presentation made by Fairhurst representatives on 17th February of this year prior to their departure from the island. The proposals for rockfall mitigation in Jamestown are –

Jamestown Wharf – rockfall catch fence to mitigate the risks from rocks falling from the stone walls on Munden’s Walk.

Ladder Hill Road – the Shy Road junction area, rockfall catch fence located uphill of the Ladder Hill Road, Shy Road Junction.

The Hospital area – additional catch fence mid slope on the West side of James Valley.

Cambrian House to Estcourt Gardens – rockfall catch fence at the toe of the slope on the West side of James Valley.

Additional fencing on the Eastern slopes at strategic points from approximately the vicinity of the Brow through to the Quarry area in Upper Jamestown.

Detailed designs and tender documents are being progressed by Fairhurst for a Rockfall Mitigation Contract that will implement the works set out in this plan. It is anticipated tender documents will be issued to SHG at the end of March in order to achieve a programme for the works to commence on site in September/October of 2017 and be completed by April 2018. This is, of course, dependent on approval for funding for this work. Thank you.

The Speaker –

Thank you, Honourable Chairman. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. When is it anticipated that it will be known whether funding will be available and at what level?

The Speaker –

Honourable Chairman?

The Hon. Pamela Ward Pearce –

I'm afraid that I'm not privy to that information, I wonder if the Financial Secretary or the Chief Secretary who has got far more information on this subject, if they would like to provide the information, please?

The Speaker –

Honourable Chief Secretary?

The Hon. Roy Burke (Chief Secretary) –

Thank you, Mr Speaker. The Capital Programme for 2017 onwards has yet to be agreed with DfID, as the Honourable Pamela Ward Pearce has indicated. I can't actually stand here and tell you when that will be agreed, I'm afraid, we're still in discussions with our colleagues in DfID and although there has been some funds made available for the first six months of 2017/18 that would probably not cover the work that you just outlined and therefore we need to continue our negotiations with our colleagues, make the case better if we can to make it clear that these very high priority issues need to be addressed in the very short-term.

The Speaker –

Thank you for that, Honourable Chief Secretary. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Is rockfall protection one of the four shadowed areas that have been indicated might be supported with the £1.4m now available or shortly to become available?

The Speaker –

Honourable Chairperson?

The Hon. Pamela Ward Pearce –

Again, Mr Speaker, I do not have that information and I wonder if my Colleagues, Chief Secretary or the Financial Secretary could support me in answering that?

The Speaker –

Honourable Chief Secretary?

The Hon. Roy Burke –

Thank you, Mr Speaker, yes, rockfall protection is one of those areas which is identified. As I've already said, the scale of the issue for St Helena Government in rockfall protection is significant; the fundings that are available at the moment are not.

The Speaker –

Thank you, thank you very much indeed. Next question, please?

Question No. 5 – The Honourable Dr Corinda Essex to ask the Honourable Financial Secretary?

The Speaker –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Will the Honourable Financial Secretary tell this House if it is anticipated that the operation of 1, 2, 3 Main Street Hotel will be subsidized by St Helena Government and if so, for what period?

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards (Financial Secretary) –

Thank you, Mr Speaker. Mr Speaker, before I respond, I'd just like to declare my interest, I'm a Director of St Helena Hotel Development Limited.

The Speaker –

Thank you and noted.

The Hon. Dax Richards –

Mr Speaker, I'd like to thank the Honourable Member for her question. It's obviously a key talking point within the community at this point in time so I think it is right that we actually do give some clarity to this issue. Mr Speaker, this Council made it very clear when approving the £1.5m from the Consolidated Fund to support the Hotel project, that there would be no additional funding made available to the hotel. There is no intention, therefore, Mr Speaker, to subsidize the hotel. The organisation will be responsible for generating sufficient income to service its debts required for the construction of the hotel project.

Mr Speaker, one of the other things that the Council also requested was that consideration be given to the access strategy for the St Helena Government. Obviously it's not in our core business to be operating a hotel, so we have given some commitment to ExCo or Executive Council that we will be developing a access strategy before this Council is dissolved on 20th May this year.

The Speaker –

Thank you Honourable Member. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

I'd like to thank the Honourable Financial Secretary for that response. You made reference to the management organisation, what is the management organisation or what will be the management organisation?

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, as Members will be aware, the St Helena Hotel Limited Company have brought in the skills of Mantis Development and also Mantis Hotels who will be actually managing the hotel on behalf of the St Helena Hotel Development Limited.

The Speaker –

Thank you, Honourable Member. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

In the event that there is a shortfall between income and expenditure after the operational start of the hotel business, who will have to meet that deficit?

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, as with any other business, they will have to go and potentially seek a overdraft facility from the Bank of St Helena, it will not be the St Helena Government who will be stepping in and providing any additional finances for this project.

The Speaker –
Thank you very much. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –
When you say “they”, are you referring to Mantis or SHDL?

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, the hotel company has overall responsibility for the hotel, but this obviously will have to be a joint decision that is being taken by both the management company and also the hotel development company, so in terms of any applications that were made to the Bank of St Helena it would be in the name of St Helena Hotel Limited.

The Speaker –
Thank you, Honourable Member. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –
Would the Honourable Financial Secretary elaborate in a little more detail about the exit strategy, please?

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I would be very happy to share some details in due course, I will be absolutely honest that we haven’t actually started to draft that strategy in detail at this point in time, but what was also made very clear when we had discussions in the lead-up to the funding that was approved by this House, was that we would try in that exit strategy to ensure that it was as much local ownership as we possibly can have in this hotel.

The Speaker –
Thank you Honourable Financial Secretary. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –
Will the Honourable Financial Secretary indicate within what timescale it is hoped that the exit strategy will be developed?

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I think I mentioned in one of my earlier responses that we hope to have a first draft developed for Executive Council before this Council is dissolved.

The Speaker –
Thank you Honourable Member.

The Hon. Dr Corinda Essex –
Thank you.

The Speaker –
Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –
Thank you, Mr Speaker. Mr Speaker, the Honourable Financial Secretary stated that if there are any potential deficits that St Helena Government will not be providing the funding for this, can the Honourable Financial Secretary advise this House that as Enterprise St Helena is an arms-length body of St Helena Government will they be providing any funding towards this project?

The Speaker –
Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I don’t sit on the Enterprise St Helena Board, but I would assume that this would not be eligible for any funding from the Enterprise St Helena. Our intention, if we need to, would be to go to the Bank of St Helena.

The Speaker –
Thank you Honourable Member. Any further questions, please? No. Next question, please?

Question No. 6 – The Honourable Dr Corinda Essex to ask the Honourable Chairman, Social and Community Development Committee.

The Speaker –
The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –
Thank you, Mr Speaker. Will the Honourable Chairman of the Social and Community Development Committee tell this House what assistance is available for persons over the age of sixty in receipt of benefits or low incomes / pensions to enable them to undertake essential home repairs?

The Speaker –
Thank you. Honourable Chairman of Social and Community Development Committee.

The Hon. Brian Isaac (Chairman, Social and Community Development Committee) –

Thank you, Mr Speaker and I would like to thank my Honourable Friend for raising this question. This question has been discussed with me by Members within other forums and I thank the Member that has brought it to this House today. Mr Speaker, I assume that essential home repairs cover repairs that are needed in addition to the adaptation works that are carried out to address safety and mobility issues; these details were provided at the formal LegCo meeting in December 2016. I assume also that the essential home repairs in its broadest sense extend to structural repairs. I can advise that a system is in place for Government Landlord Houses where the tenancy agreement requires the tenants to contact the Housing Section of ENRD when the repairs are needed. Assessment is then made by the Property Division and repairs are undertaken as appropriate. This applies to all tenants, regardless of their age. Mr Speaker, I'm afraid that there is no policy in place at this point in time to provide assistance to private home owners who are in receipt of low income or benefits. It is recognised that it is this Government's policy to support the elderly to remain in their homes for as long as possible, however, one can consider all of the implications associated with the use of private funding to repair private properties. One would hope that family members who are in the position to help would be able to assist the elderly in this situation. I therefore conclude that this is quite a sensitive and complex matter which will need to be discussed with a view to making a policy decision as to whether SHG should indeed provide such assistance to private home owners. It is a matter that I will take to the Social and Community Development Committee for further discussions.

Mr Speaker, for the benefit of Members and the listening public, I will give some background of what was previously in place in helping our elderly with home repairs and structural repairs. Funding at the time was in the form of, I think, £50k and that was managed under what was called the Miscellaneous Minor Works and was managed by Councillor Dr Essex in her role as the Chief Development Officer at the time. Following that, the allocation of this funding moved to Health and Social Services and was then managed from there to assist elderly in many forms of work. Just to mention, under Miscellaneous Minor Works, there were also provisions for Councillors to drawn down on this money to assist with other issues in the community, such as handrails along the roads and anything appropriate that wasn't covered by the current budget. With Social Services breaking away from Health, the budget then moves, which was reduced to budget cuts and then moved to Social Services and it was placed in the form of, I think the total amount was £15k, and it was then used as adaptations for the elderly, such as rails, showers, pathways and those issues, which are still in place today. Members were also informed at the earlier part of last year that £30k were within the Safeguarding budget to assist with these forms of repairs. Unfortunately the officer who made that commitment is not here on the island at the moment to answer that, but this £30k has not been identified and all we have at the moment is £15k which is used to assist the elderly with appliances that have been mentioned. At the moment, Mr Speaker, there is no policy in place for this work to be continued and there is no funding at the moment. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Chairman. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Does the Honourable Chairman think St Helena is moving forward if policies that were in place are now no longer in place, particularly when there are increased budget provisions within Safeguarding?

The Hon. Brian Isaac –

Thank you, Mr Speaker, and I do agree with the question from the Mover, but unfortunately when some of these cuts were made due to budget constraints Safeguarding were not as we are today with funding for disposal.

The Speaker –

I think the Honourable Financial Secretary wants to clarify something here?

The Hon. Dax Richards –

Can I just provide some clarity, Mr Speaker? The Honourable Member is right, there is £15k available in the budget for this financial year, there is intention to increase to £30k, not an additional £30k for the next financial year.

The Speaker –

Thank you. Clarification, okay.

The Hon. Brian Isaac –

Mr Speaker, I thank the Financial Secretary for his clarification which would greatly assist the debate today, thank you, Mr Financial Secretary.

The Speaker –

Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

As Safeguarding now has substantially more funding, why was not a strong case made for additional funding for this purpose, why was that not prioritized above other things that are happening within the Safeguarding Directorate, which is seen by the public as being far less significant?

The Speaker –

Honourable Chairman?

The Hon. Brian Isaac –

Thank you, Mr Speaker. This issue was addressed with the former substantive Director of Safeguarding, unfortunately he left the island, the Directorate was then left with Acting Directors in place which couldn't really drive this proposal forward. Then we had another substantive officer, Director, who left again shortly after being employed here and now that we have another substantive Director here, Mr Ansell, we hope to be able to take this forward. He will be attending our next Social and Community Development Committee and this matter will be on the agenda. Thank you, Mr Speaker.

The Speaker –

Do you wish the Financial Secretary to add to that?

The Hon. Brian Isaac –

If he may so wish, thank you, Mr Speaker.

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. Just again, if I can clarify for the Member. You mentioned about additional resources, this is one of those additional requests that have been put forward as part of the budget proposals for the 17/18 financial year.

The Speaker –

Thank you, Honourable Financial Secretary. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

On a point of clarification, I was talking about the global increase in funding available to Safeguarding and how that is allocated within the Directorate and I'm very glad to hear that there is at least a proposal being put forward to marginally increase the possibility of addressing this need. However, I would like to ask the Honourable Chair why this has not been given a higher priority a long time ago as all elected members and, indeed, officials within Safeguarding have been made very well aware that this is a key issue for our constituents?

The Speaker –

The question is why, Honourable Chairman?

The Hon. Brian Isaac –

Thank you, Mr Speaker and my Honourable Friend mentioned time back we will recall that the substantive Chairman of the Social and Community Committee are no longer with us, I then, eighteen months ago, picked up the Chairmanship. A lot of work were taken forward at that particular time and some of it fell, for various reasons, but we are learning from our mistakes, we are able to process.....for this here and hope thatthe new financial year and hopefully when we get a substantive budget we will be able to implement this. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Chairman. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Surely processes and procedures should be in place to ensure that policy decisions are not at the whim of individuals and then collapse because there've been certain changes in personnel?

The Hon. Brian Isaac –

Thank you, Mr Speaker. The policy making is the responsibility of the Social and Community Development Committee, but as we're all not experts in that field of work very often myself and Committee have to rely on the professional advice of officials. Thank you.

The Speaker –

Thank you, Chairman. Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Mr Speaker, may I ask for an assurance from the Honourable Member and from the Chief Secretary that this matter will be addressed as a matter of urgency?

The Speaker –

Honourable Chairman?

The Hon. Brian Isaac –

Mr Speaker, I give that honourable commitment within this House during the time that the Council remains in office and during that time I will give every endeavour that this issue is addressed on a more higher level, but we must also bear in mind that the Safeguarding Directorate has a list of high priorities and this is one part of it and I know this part is very dear to the community out there and for myself I also submitted applications to the Directorate on behalf of clients for this sort of assistance to help them to remain longer in their homes. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Any further questions? Any questions? Thank you, Honourable Members. The Clerk will call the next item of business.

6.

MOTIONS

Motion No. 1 – The Honourable Financial Secretary.

THE INCOME TAX (AMENDMENT) BILL, 2017.

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I beg to move that the Income Tax (Amendment) Bill, 2017, be approved in principle and referred to a Committee of the whole Council. Mr Speaker, I would also like to formally confirm that this Bill is presented on the recommendation of the Governor in accordance with section 73(2) of the Constitution.

The Speaker –

May I have the recommendation, please? Thank you, I am satisfied to proceed. Is there a seconder to the Motion, please?

The Hon. Roy Burke (Chief Secretary) –

Mr Speaker, I beg to second.

The Speaker –

Thank you very much indeed, Sir. Honourable Mover, you'd like to speak to the Motion?

The Hon. Dax Richards –

Mr Speaker, the Income Tax (Amendment) Bill, 2017, will see the introduction of a cap on the amount of investment tax credit that can be claimed by an entity in any financial year of £30k. This modest change was a direct result of consulting with the business community, understanding their concerns and also the concerns of all elected members and responding accordingly. This proposal will see the investment tax credit scheme available to businesses for at least another year which is a good news story as we ready ourselves for the start of commercial services hopefully later this year. This should give all investors confidence that SHG continue to welcome and support investment into the island. This year has seen a

significant increase in the level of investment on island, especially in the lead up to the start of commercial air services and whilst there has been the disappointment with the delayed start of the commercial air services, businesses continue to invest. We estimate that the level of investment during 2014/15 and 15/16 were in excess of £3.5m. Whilst this has been great for the island, the impacts on the SHG corporation and self employed tax revenues have also been significant. The investment tax credit system was introduced in April 2013 and whilst this year we have seen a significant increase in the uptake of the investment tax credit what has become apparent throughout the consultation process is that not all businesses are aware of the investment tax credit scheme and have not enjoyed the benefits of their investments over the past four years. To those businesses that have not taken advantage, I would encourage you all to take up this offer from 16/17 financial year. What else was evidently clear during that consultation process is that the island is lacking good financial services advice, especially in relation to key areas such as taxation. Enterprise St Helena has been tasked by Executive Council to find a way to address these skills gaps and facilitate the delivery of these essential business services. Mr Speaker, I beg to move.

The Speaker –

Thank you, Honourable Member. I put the question that the Income Tax (Amendment) Bill, 2017, be approved in principle and referred to a Committee of the whole Council. Honourable Members, the question is now open for debate. The Honourable Christine Scipio O’Dean, did I see your flash? No. The Honourable Pamela Ward Pearce? No. The Honourable Brian Isaac.

The Hon. Brian Isaac –

Thank you, Mr Speaker. When this was presented to Council, it raised lots of concern, it raised lots of debates and it was also taken out to various other forums. This Ordinance, Mr Speaker, amends the Income Tax Ordinance of 2012 to introduce an annual cap on the investment tax credit. The proposed amendment limits the tax credit to £30k in a tax year. The good part is that any excess of the tax credit which exceeded that limit may be applied as credit in the immediate succeeding tax year or years subjected to the £30k limited the tax year. I think this is a good proposal being presented here today, it will benefit the larger businesses and we hope that, as the Financial Secretary said, other businesses out there who qualify will take the opportunity to apply for this allowance. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker, I rise in support of this Motion, it is a good news story, as my Honourable Friend has indicated. It would, in its own right, bring confidence into the island, particularly for inward investors, but sadly, Mr Speaker, I have to say that proceedings later in this House will clearly undermine the efforts of this Government to try to create investment. Nevertheless, it is my duty to support this Motion. Thank you.

The Speaker –

Thank you, Honourable Member. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. I rise to support the Motion and in my capacity as President of the St Helena Chamber of Commerce, to give very grateful thanks to the Financial Secretary and

his team for the very constructive dialogue that they established, not just with the Chamber itself, but indeed with wider business community on the island. I think that was extremely positive. There was engagement from an early stage in the process and the outcome that is on this table today is the result of meaningful and well structured negotiation and communication and I believe that this is a model that should be replicated when other similar pieces of legislation are under review, revision, or, indeed, new legislation that has any major bearing on the business community is undertaken. Thank you.

The Speaker –

Thank you, Honourable Dr Corinda Essex. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. I rise as well in support of this Bill. This scheme now will limit tax credit to £30k where businesses will clearly benefit from the scheme. It's very encouraging to hear from the Financial Secretary that during the four years local businesses have continued to invest and benefit from the investment tax credit scheme, it was disappointing that not all businesses have benefited from the scheme and I will ask the Financial Secretary, in terms of going forward, to see that regular publicity is given and made clear to businesses in terms of educating them with a view of benefiting from this scheme for those who hadn't benefited from it. Thank you.

The Speaker –

Thank you, Honourable Member. The Honourable Wilson Duncan?

The Hon. Wilson Duncan –

Thank you, Mr Speaker. I rise in support of this Motion. I, too, feel that this is a good news story. Also, my Honourable Member, the Honourable Brian Isaac, said that this will help larger businesses, I don't only want it to help larger businesses, I want it also to help smaller businesses. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Wilson Duncan. Any other Member wish to speak to the Motion? No. Would the Honourable Financial Secretary like to reply?

The Hon. Dax Richards –

Thank you, Mr Speaker. I'd just like to thank those Members who did rise and support and to Councillor Thomas, we will ensure that we give the adequate publicity to the investment tax credit scheme and I will be talking with my staff how we can actually develop that going forward, so thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Members.

Question that the Bill be approved in principle and referred to a Committee of the whole Council, put and agreed to.

The Speaker –

Honourable Mover?

The Hon. Dax Richards –

Mr Speaker, I beg to move that the Council do resolve itself into a Committee to consider the detailed provisions of the Bill.

The Speaker –
Is there a seconder?

The Hon. Roy Burke –
Mr Speaker, I beg to second.

The Speaker –
Thank you very much indeed.

Question that the Council resolves into a Committee, put and agreed to.

Council in Committee.

The Chairman –
I'm not moving very far, but we're now in Committee of the whole Council, so we'll look at our Bill together and I'll take you through the stages. I put the question, first of all the Title, the Enactment Clause and Clause 1, is there any question or any comment on those three clauses?

Title, Enactment Clause and Clause 1.

Question put and agreed to.

The Chairman –
Clause 2.

The Hon. Dax Richards –
Mr Chair, this is a minor omission that was done from the original Ordinance in 2012 where we're now looking to insert the definition of a depreciable asset and throughout the Ordinance it actually refers to a depreciable asset, but it doesn't have a fully detailed explanation or definition of what a depreciable asset is, so this definition that we have now is actually consistent with what is actually included in the Income Tax Regulations that accompany this Bill.

The Chairman –
Thank you. Any questions on Clause 2?

Clause 2.

Question put and agreed to.

The Chairman –
Clause 3 – Investment Tax Credit.

The Hon. Dax Richards –

Mr Speaker, this clause actually puts the cap into the Ordinance so it will now be a cap of £30k in any one financial year and it also allows for the access investment tax credit to be carried forward to be offset against future years tax liabilities.

The Chairman –

Any questions on Clause 3? Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –

Thank you, Mr Speaker, I’m wondering if for the listeners benefit, Honourable Financial Secretary, I was wondering if you can explain about the cap, so for instance, my understanding that if you want to claim for £120k you could claim £30k in one year, £30k in the following year, could you just explain that for the benefit of the listeners, please?

The Hon. Dax Richards –

Sure. Mr Chairman, I think you just gave a very good explanation of what it actually, of how it actually will work. So it will be £30k cap in each financial year, as been mentioned, so as the Councillor said, if we’re in a situation where a business is allowed to claim an investment tax credit or £150k, for example, they would only be allowed to claim £30k in Year 1, as long as they’re making profits in excess of £30k in future years they will be allowed to claim that investment tax credit over a five-year period in the case of where it was £150k tax credit in total, so £30k in each of the five years will bring you up to your £150k.

The Chairman –

Alright, so it’s spread over the years rather than taking it at any one time, is it?

The Hon. Dax Richards –

Yes, and that will help, Mr Speaker, we envisage the impact of this would be that if we can limit the financial impact of a specific project to one year, as we actually start to actually generate additional revenues as a result of the increased economic activity we anticipate with the start of commercial air services, we would then have other revenue sources to be able to offset some of the costs associated with implementing this investment tax credit scheme.

The Chairman –

Yes. Any questions? Can I ask then, will anybody lose out by this cap being placed on...

The Hon. Dax Richards –

No, Mr Speaker, they would basically be able to carry that forward indefinitely until they offset against any future profits, so even if they don’t make any profits in years two or three, but they start to make profits again in years four and five they can still roll that forward to offset against those years four and five profits as well.

The Chairman –

Thank you.

Clause 3.

Question put and agreed to.

Council Resumed.

The Speaker –
Bill to be reported.

The Hon. Dax Richards –
Mr Speaker, I beg to report that the Income Tax (Amendment) Bill, 2017, passed the Committee with no amendments and to move that this Council approves the said Bill and recommends to the Governor that it should be enacted.

The Speaker –
Is there a seconder?

The Hon. Roy Burke –
Mr Speaker, I beg to second.

The Speaker –
Thank you very much indeed. I put the question that this Council approves the Income Tax (Amendment) Bill, 2017, and recommends to the Governor that it should be enacted. Any other Member wish to speak now on the principles? Honourable Christine Scipio O’Dean?

The Hon. Christine Scipio O’Dean –
Thank you, Mr Speaker. Mr Speaker, we need to remind ourselves of when these investment tax credit was implemented in 2012 and the reason for the implementation was to stimulate the private sector and not as a, to generate revenue for St Helena Government. A lot of work has gone into the investment tax credit, Mr Speaker, as we all know, we had thought that we’d have a commercially operated airport by this time, but for me, Mr Speaker, I’d like to find some clarity from the Honourable Financial Secretary is that, is there going to be a review of the investment tax credit once we have a operational commercial operating airport on St Helena and is there a time period that we are looking at, so if we can have some clarification from the Financial Secretary regarding that, Mr Speaker, thank you.

The Speaker –
Thank you, Honourable Member. Any other Honourable Member wish to speak to the principles? Honourable Financial Secretary, would you like to reply?

The Hon. Dax Richards –
Thank you, Mr Speaker and I thank the Honourable Christine Scipio O’Dean for raising the issue. Yes, she is very correct, it would have been my intention of doing a full budget speech today to address this issue, but being as it’s been raised, the intention when the policy was originally implemented back in 2013 was to do a complete review after twelve months after the opening of the airport and the start of commercial air services, so as we haven’t got to that stage yet, we do intend to review again during this financial year and from there we will have discussions with Council who will be in place at that time as to whether or not the scheme should be modified or potentially curtailed in the distant future. Thank you, Mr Speaker.

The Speaker –
Thank you, Honourable Member.

The Hon. Christine Scipio O’Dean –
Mr Speaker, may I ask to speak for clarification, please?

The Speaker –
Yeah.

The Hon. Christine Scipio O’Dean –
Thank you, Mr Speaker. Mr Speaker, Honourable Financial Secretary stated that this financial year, does he mean next financial year?

The Hon. Dax Richards –
My apologies, Mr Speaker, I mean, yes, 17/18 financial year.

The Speaker –
Thank you very much, Honourable Member, for clarifying that. Now, we’re in formal Council now, I put the question that this Council approves the Income Tax (Amendment) Bill, 2017, and recommends to the Governor that it should be enacted.

Question put and agreed to.

The Speaker –
Clerk of Councils, next item, please?

Motion No. 2 – The Honourable Pamela Ward Pearce.

THE ROAD TRAFFIC (AMENDMENT) BILL, 2017.

The Speaker –
The Honourable Pamela Ward Pearce?

The Hon. Pamela Ward Pearce –
Mr Speaker, I beg to move that the Road Traffic (Amendment) Bill, 2017, be approved in principle and referred to a Committee of the whole Council.

The Speaker –
Thank you, Honourable Member. Is there a seconder to the Bill?

The Hon. Gavin Ellick –
I beg to second.

The Speaker –
Will you please stand up and beg to second?

The Hon. Gavin Ellick –
I beg to second.

The Speaker –
Thank you, Honourable Member. Mover, would you like to speak to the Motion?

The Hon. Pamela Ward Pearce –
Mr Speaker, the Road Traffic (Amendment) Bill of 2017 is to amend the Road Traffic Ordinance of 2016 to delay the commencement date of the Ordinance and to make provision

for transitional measures when the new Ordinance comes into force. The Road Traffic Ordinance of 2016 was enacted with the commencement date of April 1st, 2017. The Regulations to support this Ordinance have not yet been finalised and this Ordinance therefore amends the commencement date to provide the Governor no by Order bring the Ordinance into force on a later date. It also introduces the power to include transitional measures in the commencement order for a smoother transition when the new Ordinance comes into force. Thank you, Sir.

The Speaker –

Thank you, Honourable Member. I put the question that the Road Traffic (Amendment) Bill, 2017, be approved in principle and referred to a Committee of the whole Council.

Question put and agreed to.

The Speaker –

Honourable Members, the question is now open to debate. Any Honourable Member like to speak to the Motion? The Honourable Lawson Henry?

The Hon. Lawson Henry –

Mr Speaker, whilst rising in support of this Motion, could I ask the Honourable Mover in her summing up if she could tell the House why the Regulations has not been ready for enactment in relation to this Bill? Thank you.

The Speaker –

Thank you, Honourable Member. Any other Honourable Member wish to speak to the Motion? Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. What I'm going to say I think is partly going to answer my Honourable Member's question so perhaps that will let the Chairperson off the hook a little. One of the main reasons why there has been a delay is because of the fact that there was a need to consult more widely with the public on three key issues of concern. Those were the wearing of seatbelts, the classes of licenses and the lowering of the drink/driving limits and this consultation was actually requested by the public when we did the first round of consultation and therefore it would have been very remiss of the Committee not to have complied with the wishes of the public and actually undertaken the second round of consultation. Also, as I mentioned in the previous sitting of this Honourable House, there have been severe constraints on the time available within the Attorney General's Chambers but it is very pleasing to note that Crown Counsel is making herself available to meet with the Committee very shortly to be able to move some of the drafting issues forward and that is a major step forward, so there have been a number of reasons that have made this delay necessary as, indeed, it would have been very irresponsible to have tried to enact an Ordinance without all the necessary supporting regulations or at least a majority of the supporting regulations being in place. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. Can I ask, being off island I think when the majority of this consultation was taking place, but it was my understanding that the drink/drive limits are controlled by Ordinance, is it controlled by Ordinance or regulations?

Councillors –
Regulations.

The Hon. Derek Thomas –
The drink/drive limits are controlled by regulations, okay, so I just want clarification on that because I was of the view that the limits are controlled by Ordinance and I was asking why there's a change now, but I've been assured that it is at present controlled by regulations. Thank you.

The Hon. Dr Corinda Essex –
Can I rise on a point of information?

The Speaker –
Yes, you can.

The Hon. Dr Corinda Essex –
Just on a point of information, the Attorney General recommended that issues like, for example, the drink/driving limits, should be enshrined in regulations rather than in the substantive Ordinance because then there is more flexibility with regard to altering them and amending them in the future.

The Speaker –
Yeah, we're speaking to principles at this stage, not detail, detail comes at the next stage, okay? So we're talking about the principles of the Bill, it's a good Bill, it's a bad Bill, must it go out of the window, any other further clarification you can seek in Committee stage, please? Principles, any further debate on principles? You have spoken, Sir.

The Hon. Derek Thomas –
I have spoken, Mr Speaker, but I still needed clarity on this because

The Speaker –
Right, you will get clarity in Committee stage.

The Hon. Derek Thomas –
Committee stage.

The Speaker –
Thank you.

The Hon. Derek Thomas –
Thank you.

The Speaker –
Any other person wishes to speak to the Bill on the principles, please? No, okay. Mover, would you like to reply to the debate?

The Hon. Pamela Ward Pearce –

Thank you, Mr Speaker. To reiterate what my Honourable Friend says, and thank you for letting me off the hook, the constraints within the Attorney General's Chamber was one of the factors that delayed us bringing this forward and also, as my Honourable Friend made reference to, the wider consultation which we've now finished and we have set up a date with the Crown Counsel to work on these regulations, so they will be coming forward shortly. Thank you, Sir.

The Speaker –

Thank you, Honourable Member.

Question that the Bill be approved in principle and referred to a Committee of the whole Council, put and agreed to.

The Speaker –

Honourable Mover?

The Hon. Pamela Ward Pearce –

Mr Speaker, I beg to move that the Council do resolve itself into a Committee to consider the detailed provisions of the Bill.

The Speaker –

Is there a seconder, please?

The Hon. Gavin Ellick –

I beg to second.

The Speaker –

Thank you, Honourable Member.

Question that the Council resolves into a Committee, put and agreed to.

Council in Committee.

The Chairman –

So, I move to the Clerk's table and take the Title, the Enactment Clause and Clause 1. Any comments on that?

Title, Enactment Clause and Clause 1.

Question put and agreed to.

The Chairman –

Clause 2. Now you may ask any questions you want to under this section, Clause 2. Details. Yes, Councillor?

The Hon. Derek Thomas –

Yes, with your permission, Mr Speaker, I still seek clarity. My understanding is that the drink/drive limits, drink/drive procedures and limits are set in the Ordinance, I was then told, yes, then my Honourable Friend, Councillor Essex, said that the Attorney General thought it

would be best controlled under regulations, so if it's best controlled under regulations, my question is, as it presently currently stands, is the drink/drive procedures and limits covered by Ordinance and not regulations, that's what I'm asking. I'm not asking about changes, I'm asking what it is at present?

The Chairman –

Okay, the Chairperson is going to respond here. At the moment, please, under the section you would like to explain what the clause is all about and then it might cover some of the things that the Councillor will pick up? Clause 2.

The Hon. Pamela Ward Pearce –

Clause 2. This is to enable the date to be changed and fixed by the Governor an Order to enable the enactment to be at a later date.

The Speaker –

Yes, can it appoint different dates for various parts of the Ordinance as well?

The Hon. Pamela Ward Pearce –

We haven't specified a date for this, but we're envisaging that when we've completed the work on the regulations that we're starting next week, that they will be ready before the end of this Council.

The Chairman –

Okay, right. Now can you help answer the Councillor about his point, are you able to do that?

The Hon. Pamela Ward Pearce –

.....my Honourable Friend here to

The Hon. Christine Scipio O'Dean –

Yes, Mr Speaker, as I sit on the Environmental and Natural Resources Committee that the Road Traffic Ordinance falls under, it would be helpful if we had a Attorney General representative here to assist my Friend here with this regulations. Mr Speaker, that the existing Ordinance, the drink/driving limit is in there. When this revised RTA went to formal LegCo in December, which was endorsed by formal LegCo on 9th December, the Members agreed not to include the drink/drive limit in the substantive Ordinance, but that substantive Ordinance, we, at formal LegCo on 9th December, we asked for it to be effective from 1st April, but now today we're asking for it not to be effective from 1st April, so to answer my Honourable Friend's question, is the drink/driving limit is still in the existing Ordinance, because the one that was agreed on 9th December isn't effective as yet and that's why we've got a Bill today to ask for it to be forward.

The Chairman –

Dr Corinda Essex, I think you want to explain?

The Hon. Dr Corinda Essex –

Yes, sorry, I think they're getting rather more confused than clarified with the discussion that's taking place at the moment, I apologise for that.

The Hon. Christine Scipio O'Dean –

But can I clarify before.....

The Hon. Dr Corinda Essex –
Sorry, can I continue, please?

The Chairman –
Yes, Dr Essex, you take over now, please?

The Hon. Dr Corinda Essex –
The original Ordinance, which is currently still in force, included a set drink/driving limit. The revised Ordinance does not contain any set drink/driving limit because, as the Attorney General had actually indicated, it was felt that it was better for that to be dealt with through regulation rather than in the substantive Ordinance. Until such time as those regulations have been passed by Executive Council and come into force the existing drink/driving limit, as stated in the existing Ordinance, will remain in force. Thank you.

The Hon. Christine Scipio O’Dean –
That’s what I said.

The Chairman –
Yes, okay. So this clause, I’m going to bring it back to this Clause. This Clause is giving you a little leeway, isn’t it, putting the date back, making consequential amendments in the, you have that on your section 1(b), 2 (1) (b) and will allow you to do what you actually, what the Councillors want to do. That’s correct?

The Hon. Pamela Ward Pearce –
Yes, Sir.

The Chairman –
Yes, okay. Councillor Thomas?

The Hon. Derek Thomas –
That was my understanding all along, Mr Speaker, it was not in the formal sitting in December that we agreed for it to be removed, but we will get another bite of this when it comes around, if I am still on the Council. To be honest with you, Mr Speaker, I don’t see the need for change from Ordinance to regulations. The drink/drive is a national thing and it’s always been in Ordinance and in my view should remain, but that will be for another day. Thank you.

The Chairman –
Okay, so what this Bill is in fact doing is delaying the implementation date, that’s all it really is doing, taking the date back so that instead of it being implemented on 1st April, it will be implemented at some other time and maybe done in stages, that’s correct?

The Hon. Pamela Ward Peace –
Yes.

The Chairman –
The Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I'm just going to rise on a point of information. My understanding is the Bill has already been passed, so you don't have an opportunity to go back and change the Bill. What you're doing now is delaying the start date of the implementation of that Bill, so the Bill cannot be changed, is my understanding, unless you bring forward an amendment to that Bill.

The Chairman –

Well, this is the amendment, is it not?

The Hon. Dax Richards –

It is an amendment, but it's an amendment to the date, not to the actual, amend the detailed contents of the Bill.

The Chairman –

Correct. Alright, anybody else wish to raise any questions? The Honourable Brian Isaac?

The Hon. Brian Isaac –

Mr Speaker, thank you, and I'd just like to make a comment that following the discussions here this morning, I've been addressed by two members of the public who felt that the regulations, it's fine to have a lot of these issues within the regulations, but they would prefer to see them enshrined in Ordinance and not in regulations and the reasons for that is, which was explained earlier, that they can be changed, it's flexible to change without having to bring it to the House, but these two members felt strongly that it should be enshrined in the legislation fully and not through regulation, but that's just a comment I would wish to raise as it was brought to my attention. Thank you, Mr Speaker.

The Chairman –

Okay, thank you, point taken. Honourable Chief Secretary?

The Hon. Roy Burke –

Mr Chair, I think, Mr Speaker, I think the issue is quite clear, that the Ordinance exists, we can't change it now, so with due respect to the members of public who brought that to your attention, it's too late, and as the Financial Secretary has said, you know, if there's to be a change to that, then that means a new amendment Bill to bring forward those specific changes, but the Ordinance that was agreed last year exists, this is simply a commencement issue, so there will be no changes to the Bill itself.

The Hon. Brian Isaac –

Thank you, Mr Speaker and I thank the Chief Secretary for his response, but it's just that it's been out for public consultation, it is a living document at the moment, there are concerned members of the public who will address their Councillors with their concerns and it's my duty to raise it. I understand the proceedings are that it cannot be changed because we've already given our blessings to it, but I would like my constituents to know that I did raise it on their behalf and I do take account of what the Chief Secretary has said. Thank you, Mr Speaker.

The Chairman –

Okay. Any further.....? Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Just on the point that's been raised by my Honourable Friend, there was considerable debate between the Committee and the AG's Chambers as to whether it was more appropriate for these elements to remain in the substantive Ordinance or have them in regulation. I personally shared the concerns that have been put forward by my Honourable Friend and I raised these, however, the Attorney General did indicate very strongly that he felt that there were great advantages to having more flexibility on a number of issues flowing from the provisions of the Ordinance so that they would not have to come back to this whole Honourable House if they were in need of any tweaking in the future, but would be able to be dealt with by Executive Council. Obviously there are still going to be different views on this matter and I think there are strong arguments on both sides. Thank you.

The Chairman –

Honourable Brian Isaac?

The Hon. Brian Isaac –

I thank my Honourable Friend for supporting my thank you.

The Chairman –

Anybody..... Honourable Christine Scipio O'Dean?

The Hon. Christine Scipio O'Dean –

Yes, Mr Speaker. Mr Speaker, I wasn't on the island on 9th December and I'm a little concerned that Members are raising questions about a substantive Ordinance that they had the opportunity on 9th December to raise these issues and now we are talking about something that an Ordinance has already been approved by the people who are sitting here today. I rest my case, Mr Speaker.

The Chairman –

Honourable Derek Thomas?

The Hon. Derek Thomas –

Yes, the details of what goes in the regulations has yet to be approved. As the drink/drive stands at the moment it is inscribed in the Ordinance, if there is to be a change and whatever changes through regulations, that will have to be approved by Executive Council. Thank you.

The Chairman –

Okay, so can I bring you back to the Clause 2. The effect of Clause 2 is to delay the implementation date of the principle Bill, that's all it is, alright? Any further questions on that? Can I then put the question that Clause 2 do stand part of the Bill.

Clause 2.

Question put and agreed to.

Council Resumed.

The Speaker –

Okay, I'll move back to formal LegCo and the Bill is to be reported, please?

The Hon. Pamela Ward Pearce –

Mr Speaker, I beg to report that the Road Traffic (Amendment) Bill, 2017, passed the Committee with no amendments and to move that this Council approves the said Bill and recommends to the Governor that it should be enacted.

The Speaker –

Thank you, Honourable Member. Is there a seconder?

The Hon. Gavin Ellick –

I beg to second.

The Speaker –

I put the question that this Council approves the Road Traffic (Amendment) Bill, 2017, and recommends to the Governor that it should be enacted. Any Member wish to speak to the principles at this time? No. Then I think it's unnecessary for the Mover to wind up here or you want to respond?

The Hon. Pamela Ward Pearce –

No, I'd just like to say thank you to my Honourable Friends who also sit on the Environment and Natural Resources Committee under which the Highways Authority comes for their support in this and also that, just to reiterate, that we will be working on the regulations soon with input from the Crown Counsel and the Police. Thank you very much.

The Speaker –

Thank you, Honourable Member.

Question that the Council approves the Bill and recommends to the Governor that it should be enacted, put and agreed to.

The Speaker –

Thank you, Honourable Members. Next item please, Clerk?

Motion No. 3 – The Honourable Financial Secretary.

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards (Financial Secretary) –

Mr Speaker, I beg to move that in accordance with and subject to section 102 of the Constitution, this House empowers the Financial Secretary to authorise the withdrawal of moneys from the Consolidated Fund in order to meet expenditure necessary to carry on the services or projects of the Government in the financial year commencing on 1st April 2017, until the occurrence of either of the following, whichever is the earliest:

- a) The expiry of four months from the commencement of the 2017/18 financial year; or
- b) The enactment of the Appropriation Ordinance for the financial year 2017/18.

Mr Speaker, I also can confirm that I've got the authority to proceed from the Governor in accordance with section 73(2) of the Constitution.

The Speaker –

Please may I see that authority? Thank you. Alright, thank you, Honourable Member. Is there a seconder to the Motion?

The Hon. Roy Burke (Chief Secretary) –

Mr Speaker, I beg to second.

The Speaker –

Honourable Member, do you wish to speak?

The Hon. Dax Richards –

Thank you, Mr Speaker. Mr Speaker, it is disappointing that I'm here today seeking support for this Motion to implement a rollover budget for the start of the new financial year, 2017/18, however, it is a necessary request to allow the Government to continue to provide essential services from 1st April 2017. For the interest of the listening public, Mr Speaker, a rollover budget is a mechanism used to allow business of Government to continue in the absence of agreeing a balanced budget. For the sake of clarity for elected members and members of the public, if this Motion is not supported today we will be unable to provide any public services on 1st April. The approval of a rollover budget by a resolution of Legislative Council empowers the Financial Secretary to authorise the withdrawal of monies from the Consolidated Fund at a value of up to four months of the budgets of the previous financial year or until such time that the Appropriation Ordinance for 2017/18 is approved by this House and is enacted. Unfortunately, as of today, we still do not have any confirmation on a financial aid settlement from the Department for International Development, or DfID, as it's more well known, for the coming financial year 1st April 2017 to 31st March 2018. We are led to believe that the submission is with the relevant Minister for approval and we are hopeful this will be communicated soon. We will continue to work with our colleagues in DfID to this end. The funds currently in the Consolidated Fund amount to around £1.5m. Obviously there is not enough there to keep SHG operational for four months, but we also know we are receiving regular income from tax and other revenue sources. It is my hope and belief that this matter will be resolved shortly and elected members will get the opportunity to scrutinise the budget at a future Legislative Council before the dissolution of this Council. Mr Speaker, the rollover budget will restrict SHG spending to a maximum of £11.3m for the period and will be made up of a maximum budget for each service area as follows:-

Corporate Services (Support Policy and Planning)	£391,000
Corporate Services (Human Resources)	£2.508m
Police	£419,000
Corporate Services (Corporate Finance)	£1.566m
Economic Development	£369,000
Shipping	£1.278m
Education	£935,000
Health	£1.827m
Environment and Natural Resources	£988,000
Safeguarding	£1.028m

That gives a total, Mr Speaker, of £11.309m. As a result, there can be no budget speech today, however, Mr Speaker, I will take this opportunity to inform members of the public of what changes will come into force which has financial implications and some of these will

come into effect from today. Earlier, Council supported the changes to the Income Tax Ordinance, which will see the introduction of an annual cap on the amount of investment tax credit that can be claimed by an entity in each financial year. This cap is confirmed at £30k per annum. This will see a continuation of that generous scheme for another year to support and encourage investment ahead of the start of commercial air services. As I said earlier, this is a good news story for the private sector and shows SHG's commitment to economic development. Businesses will continue to get the full benefit of the investment tax credit scheme but the changes agreed today will see the benefits spread over a period of time and will have less of an impact on SHG revenue sources with effect from the financial year 2018/2019.

It's also pleasing to announce that recently Executive Council approved an increase in the Minimum Income Standard which is the basis on which the Income Related Benefits and the Basic Island Pensions are calculated. The Minimum Income Standard, which is based on the retail price of goods within the shopping basket, is reviewed twice yearly and takes into consideration many of the components which are factored into the overall inflation rate such as food, clothing, household goods, miscellaneous goods, transport, Government Landlord Housing costs and Utilities. The latest rate of inflation for last year is currently 4.7% and the difference between the Minimum Income Standard and the general rate of inflation is private housing costs, fuel and light, alcohol and tobacco. The recent exercise has seen an increase in the price of the goods in the shops and as a result there will be a 3.4% increase in Income Related Benefits and Basic Island Pension. This means that Income Related Benefits will increase from £59.60 to £61.60 per week and Basic Island Pension will increase from £61.60 to £63.70 per week and will come into effect from 1st April 2017. This increase, whilst small in real terms, will make a difference to those in need in our community. A further review of the Minimum Income Standard will take place in the first half of this year and rates will be adjusted accordingly.

Mr Speaker, as in previous years, I'm announcing that with effect from today there will be an increase in duty on alcohol and tobacco. For alcohol there will be a 4.7% increase in duty, which is in line with inflation over the past twelve months, tobacco will increase by 5.7% which is inflation plus 1%. These increases are based on the same policy that has been agreed and it has been implemented over the last two financial years. This will mean that the duty on a 330ml bottle of Castle Lite or Windhoek Lager will increase by 3p; 21p will go on a bottle of Wine, 58p on a 750ml bottle of spirits with a alcohol content more than 22%. For a packet of cigarettes, the duty will increase by 20p. Mr Speaker, the additional revenues generated from these increases will help to maintain essential public services, such as Health, Education for our children, Safeguarding and Policing Services.

Mr Speaker, we are also pleased to announce that further changes have been agreed to support the island's push on the green agenda. As of today, I can also confirm that a number of goods will be reclassified to the 5% category of the Customs tariff. These include the likes of solar panels, photovoltaic panels, wind turbines and water storage tanks. We hope this will encourage more people to consider the use of sustainable energy and storage sources which have come down quite considerably in price over the last few years. Members of Legislative Council hope that this benefit will be passed on to the consumers by the merchants.

Mr Speaker, this is not the start of the new financial year that any of us would have wanted, this rollover budget, however, does ensure that we continue to provide the essential frontline services. We are hopeful that we will get ministerial approval soon on the financial aid settlement and give the certainty that the island needs over the coming year to allow us to start to take full advantage of the start of commercial air services which we hope will commence later this year. A further formal Legislative Council sitting will be required to

approve the substantial Appropriation Bill once this settlement has been received from DfID. Mr Speaker, I beg to move.

The Speaker –

Thank you, Honourable Member. Honourable Members, I am conscious of the time that we usually adjourn at midday and come back at 1 o'clock, so before I put the question and open the debate for other members which might take some time, we have that and we also have the Adjournment Debate to do, do you think this a convenient time to adjourn. It would give you a time also to think about what you're going to say before we come back to Council again. Otherwise, once we carry on, we have to carry right on to the end. Yes? I think it makes sense; it's just five minutes earlier. Council will then adjourn at this stage. Adjourn? You want to continue, you want to continue right to the end?

Councillor –

Yes.

The Speaker –

Is anybody objecting to that? We got four, five, six objections, so once we start I think we have to continue right to the end of the session, so I think it would be convenient right now to adjourn at this stage so that you can have a lunch break. Okay. Council will adjourn until 1 o'clock.

Council Adjourned.

Council Resumed.

Motion No. 3 – The Honourable Financial Secretary

Resumed Debate.

The Speaker –

Thank you, Honourable Financial Secretary we're kicking off on the right foot. I think we got to the stage where the Honourable Financial Secretary has given his exposition, so it's my turn to put the Motion. The Motion, standing in the name of the Honourable Financial Secretary is That in accordance with and subject to in accordance with and subject to section 102 of the Constitution, this House empowers the Financial Secretary to authorise the withdrawal of moneys from the Consolidated Fund in order to meet expenditure necessary to carry on the services or projects of the Government in the financial year commencing on 1st April 2017, until the occurrence of either of the following, whichever is the earliest:

- a) The expiry of four months from the commencement of the 2017/18 financial year; or
- b) The enactment of the Appropriation Ordinance for the financial year 2017/18.

Honourable Members, the Motion is now open to debate. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker. Mr Speaker, Honourable Members, it is with great sadness that this Government finds itself in the position that we cannot balance our budget. Nor can we approve an Appropriation Bill in this House today, as has been done traditionally at this time of the year, referred to as the Budget Session. Sadly, because although budgetary

negotiations started in November last year with our partners in the Department for International Development, DfID, when a team from DfID visited the island for a week to hold talks, that no settlement have been reached for the island to enable us to balance our budget and enact an Appropriation Ordinance for the year 2017/18. I use the word sadness, because under our Constitution, enacted in 2009, the island and its people entered into a partnership with Her Majesty's Government. The Constitution states that the partnership between the United Kingdom and St Helena shall continue to be based on the following values, I will quote just three. These are: good faith, good government and sound financial management. These are the principles with which our Constitution is founded and is seen as the most supreme law of any country and should not be taken lightly. The communication with DfID and elected members since the budget process has been non-existent. There have not been any official announcement or a message from any official in DfID advising us why they are unable to agree a settlement or if there are matters that are preventing them from agreeing a settlement. We have waited, the meeting of this House was delayed in the hope that a settlement could be reached. We did this to prevent the island having to enter into a rollover budget. In the run-up to the expected approval date for the settlement from DfID, the Council requested a video conference with the DfID Minister. The request was specific, because we wanted to share with the Minister our concerns over the amount of enabling infrastructure that still needs to be put in place on island if we are to get the best value from the huge investment that the British taxpayer have made in the airport. This request has not materialised despite many reminders. We have had complete silence from our partners, it is as if we no longer exist. Why should one of the partners to these values behave in this way? The fact is that today we have to empower the Financial Secretary to authorise the withdrawal of monies from our Consolidated Fund for Government services to continue from 1st April 2017 until we are in a position to get a balanced budget and enact an Appropriation Ordinance. It is a clear indication of how little our partners in DfID and the Secretary of State understand her responsibility to the island and our people under the Constitution and even more importantly, under the International Development Act where there is a statutory duty to provide such assistance. What is particularly astonishing is the wall of silence from DfID. What sort of message is this sending to our people and the world? Later this year, we hope to have a commercial air service to the island. If we are to attract much needed investment what signals is this sending to potential investors when we cannot balance our budget through the failure of DfID to negotiate with us? What further damage this will do to our reputation as a tourist destination and the risk to the investment that the British people made in the airport? Have the Secretary of State for DfID even considered these issues? I think not. If she had she would have come to a very different conclusion. Haven't they done enough damage to our reputation in the airport saga with the same wall of silence? The level of negative press that the island received as a result of this has caused untold damage to our reputation and officials in DfID played a key role in this as they did nothing to stop it. We even had Members of Parliament referring to the investment in the airport as foreign aid. The island is not foreign, it is a British Overseas Territory receiving aid from Britain in support of British citizens living here. Furthermore, there is no corruption here in relation to the aid support received and we have just heard that the Government accounts has been audited and up to date.

In December 2016, the House of Commons Committee of Public Accounts released a damning report on DfID and their handling of the St Helena Airport and the Committee said, "that the reputational damage to St Helena from the fiasco could further hinder St Helena's ability to attract investment." It appears that DfID have once again not paid any heed to this report and their failure to agree a settlement to enable our Government to provide a balanced budget will, as I have mentioned, do further reputational damage to our island and the impact

on our ability to attract investment. Shame on them. My hope is that they will be held to account, but I very much doubt that. I simply ask what have the loyal subjects of this territory of Her Majesty's Government done to deserve this treatment from the Secretary of State? Mr Speaker, Honourable Members, I beg to move and support the Financial Secretary in his quest to empower him to authorise withdrawals of monies from our Consolidated Fund in order to continue the services of the Government that the Government needs to provide to this island. Shame on you, Secretary of State, for your failure to provide a settlement which have prevented this course of action. Only God knows what further reputational damage you have done to our island and whether we will ever benefit from the investment that the British people made in the airport. Mr Speaker, Honourable Members, I beg to move.

The Speaker –

Thank you, Honourable Member. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Mr Speaker, I rise in support of this Bill only because if this does not get passed today St Helena Government will not be able to work after tomorrow and will have to close down all its services. It must be clear to everyone just how disastrous that would be. It is bitterly disappointing that St Helena has been put in this position. At the end of a year filled with setbacks, frustrations and a greater level of uncertainty regarding critical issues than St Helena has had to face in recent history it was hoped that at least an early and favourable budget settlement would enable 2017/18 to start on a positive note. That was the hope and the aspiration. But, Mr Speaker, this is not to be. As is becoming increasingly usual, the current unfavourable situation is not of St Helena's making. A great deal of time, effort and energy was put in by officials and elected members in order to ensure that a detailed budget submission for 2017/18 was able to be presented in a timely and coherent manner. During the visit of the Financial Aid Monitoring Mission late last year, lengthy discussions regarding St Helena's key priorities and needs took place during which a very strong case was made regarding the key requirements for support from the Department for International Development. Despite all this input, we find ourselves without a settlement to take St Helena into the new financial year. What is even more worrying is that no date has been set for receipt of a proposed settlement. Mr Speaker, every day by which receipt of a proposed settlement is delayed increases the risks that St Helena will not be able to attain the outputs and outcomes that have been set for 2017/18. Once again, the odds are against St Helena's sustainable development through no fault of its own. Instead of making a better future for St Helena recent occurrences are threatening St Helena and in some cases bringing it near to breaking point, increasing its vulnerability and presenting real obstacles that make any progress more and more difficult to achieve. We have recently developed a ten-year plan and Directorates with substantial input from the relevant Council Committees have produced detailed strategic plans outlining the key objectives for the coming financial year. These documents will be worthless without the financial resources required to deliver the activities they contain. It is true that we have had rollover budgets in the past, but the process of reaching an agreed settlement has seldom, if ever, been at such an early stage at the end of a financial year. This is a matter of great concern. It is also a matter of grave concern that there is little evidence of real understanding within Her Majesty's Government of the needs of St Helena just at the very point in time at which the island's future is on a knife edge. Elected Members and officials worked tirelessly to endeavour to build awareness, to correct misconceptions and to work in partnership, but in circumstances like that facing us today this seems to be to no avail. Indeed, a recent visitor from Her Majesty's Government dismissed the very real concerns expressed by Elected Members as being grumbles. What is going

wrong? Why are our messages seemingly falling on deaf ears? We do recognise the internal political pressures that are being faced by HMG and the competing demands being placed upon DfID, particularly from countries in need of urgent humanitarian aid, but in the overall scheme of things the aid given to St Helena, apart from that relating to air access, is a drop in the ocean going to support a British Overseas Territory, not foreigners. Mr Speaker, we can only hope that a proposed settlement in respect of 2017/18 will be received very speedily and that it will be adequate to meet the reasonable needs of St Helena. If this is not the case the White Paper will arguably not be worth the paper upon which it is written. Mr Speaker, I support the Motion.

The Speaker –

Thank you, Honourable Member. The Honourable Brian Isaac?

The Hon. Brian Isaac –

Thank you, Mr Speaker. Today in this formal House, Council is being presented with a rollover budget for 2017/18. This is not something new for Council as this has happened on previous occasions, but the outcomes have proven to be successful in the end, but on this occasion where we hope to have regular flights operating within this coming year and so much more happening in strengthening our economy, this is a setback in going forward, but I do honestly hope within the coming weeks we will be presented with an approved, increased budget, but I will say that a rollover budget is better than a reduced budget. I was somewhat disappointed this year with the visit of the FAM team and the responses to some of the recommendations put before them. Members will recall and the public will recall that at the end of these missions Council would be presented with an Aide Memoire. I recall on certain occasions of this sort there were much negotiations and changes to the bottom line figure before that Aide Memoire was signed and gave us the reassurance, but today we don't have that reassurance and are faced with a doomed future which we hope will come out with prosperity at the end. I will say I feel that this is a step in the wrong direction for the island, but someone must have seen the writing on the wall. The Constitution provides for the withdrawal of funds from the Consolidated Fund to meet for the necessary expenditure for the first four months of this new financial year until the Appropriation Ordinance comes into force.

I would also wish to make mention of the work and support by the Financial Secretary and his team who have proven to be successful in addressing this unforeseen state of affairs and wish him and his team well as we work through the new financial year.

Mr Speaker, in concluding, I am concerned how we have been forced down this path by our colleagues in London. St Helena and Montserrat are the two only dependent Overseas Territories that depend on aid and yet we are in a class within the foreign aid package. What has happened to our partnership and our partnership values? I would also wish to make the public aware that Council have not accepted this proposal lightly and for weeks on end without success we have written to the Ministers in London requesting a teleconference to address budget-related concerns, but this has not been successful, but further communications is being addressed in putting St Helena's case forward at a ministerial level.

I would like to also say, Mr Speaker, how disappointing it is for our colleague, the Financial Secretary, Dax, for this is his first sitting at the budget session and has not been able to present us with a budget, it's nothing that we can point the finger at Dax for, it's beyond his control, but wouldn't it have been nice for one of our own, local people in this position to be able to present us with a budget with a hundred percent increase.

Mr Speaker, I support the rollover budget reluctantly, but it has to be, otherwise we will have nowhere to turn tomorrow. Thank you, Mr Speaker.

The Speaker –

The Honourable Pamela Ward Pearce?

The Hon. Pamela Ward Pearce –

Thank you, Mr Speaker. I rise in support of the Motion and I would like to endorse what my Honourable Friends have mentioned thus far and to add that it is indeed a great disappointment here today. What should have been a proud and historic moment for all of St Helena when our very own, home-grown, Financial Secretary, Dax Richards, rised to give his first budget speech. Sadly, this is not to be and instead he is in an unenviable position of having to request a rollover budget. This is not through any fault of his, but due to the fact we still have not received a financial aid settlement from DfID for the financial year that starts this weekend. I have not personally been involved with a rollover budget before, but people who I have spoken to they say how very challenging it is. We still need to function as a Government and to provide services for the island and for our people, so I hope and trust that we shall hear very soon about an aid settlement for this coming year from DfID. In supporting this Motion, Mr Speaker, I pay tribute to our Financial Secretary and his very able team who have had to work extremely hard, especially over the past few weeks, and with the cloud of uncertainty hanging over them.

Finally, Mr Speaker, I look forward to seeing our Financial Secretary rise in this House to give his first budget speech and soon. Mr Speaker, I support the Motion.

The Speaker –

Thank you, Honourable Member. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker, it is with great reluctance I rise in support of the application. In order for the Government to function we simply do not have any choice in the matter, although the Governor could use her special powers. Given the situation we find ourselves in, this is the right thing to do as a responsible Government. However, Mr Speaker, in having to have a rollover budget, it does not reflect well on the part of Her Majesty's Government and there are real questions to be asked, how serious the British Government is with the development of its Overseas Territories? I fully appreciate that at this moment in time Britain are facing a number of challenges, but they have responsibilities to their Overseas Territories. Only in November of last year when my colleague, Lawson Henry, and myself, attended the Joint Ministerial Conference in London for the Overseas Territories, many delegates commented that this was one of the best conferences they have attended where sheer emphasis and focus and attention were given on trying to support and develop the Overseas Territories which was led and driven by the Minister of State for the Overseas Territories and the DfID Minister. They wanted to develop a strong bond, embrace opportunities, bring prosperity and support economical development in the Overseas Territories, the message being, let's embrace and move forward. This, Mr Speaker, is a real setback. With a rollover budget it is business as usual until such time a settlement is approved. Mr Speaker, as a Government we have done our part, the FAN team for our financial aid settlement visited in November of last year where long and strong negotiations were held. Given the state we find ourselves in with the need to support airport-related activities with our infrastructure requirements such as Ruperts harbour, the road leading out from Ruperts to Jamestown and other essential infrastructure requirements we are clearly going to need additional grant in aid funding than what is normally received if the island is to have a real chance to aspire to what is the political intention of the British Government

Ministers. Ministers need to fully understand this at the very highest level. The message, Mr Speaker, is clearly not getting across. We have been continuously trying to hold video conferences with Ministers in the United Kingdom to put our points across, only to be told not possible at the moment to schedule. I'm sorry to have to say this, but I question how serious Britain are about the development of the Overseas Territories and would clearly challenge the intentions and commitments given at the Joint Ministerial Conference held in November last year. We cannot go on like this. I would recommend that we should seriously consider petitioning the Minister of State.

And to end, Mr Speaker, despite the situation we find ourselves in it is pleasing to see that the increases we agreed on our low income earners, such as those on Basic Island Pension and Income Related Benefits, they will not be affected and their increases will go ahead as planned. Mr Speaker, I support the application.

The Speaker –

Thank you, Honourable Member. The Honourable Christine Scipio O'Dean?

The Hon. Christine Scipio O'Dean –

Thank you, Mr Speaker. Mr Speaker, like my colleagues I'm also concerned and disappointed that we have not had confirmation regarding our financial aid settlement from DfID for the next financial year commencing 1st April 2017. Mr Speaker, it would be frivolous of me not to support this Motion today, but I'd like to ask the Mover if there is anything different that St Helena Government could have done to conclude the budget agreement before this date? Was an agreement reached with DfID in principle for the years 2017/18 and 2018/19 within the 2016/17 Aide Memorandum? Will the Financial Secretary explain how the £11.3m expenditure, which is proposed today for the four-month period to be drawn from the Consolidated Fund, to be financed in the absence of the grant-in-aid from DfID? Mr Speaker, if a current balance is £1.5m, what will be the forecast balance on the Consolidated Fund at the end of the four-month period? Will the Financial Secretary be seeking an interim payment of grant-in-aid on account from DfID to ease the strain on local funds pending the formal approval? Mr Speaker, will the Financial Secretary tell us what will be the forecast receipts from tax and duties over this four-month period? If it is less than the total expenditure how will the difference be met? Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Is there any other Honourable Member who wishes to speak to the debate? The Honourable Wilson Duncan?

The Hon. Wilson Duncan –

I'm going to be short and succinct. I rise in support of this Motion and commend what has been said in the House. However, it is deplorable how DfID, the DfID Minister and Secretary of State can treat fellow British citizens, and I stress, fellow British citizens and may I remind them that we are not a third world country, but part of the British Overseas Territories. Mr Speaker, I support the Motion and beg to move.

The Speaker –

Thank you, Honourable Member. The Honourable Cyril George?

The Hon. Cyril George –

Thank you, Mr Speaker. Mr Speaker, I rise in support of this Bill and would like to thank all my colleagues for what's been said so far, but I find it very disappointing that for the last few

days of this financial year we are not aware of what our budget's going to be for the next financial year, which is very disappointing. Despite all the efforts and all the work that has been done by officials and our colleagues we are no better off today than what we were six months ago when we were putting the budget together. I would like to thank the Financial Secretary and his team for all the work that he's done, and his team, with officials, in preparing the budget, but it's very disappointing that we cannot, we don't know today what the outcome is going to be. Thank you, Mr Speaker, I support this Motion.

The Speaker –

Thank you, Honourable Member. Is there any other Honourable Member? Honourable Gavin Ellick?

The Hon. Gavin Ellick –

I stand in support of the Motion, but I still question DfID's motives. Where is the lack of good partnership and good value, is this all hot air or is this a farce? Please, if somebody like DfID can just come and sabotage this here, what gonna happen in the next deal, what we go be outside begging each other for money? So please, Dax my friend, I know you aint got no money to work with, but you have to try. Thank you.

The Speaker –

Thank you, Honourable Member. Any other Honourable Member wishes to speak to the Motion? Honourable Chief Secretary?

The Hon. Roy Burke –

Thank you, Mr Speaker, just a couple of words if I might. The rollover budget that we're talking about today really doesn't mean that St Helena Government or, more importantly, St Helena, rolls over. We continue to work very closely with colleagues in DfID to achieve what is, we hope, an equitable settlement on this matter, but I would like to say this, that it's a whole team effort. Rightly, my Honourable Friend, the Financial Secretary gets the plaudits as does his team, but I should also say that the rest of the Directors work very hard in this respect as well and I would like to say this as well, that the rollover budget isn't necessarily the easy option, it's a lot of work goes into that and we've only got today, to hear today, by a lot of work done by Dax, his team and all Directors. Could we have done anything differently? Well, I'm sure we could and we will take some time after this to look at our processes to make sure that we've done as much as we possibly could to get to a different position, but I give the commitment that the officials are working with Members here, we'll do everything we can to get to the point where an equitable settlement is achieved as soon as possible.

The Speaker –

Thank you, Honourable Member. Any other Honourable Member wishes to speak? Then would the Mover like to reply, please?

The Hon. Dax Richards –

Thank you, Mr Speaker and I'd like to thank all those Members who rised in support of the Motion. I'd just like to really touch on one specific issue that was raised by Councillor Thomas, if I might, and then possibly talk a little bit about what Councillor Christine Scipio O'Dean has mentioned, but I think Councillor Thomas hits the nail right on the head when he talks about being a responsible Government and I think, although this is not the situation we would like to find ourselves in here today, I think we are actually acting as a responsible

Government if this Motion is passed in the House today. In terms of Councillor Christine Scipio's comments on possible interim payments, yes, those are one of the options that we're looking at in terms of our discussions with our colleagues in DfID as to whether we can get an interim payment. We have been given assurance at that level that we won't be without cash for this period so I will hope that our colleagues in DfID will continue to honour their commitments that they've given to us in that respect. In terms of the financing gap, yes, you are correct, there is only £1.5m likely to be in the Consolidated Fund at the end of this financial year and you will ask yourself where does the other just under £10m is gonna come from, but we've done some forecasting to get to this point. We have forecast how much revenue we think we can generate from Customs and tax and other charges during the period and so we do estimate that that is gonna be around about £3.5m, so in terms of how we finance this, as I've mentioned to Members in an informal session, this is really about cash flow management rather than actually how do we fit the bill for this budget, so we would anticipate that hopefully by the end of April we won't find ourselves in a situation where we need to have the rollover budget continuing beyond and if we do get to that sort of situation then I think we've got more than ample reserves to be able to cover the day to day expenditures of Government. So, Mr Speaker, once again, I'd just like to say thank you to those Members who rised in support of the Motion.

The Speaker –

Thank you, Honourable Member. The Motion, standing in the name of the Honourable Financial Secretary is That in accordance with and subject to section 102 of the Constitution, this House empowers the Financial Secretary to authorise the withdrawal of moneys from the Consolidated Fund in order to meet expenditure necessary to carry on the services or projects of the Government in the financial year commencing on 1st April 2017, until the occurrence of either of the following, whichever is the earliest:

- a) The expiry of four months from the commencement of the 2017/18 financial year; or
- b) The enactment of the Appropriation Ordinance for the financial year 2017/18.

Question on Motion, put and agreed to.

The Motion is carried.

The Speaker –

Thank you. Clerk of Councils?

Motion No. 4 – The Honourable Brian Isaac.

THE SEXUAL OFFENCES ACT (APPLICATION) (AMENDMENT) ORDER 2017

The Speaker –

The Honourable Brian Isaac.

The Hon. Brian Isaac –

Thank you, Mr Speaker. Mr Speaker, I beg to move that the Sexual Offences Act (Application) (Amendment) Order 2017 be ratified by the Legislative Council in accordance with section 6 of the English Law (Application) Ordinance 2005.

The Speaker –

Thank you, Honourable Member. Is there a seconder? Honourable Derek Thomas?

The Hon. Derek Thomas –
Mr Speaker, I beg to second.

The Speaker –
Thank you, Honourable Member. Honourable Mover, would you like to explain?

The Hon. Brian Isaac –
Mr Speaker, Honourable Members, Honourable Members will be aware that the Sexual Offences Act (Application) (Amendment) Order 2017 has already been approved by the Governor in Council and has been published as Legal Notice 3/2017 in accordance with section 5 of the English Law (Application) Ordinance. However, section 6 of the English (Application) Ordinance provides that every Order made by the Governor in Council under section 5 shall be laid before the Legislative Council at its next sitting after the publication of the Order in the Gazette and shall not come into force until ratified by a resolution of the Legislative Council. The Order deals with the notification requirement as set out in Part II of the Sexual Offences Act 2003. These requirements creates a obligation on convicted sex offenders to notify the Police of certain information, for example, name, address, date of birth, notice of change of address and to renew that information periodically. The UK Supreme Court held that indefinite notification requirements under the Sexual Offences Act 2003 are incompatible with Article A of the European Convention of Human Rights and so far as they do not contain any provisions for the review of justification for the continuation of the requirement in individual cases. In England and Wales the matter was subsequently rectified by the Sexual Offences 2003 Order 2012 1883. The notification provisions were amended to enable any offender to apply to the Chief of Police to discharge the Order after the first fifteen years of the notification order being made with provisions for further review under every eight years and thereafter thus providing for the review of the justification for continuing the notification requirement in individual cases. Unsurprisingly the Supreme Court of St Helena held in Case 1 of 2016 the Attorney General of St Helena for and on behalf of the Directorate of Police versus Williams in a ruling dated 21st April 2016 that identified notification requirements also offended section 13 of the Constitution of St Helena, Ascension and Tristan da Cunha. The Sexual Offences Act (application) (Amendment) Order 2017 rectifies that matters in St Helena in the same way as it was rectified in England and Wales by providing a mechanism for offenders to apply to the Police for a review of the identified notification requirement. Rectifying this matter will preserve and protect the constitutional rights and human rights of the community, safeguarding the public, assisting the Police in managing sex offenders and ensuring that the Sex Offences Act 2003 is updated in St Helena in respect of the indefinite notification requirements in accordance with the way in which it has been updated in England and Wales. Mr Speaker, as explained at the outset, the Sexual Offences Act (Application) (Amendment) Order 2017, Order was made by Executive Council having exercised their authority under the English Law (Application) Ordinance but it must however be rectified by the Legislative Council to have legal effect. Mr Speaker, I beg to move.

The Speaker –
Thank you, Honourable Member. The Motion is that Sexual Offences Act (Application) (Amendment) Order 2017 be ratified by the Legislative Council in accordance with section 6 of the English Law (Application) Ordinance 2005. The Motion is now open to debate. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. I rise in support of this application. Mr Speaker, this is a sensible application which stands to protect certain individuals convicted by the Court and the protection of their fundamental human rights. My colleague has alluded to the fact that indefinite notification requirements also is an offence against section 13 of the Constitution of St Helena, Ascension and Tristan. Persons who are convicted by the Court allowed to be rehabilitated and depending on the nature and type of offending and with the proper supervision there will become a period of time when people will rehabilitate and therefore following recommendation should be allowed to get on with their lives and lead good, law-abiding lives, so this is a sensible application, as indicated, and it's protecting individuals against their fundamental human rights. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Does any other Honourable Member wish to speak to the Motion? No other Member wishes to speak to the Motion. Would the Mover like to respond, please?

The Hon. Brian Isaac –

Thank you, Mr Speaker and I would like to thank my colleague and I am aware that Members of Executive Council and LegCo is aware of the contents of this application, hence the reason probably no further debate has been made, I thank them all for their support previously. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. The Motion, standing in the name of the Honourable Brian Isaac is that the Sexual Offences Act (Application) (Amendment) Order 2017 be ratified by the Legislative Council in accordance with section 6 of the English Law (Application) Ordinance 2005.

Question on Motion, put and agreed to.

The Motion is carried.

The Speaker –

Clerk, please, the next item?

7. THE ADJOURNMENT DEBATE

The Speaker –

Honourable Chief Secretary?

The Hon. Roy Burke –

Mr Speaker, I beg to move that this House do now adjourn sine die.

The Speaker –

Thank you, Honourable Member. Is there a seconder?

The Hon. Dax Richards –

Mr Speaker, I beg to second.

The Speaker –

Thank you very much. Honourable Mover wish to speak? No. The Motion is that this House do now adjourn sine die. Any Members wish to speak to the Motion, the Adjournment Debate? Honourable Lawson Henry and then Honourable Pamela Ward Pearce.

The Hon. Lawson Henry –

Thank you, Mr Speaker. Mr Speaker, Honourable Members, I rise in support of this Adjournment Debate and would request that the Honourable Chief Secretary on behalf of this House and through the CPA UK Branch seek funding for a delegation of the St Helena's All Party Parliamentary Group to visit St Helena on a fact finding mission and report back to the UK Parliament on the state of our island, its governance and what future relationship should be with the UK Government in going forward and what mechanism for future funding should be and whether there now needs to be a change in what department of the UK Government have responsibility for St Helena. Events earlier today concerning our budget and the airport saga, the under investment of critical infrastructure is evidence that the Department for International Development is not fulfilling its responsibility to the island or, indeed, to the British Parliament, they have lost focus. St Helena is very grateful for the support we are getting from the British people. However, what we want is a partnership where there is respect on both sides and we are given a fair chance to run our affairs with the understanding, support and partnership values that both parties adhere to. This is not happening in the recent past and we need to understand why and the British Government needs to fix this. The inability of DfID to put in place a settlement to enable the island to have a balanced budget is further evidence of the lack of understanding in DfID of the reputational damage they are doing to the island in terms of creating stability and confidence for any potential investment and shows they paid little attention to the report of the UK Public Accounts Committee on this very aspect relating to the airport saga and that the reputational damage has been done to St Helena. The British Government cannot bury its head in the sand any longer and action is needed now on putting into place measures that will improve our governance and relationship. To do nothing is not an option. Saints have made huge investment in business in support of the investment that the British taxpayer made in the airport. If we are to get the full benefit from this then we need a partnership with our mother country that is fit for the twenty-first century, not one that is still a remnant of our colonial past. It is this relationship that has got us into the mess we find ourselves today. How much longer is Her Majesty's Government going to allow this to happen before they take action? I would encourage my colleague, Councillor Derek Thomas, who is attending a CPA Conference shortly, to raise this issue at this Conference too as unless we as a Council take action now then further damage will be done to our reputation and the island's opportunity to come off British aid will be lost forever as no investor would want to come to do business with us when we cannot manage our affairs because of the way we are governed by our mother country. Parliamentarians from the UK need to see firsthand what is happening here and more importantly what is not and I urge the House to act now so that this trend is reversed and we build a strong future for this island and its people.

Finally, can I ask the Chief Secretary if he would investigate and report back on the state of the external walls of Government Landlord Housing stock in the RE Yard. I understand from the residents that the walls have not been painted for some years. They have made repeated requests but nothing seems to be happening. We are aware that it was Government's intention to build houses in the Half Tree Hollow CDA to rehouse the tenants from the RE Yard. This has not happened and not likely to in the immediate future, however, I do not

think this should be a reason why SHG as the Landlord should not be maintaining the stock to a reasonable standard. Mr Speaker, I beg to move and support this Adjournment Debate.

The Speaker –

Thank you, Honourable Member. The Honourable Pamela Ward Pearce?

The Hon. Pamela Ward Pearce –

Thank you, Mr Speaker. Mr Speaker, I rise in support of this Adjournment Debate. The British Prime Minister, Theresa May, has triggered Article 50 for Brexit with a letter to President Tusk yesterday. This momentous occasion will have a significant effect on us here on St Helena, but, as yet, we cannot say how this will be so. In the scheme of things, and with the tight deadline of two years to negotiate the untangling from Europe, our needs will have a very low priority. It is, however, interesting to note though in the proposed principles for discussion Mrs May has defined seven areas and the second one proposes we should always put our citizens first. She further decrees that at the heart of our talks are the interests of all of our citizens. I was heartened to read this as it includes us as we too are British citizens. Although we did not have the vote in the referendum these negotiations will be conducted on our behalf too. The declared intention is to minimise the disruptions and to give as much certainty as possible to enable people to plan. We shall just have to wait and see.

The recent change in weather with the drought coming to an end, followed by torrential rain, has seen an increase in flies and the return of the Army Worm. I'm becoming quite adept at spotting an infestation of said Army Worm, even from a distance and I can't help wondering how much of an impact this has on our local economy.

The closure of the Fisheries this week came as an unwelcome surprise the effects of which ricocheted around the local community and was accompanied by talk of a fly or flies. This caused great inconvenience to people as they were unable to purchase any fish as the suppliers could not obtain any stocks and the fledgling business my Honourable Friend over here also suffered losses. This caused hardship as well to the fishermen who on returning from the fishing grounds were unable to offload their catches. I understand work has been going on to try and rectify this and I hope this will come to fruition very soon.

As a postscript, I heard on the news this morning, the Fisheries has now reopened, that's indeed welcome. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. Mr Speaker, I rise in support of the Adjournment Debate and just to give my colleague a reassurance, he mentioned about a delegation of the St Helena All Party Parliamentarian Group to visit St Helena on a fact finding mission and report back to the UK Parliament on the state of our island, its governance and what future relationship should be with the UK Government in going forward. Mr Speaker, I will be attending the mid-year Executive Review of the Commonwealth Parliamentary Association next month and I give my assurance to raise that particular issue and see what support can be given.

Mr Speaker, I will touch on an issue which is of real great concern to the public at this time which is a total inconvenience to our vehicular traffic and what I'm on about is the work that's being carried out at Greenlands at Market Square, Solomon's property. In order for these works to go ahead, sensible measures have been put in place, we appreciate that, and the parking in front of Eva Benjamin's shop and Henry's Carpark have been totally lost. We

all know that parking in Jamestown without this is a real nightmare, a real nightmare indeed and the work needs to be done because the property will eventually be of real benefit to the island. What I fail to accept is the amount of red tape that exists within our Government, within our system. Mr Speaker, I declare my interest because I own property in the Duke of Edinburgh playground area, but I'm not, I'm talking on behalf of the people, not myself, I don't have anything to gain from this. What is disappointing it would appear that the ENRD Committee is not able to open the Duke of Edinburgh playground to the public for parking; the Planning Authority needs to agree and what it is now, a notice needs to be out for a period of two weeks. Two years ago, round about Christmas, the Duke of Edinburgh playground was open to the public, members of the public were using it and up to one occasion I counted twenty-four vehicles parked there and Senior Police Officers themselves commented to me that how well it was used and my understanding is there were no accidents over that period of time, which was a real busy period, so the point I'm coming to, Mr Speaker, is that in situations like this where we've lost all of these parks, we have to be faced here, we can't take any immediate action, we simply just can't go in and use that, there is the red tape that exists where now the Planning has to decide, two week's notice and in the meantime the public is put at a total inconvenience and these issues need to be addressed, because in 2010 when the Memorandum of Understanding was entered into by the British Government and St Helena for the reforms, part of that was to get rid off this red tape and make things happen, but here we are today still with red tape and we cannot make that happen and must make it happen immediately as a Government, a simple thing like that. And another issue is of concern and I know that the ENRD Committee is working on it and that is the cost of the leases of land. We all know some years back that people faced huge increases, they were paying leases of £50.00 which in turn went up to £7, £800 and in some cases more and here on one hand we are encouraging people to build homes and on the other hand we're slapping those sort of increases upon them and I do hope that that particular issue be given some priority and changes be made if possible before this Council is dissolved. Mr Speaker, thank you very much, I support the Adjournment Debate.

The Speaker –

Thank you, Honourable Member. Any other Honourable Member, Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. I rise to express serious concerns regarding the current situation relating to the Capital Programme as the indications are that DfID will only grant a six-month extension to this for which they are prepared to contribute £1.4m. At a time at which considerable investment is required for essential purposes, such as the development of port infrastructure at Ruperts, which my Honourable Friend has already alluded to, without which the new jetty will be almost useless, DfID's stance appears counterproductive and unless changed rapidly will result in failure to achieve both value for money and an acceptable outcome to help move St Helena forward. Elected Members have written to express our concerns at ministerial level regarding this situation; we await a response eagerly, we trust it will be a favourable one, but in the interim the situation is deeply worrying. We're all aware of the condition of some of our existing infrastructure which is in need of extensive upgrading and development because it has deteriorated largely due to inadequate repair and maintenance budgets. The longer the upgrading works are left undone the more they will cost and if funding is not forthcoming St Helena will greet the influx of tourists, when they eventually do fly here, with crumbling and malfunctioning infrastructure. What sort of incentive will that provide? We know that additional investment in infrastructure is needed at

all levels be it for improved street lighting or road lighting, particularly in the Western areas, which is basically needed for safety reasons, further roads in the Half Tree Hollow area that basically should be adopted as Government roads because of the number of properties that they serve and in some instances these roads are also being used by disabled individuals, new parking areas to be developed in Jamestown, traffic calming measures to be introduced, again, particularly in Jamestown, but also elsewhere on the island. These all need to be done but all require funding. In addition, there are projects such as the Prison and the Fire Station that have been in the pipeline for years and it is ironic that just when St Helena Government had engaged technical support to help to move these projects forward and clear the log jams approval of a business case for a multi-year capital programme that will enable these and other high priority projects to be delivered, has stalled. Can St Helena move forward in these circumstances? I think the obvious answer is, only in a very limited way and certainly not on a scale that will greatly enhance social or economic development. What a pity at any time, but what a tragedy at this crucial point in the island's development. On another matter, I have received a copy of a written statement given by Lord Bates relating to air access issues and with the Speaker's permission I would like to read this statement.

The Speaker –
Carry on.

The Hon. Dr Corinda Essex -

“Wind shear identified at St Helena Airport in April 2016 meant that the commencement of regular schedule air services was postponed while the operating conditions were investigated and means identified to mitigate their impact. A tender for a weekly air service into St Helena was launched in December 2016 and received a substantial response. Contract award is scheduled for early Summer 2017.” This written response was provided on 28th March this year. It would be very helpful if the Honourable Chief Secretary could ascertain what means have been identified to mitigate the impact of the operating conditions. The only mitigation of which I am aware is the fact that a different size and configuration of aircraft is now being targeted to deliver the service. If other mitigatory measures have, indeed, been identified I ask why these have not been communicated to elected members and, indeed, the public of St Helena. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Honourable Brian Isaac?

The Hon. Brian Isaac –

Thank you, Mr Speaker, I rise in support of the Adjournment Debate. As a member of Executive Council, it provides me opportunity to raise some of these concerns at an executive level. Unfortunately I've given commitment to some of my constituents who have raised these concerns that I will address publicly in Adjournment Debate. The first, Mr Speaker, is concerns has been brought to my attention on a number of occasions that Directorates has lacked the respect to respond to correspondence submitted to the Directorates on concerns raised by the public in a form of a reply, given acknowledgement that their concerns have been raised and have been addressed. Previously a small card was despatched in an envelope and it was raised, it would be addressed that your concerns are being addressed and we will get back to you, that is no longer happening. I am aware that people can write to Report and Sort It, but I thought I would raise it here this afternoon. Another concern has been raised with me and it's been raised in this Honourable House on a number of occasions through Motions and Questions, the gutters in Upper Jamestown, it is now becoming a real hazard for

pedestrians walking, for schoolchildren leaving from Pilling School, they are directed across the road to walk along this unsafe gutters and it's not for the lack of bringing it to the attention of appropriate Directorates, it could be a possibility of the lack of funding, but the reassurance has been given in this Honourable House that it will be included on the maintenance programme, but to date after probably some eight, ten years and longer, nothing is happening. I would also like to make Members aware that the Employment Rights Committee are addressing the Minimum Wage increase, there will be a drop-in session later this evening at the Canister for the public or employers to come in and to raise any concerns which they may have. We're also presenting a proposal for a living wage for employers to consider as a guideline when increasing their or making payments to their employees. Mr Speaker, I would also like to raise, which I did previously at the last sitting of formal LegCo this Council is slowly coming to an end and a new Council will slowly, will surely take the seats as we are here today, but we are leaving a lot of unfinished in respect of legislation that is pending within the Attorney General's Chambers. What comes to mind is a lot of work has gone into the Immigration Ordinance with amendments being brought to the legislature by the public. This work has been almost completed but unfortunately with the vacancy of the Attorney General in his Chambers this work cannot go ahead. It saddens me because the public has put their trust that we as Councillors would take forward these issues. Unfortunately due to unforeseen circumstances and beyond the Councillors' control these issues are not being addressed and has been suggested that they will go on for the new Council to deal with, which is not something that I will support, we have time and there are certain pieces of legislation that can be brought to this House in its form and the other parts can be followed later. The Freedom of Information and Data Protection, a lot of work has gone into that, again, that's another piece of important legislation that elected members gave to the electorate at the beginning of this Government that they would work earnestly to have this in place whilst in office. Unfortunately a lot of work had to go into it; it wasn't a straightforward piece of work but again there are holdups within the Attorney General's Chambers. We have been given reasons for these holdups and delays within the Attorney General's Chambers but it do not really suffice the situation that we are faced with today. There are also other pending minor legislation that Committees are waiting on and there are delays within that as well. As said earlier by the Financial Secretary, he respect the responsibility of a responsible Government, we all act in that position to be responsible to our constituents, but unfortunately at times our hands are tied and we cannot move on. There are sometimes reasons for not, financial issues that we cannot move on, but when it comes to amending of legislation and for the betterment of this island it does not take a lot of finances to have these amendments implemented. Mr Speaker, I would like to leave it at that stage for now and support the Adjournment Debate. Thank you.

The Speaker –

Thank you, Honourable Member. Is there any other Honourable Member who would like to speak to the Adjournment Debate? Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Mr Speaker, I rise in support of the Adjournment Debate. Mr Speaker, the relationship between this Council and our overseas partners in DfID is a difficult one. The complexity surrounding our economy and our logistical disadvantages regarding our location are acknowledged, but in my opinion, not fully appreciated by DfID Ministers. St Helena has an ageing population of just four thousand people who are expected to provide essential services such as a parliamentary system, education, healthcare, fire and rescue and policing services, all without the benefit of economies of scale and unlimited human resources. To draw

comparison, this is not expected from a typical village in the UK of the same size. St Helena strives to develop a fledgling private sector, we as islanders strive to put agriculture and local production at the forefront knowing merchants find it cheaper to import these items. However, striking the right balance is a statement which stretches across many areas of this Council. St Helena's topography does not lend itself kindly to major developments without considerable engineering knowledge, but just as important is the use of local knowledge. The airport project is a prime example of what not to do. Local knowledge should play a major role in any future development for St Helena.

Mr Speaker, I question the bureaucracy of DfID with regards to their decision to delay the process of budgetary approval. I would like to convey the undue pressure this places on our Honourable Financial Secretary and his team in the preparation in the event of a rollover budget. I would hope DfID officials be more considerate during the next budget period.

Mr Speaker, with regards to the recent terror attacks in Westminster, I would offer my condolences to the family and friends of the victims of this attack. The Prime Minister herself gave an inspiring and comforting speech when she addressed the nation and I feel confident the British morale will prevail.

I attended the 65th Westminster Seminar earlier this year, so this incident feels a little closer to me as I used to walk the same road on the way to Portcullis House each morning. It should serve as a stark reminder to how precious life is and how fortunate we are here on St Helena. We also have a duty as Parliamentarians to help combat the threat of terrorism, we can do this through the most effective tool known to man, education.

Mr Speaker, I'd like to highlight the fact we're drawing closer to the General Election and that St Helena is in need for suitable candidates to undertake the role of Councillor within this Legislative Assembly. The role of Councillor is a significant one and is one which presents challenges and conflicts of opinions, it calls for individuals who are steadfast but also have compassion and an ability to see things from another's point of view. Team work is ultimately essential. I would like to address the public when I say the first step towards your democratic rights is registration. I hope the public join the electoral roll before July 2017 and exercise their right to vote. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member, thank you. Is there any other Honourable Member who might wish to speak to the Adjournment Debate? Honourable Mover, would you like to wind up?

The Hon. Roy Burke –

Thank you, Mr Speaker. Dealing with some of the issues that have been raised today, I'm very happy to work with other Members, with Members here and some of my colleagues to find a way to encourage the All Party Parliamentary Group, with hopefully the support of the CPA, to come to St Helena and perhaps with the Honourable Derek Thomas, given that he's due to leave these shores to have a similar discussion. I'm very happy to do that and I will also take up some of the issues that you mentioned about the RE Yard: the external walls, maybe that will be a good use of DfID's £1.4m, I don't know. Brexit, of course, is a challenge for all of us. There is some involvement of the Overseas Countries and Territories Association and the Honourable Lawson Henry has just had some discussions on this particular issue. So we need to work very closely with that issue, not least, we know that our EDF funding will soon come to an end as a result of Brexit. But we need to make sure that we're as close as possible to those discussions, to work as hard as we can to make sure St Helena's future funding streams are not cut off.

I'd like to just commend the hard work done by a number of officials in Environmental Health, and in Fisheries. That might sound strange in that it was Environmental Health who closed Fisheries, but we did work very closely together over the last couple of days to get the Fisheries open again within, I think, record time insofar as that it was substantially completed within twenty-four hours and opened again, as you know, from this morning.

The Honourable Derek Thomas mentioned Greenlands, which is not an insignificant development for St Helena and I do know that ENRC, the Highways Authority worked very hard to try and find a way in which that could be dealt with smoothly. Of course it didn't work quite as planned, but nonetheless when those issues were raised by some of the contractors, colleagues round the table and also colleagues in ENRD worked very hard to find a way in which they could be resolved and to a large extent they were.

The Duke of Edinburgh Playground comes up here on a regular basis: whether it's used for parking or not. And at the moment it's not because it's got a barrier across it. There is a process and it has to be followed, in my view. Red tape sometimes is there for a reason and whether there's a level of inconvenience caused I think is the most important thing. We need to make sure that we do it as conveniently as possible, whether there's been "total inconvenience" is a matter of judgement for others.

The cost of leases of land is being discussed at the moment, I'm aware.

I too have concerns about the capital programme., A six-month extension of £1.4m. Our concerns have been replayed back to our colleagues in DfID. Unlike the rollover budget which my Honourable Friend the Financial Secretary has had to deliver today, that is a positive indication of some money, but I'm afraid it's a positive indication of not enough money by quite a long way and we've pushed back very hard on that. Ruperts isn't included as discussed, nor the roads that take people from Ruperts Bay into Jamestown, the Rockfall issues that we've spoken about not adequately covered, the Prison, the construction of the Prison certainly isn't although we can do some work on preparatory designs. The PIP process that we went through earlier in 2016 clearly had an aim to prepare us for a significant uplift in funds, I'm afraid that's not arrived and the major project support service is in place ready to deliver those projects but cannot from 1st April. Again, we've reached out to DfID and told them that we'll help prepare the business case and I think we're doing as much as we possibly can from this end. Unfortunately we have no control over the allocation of funds, our colleagues in DfID have their hands very firmly around the neck of that particular bag. And we'll continue to have conversations on a regular basis. We are having those discussions now but there is very little progress, I'm afraid, to report.

The Honourable Brian Isaac raised issues in respect of correspondence and replies to public correspondence. We have a standard in SHG, for the listening public, so you can complain if this doesn't happen. Within three days you should expect an acknowledgement, that's three working days and within ten working days you should expect a response or at least a response that tells you that your response will be coming soon, so at least you'll be given an update of where we are. So it's important that we maintain those standards and maybe we should have another look at that, how we measure our performance.

I will take up issue about maintenance of the pavements and the roads across from Pilling and as far as the AG's Chambers is concerned, yes, there are issues there, undoubtedly we all struggle a little bit there, we've had this discussion on a number of occasions as well. Some

of those issues are not entirely within the Attorney General's gift. There's lots of work going on all over the place which requires input from Directors, Directorates and, of course, Elected Members, so there are issues which will rollover, blimey, I'm using that word again, into 2017/18, but the work will go on and it will be done. It's as important for the civil and public servants to make sure that work carries on as it is for Members to give us direction in that respect.

And as far as the Honourable Cruyff Buckley's comments are concerned, we all support the sympathies extended to the people in the UK and those visitors from overseas and certainly as far as the democratic aspirations of the Honourable Member are concerned, we would all support that as well and if it helps, any of the listening public, if they want to come and talk to me about my views of how Government works and the role of political members, I'm happy to do that as well. Mr Speaker, thank you, I beg to move.

The Speaker –

Thank you. Well, thank you, Honourable Members, we've come to the end of the debate, it's been an interesting session once again and all I can encourage you to do is to fight on. The Motion then, standing in the name of the Honourable Chief Secretary, is that this House do now adjourn sine die.

Question on Motion, put and agreed to.

The Motion is carried.

The Speaker –

Thank you, Honourable Members.

Council adjourned sine die.