No: 29/2019

#### **Memorandum for Executive Council**

#### **SUBJECT**

# MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF) - 2020/21 to 2022/23 – STRATEGIC OBJECTIVES and POLICY PRIORITIES

#### Memorandum by Chief Secretary

#### **ADVICE SOUGHT**

1. Executive Council is asked to consider and advise whether the Strategic Objectives and Policy Priorities which will inform and direct the strategic planning and budgeting process for the three year period 2020/21 to 2022/23, as set out in Annex A, should be approved.

## BACKGROUND & CONSIDERATIONS

- 2. The 10 Year Plan covers the period 1 April 2017 to 31 March 2027 and was compiled following extensive consultation with the community. The overall objective of this plan is to continue to make St Helena a wonderful place to live, work, raise children, and visit and to do business.
- 3. The Plan has been developed around five National Goals i.e. Altogether Safer, Altogether Healthier, Altogether Better for Children and Young People, Altogether Greener and Altogether Wealthier
- 4. The Plan states "To make sure we complete what was suggested we will use the SHG strategic planning process. This will be done through Directorates' three year Strategic and Operational Plans that must link and contribute to the National Goals and the outcomes the community has high-lighted." However, the Plan also recognises that "There are wider issues that do not necessarily fit into the five National Goals". Therefore in September 2018, Executive Council approved two additional goals i.e. *Effective Infrastructure* and *Effective, Efficient and Accountable Public Sector*, with a set of supporting Strategic Objectives. The seven goals and Strategic Objectives were used to inform the Medium Term Expenditure Framework (MTEF) process for 2019/20 2021/22.
- 5. Lessons learned from last year's MTEF process included the need to start the process earlier. In this regard, the MTEF timetable for 2020/21 2022/23 was shared and discussed with the Core Leadership Group (CLG) and all elected Members in April 2019. A copy of the MTEF timetable is at Annex B for

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easy reference. Members were informed that a slightly different approach was being adopted to inform the planning and budgeting process and ensure a more joined up approach across the service and between elected Members and officers. The following points were highlighted:

- (a) Diagnostic work has taken place to understand current thinking, beliefs and attitudes at all levels including strategic, political and organisational. This work will feed into the revised Prospectus for Change that will guide development and transformation in the Public Service;
- (b) Workforce planning is also key to the MTEF process and in this regard Corporate HR is conducting an environmental scan that will identify both internal and external factors that will impact on service delivery as well as strategic, demographic, technological, economic, labour market and general issues;
- (c) Corporate Finance is working with directorates to help understand core and non-core services with a view to costing each of those services separately from costing new initiatives under the proposed policy priorities once agreed.
- 6. Elected Members were also informed that SHG would need to agree the Strategic Objectives and policy priorities for 2020/21 2022/23. In this regard, a list of potential policy priorities were circulated to CLG and elected Members for discussion and review in their respective Council Committees. It was pointed out that the intention was for the policy priorities to focus on transformation and improvements to service delivery rather than routine/statutory work.
- 7. Furthermore, CLG and elected Members were asked to review the Strategic Objectives. This has resulted in an amendment to Strategic Objective 2.1 which is now proposed to read as follows:
  - 2.1 Improve education and training to increase opportunities for all to achieve their full potential
- 8. The full list of the suggested policy priorities was shared with elected Members and the CLG and the summarised version was presented at the Informal LegCo meeting on Friday, 24 May. Elected Members and members of CLG were then allowed a period of three weeks to provide further comment on the summarised list of policy priorities. The outcome of these iterative discussions is presented in Annex A.

#### **FINANCIAL IMPLICATIONS**

9. There are no direct financial implications or financial commitments arising from this paper. However, the Strategic Objectives and Policy Priorities will be used to inform the next strategic planning and budgeting exercise during which activities will need to be prioritised/costed according to budget availability. They will also help to inform the development of Business Cases for external sources of funding.

#### **ECONOMIC IMPLICATIONS**

10. The 'Altogether Wealthier' goal includes 'sustainable economic development' as a Strategic Objective with a Policy Priority to 'create an enabling environment for future investment and private sector growth. This will serve to support the implementation of the Sustainable Economic Development Plan.

#### **CONSISTENCY** WITH **INVESTMENT POLICY PRINCIPLES**

11. The Strategic Objective and Policy Priority mentioned in paragraph 8 above are consistent with the Investment Policy Principles and will include activities which are consistent with incentivising investment.

#### PUBLIC / SOCIAL **IMPACT**

12. The proposed Strategic Objectives and Policy Priorities should have an indirect positive public/social impact in that they will direct and inform the strategic planning and budgeting exercise which will provide for the delivery of public services.

# **IMPACT**

**ENVIRONMENTAL** 13. Whilst there is no direct environmental impact arising from this paper, the inclusion of an environmental Strategic Objective 'Promote the sustainable management and use of natural resources and the environment', together with the proposed Policy Priority 'Enhance efforts to develop, protect, conserve and promote sustainable use of our environment' will ensure due regard for the sustainable management and use of the environment.

### **PREVIOUS** CONSULTATION / **COMMITTEE INPUT**

14. Council Committees have been involved in the review of the Strategic Objectives and the development of the proposed Policy Priorities and there have also been wider discussions with elected Members and members of the Core Leadership Group at the informal meetings of Legislative Council held on 12 April and 24 May 2019.

#### **PUBLIC REACTION**

15. There is unlikely to be any negative public reaction to Council approving the proposed Policy Priorities and Strategic Objectives. The public will be more concerned about how these translate into actual service delivery and this will be reflected in directorate Strategic Plans and Operational Plans which will be published once they have been finalised.

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#### **PUBLICITY**

16.Mention should be made in the Ex Co Report and associated radio broadcast.

#### SUPPORT TO STRATEGIC OBJECTIVES

17. This paper supports all of the goals in the 10 Year Plan and will help provide more focus and strategic direction for implementing the Plan.

### LINK TO SUSTAINABLE ECONOMIC DEVELOMENT PLAN GOALS

18. This paper supports the Sustainable Economic Development Plan; one of the proposed Strategic Objectives is all about sustainable economic development.

SO'B

#### OPEN /CLOSED AGENDA ITEM

19. Recommended for the Open Session.

Corporate Support Corporate Services

21st June 2019