

ST HELENA GOVERNMENT RESPONSE TO RECOMMENDATIONS ON THE PUBLIC ACCOUNTS COMMITTEE RECOMMENDATIONS AND PROGRESS REGISTER AS AT 30 JUNE 2019

The Financial Secretary in his capacity as the responsible member of Executive Council submits an update on the action that has either been taken or is planned in response to recommendations contained in the reports of the Public Accounts Committee which have been adopted by Legislative Council.

In accordance with Section 69 (9) of the Constitution of St. Helena “If the Legislative Council adopts a report of the Public Accounts Committee, and requests the responsible member of the Executive Council to advise the Legislative Council of the action proposed to be taken by the Government of St Helena in respect of the report, the member concerned shall convey the Government’s response to the Council not later than the first sitting day following the expiration of six weeks after the date of the Council’s request, unless the Council extends the time for the response.

This report provides responses to the recommendations in Session Paper 01/19 and an update on previous recommendations.

Recommendations will continue to be reported upon until such time as the Public Accounts Committee has confirmed that it is their view that the recommendation has been implemented.

The table below explains the colour coding applied by the Public Accounts Committee for the disposal of recommendations.

Implemented - no further action required and the matter is recommended to be closed.
Accepted – but matter not fully implemented and remains open for action in monitor.
Disputed – requires reconsideration and therefore remains open to monitor.

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No	Date Reported to LEGCO by PAC	Body/Name of report	Recommendation	Responsibility	Response	Management's Recommendation
1	SP 01/19 08/03/2019	St Helena Government - Expenditure in Excess 2017/18	The Financial Secretary introduce measures to identify capital expenditure when preparing budget estimates and during the financial year by reference to the contracts register and through other means.	Financial Secretary	Additional resources within the Corporate Finance team enabled further controls to be implemented with regard to classification of expenditure in the preparation of the SHG Budget. This involved scrutiny at both the directorate and corporate level. Further training has been provided on classification of expenditure and adjustments have been made to the Budget Templates to ensure that capital expenditure is captured during the planning process. This work has resulted in capital expenditure for I&T being appropriately classified in the 2019/20 Budget.	Action completed. This has been embedded into the budget and performance management processes. Recommended to be closed.
2	SP 01/19 08/03/2019	St Helena Government - Expenditure in Excess 2017/18	The excess expenditure on Head 23, Health, for Recurrent Expenditure of £10,404 for the 2017/18 financial year is recommended to be allowed to stand charged to public funds	Financial Secretary	Legislative Council resolved at the 8 March 2019 meeting that the Statement of Expenditure in Excess 2017/18 laid as SP 46/2018 should stand charged to public funds in accordance with section 106(3) of the Constitution.	Action completed. No further action required. Recommended to be closed.
3	SP 01/19 08/03/2019	St Helena Government - Expenditure in Excess 2017/18	The excess expenditure on Head 22, Education, for Capital Expenditure of £34,304 for the 2017/18 financial year is recommended to be allowed to stand charged to public funds.	Financial Secretary	Legislative Council resolved at the 8 March 2019 meeting that the Statement of Expenditure in Excess 2017/18 laid as SP 46/2018 should stand charged to public funds in accordance with section 106(3) of the Constitution.	Action completed. No further action required. Recommended to be closed.
4	SP 01/19 08/03/2019	St Helena Government - Expenditure in Excess 2017/18	The Director of Education introduce measures to ensure the correct classification of capital and revenue expenditure when preparing the budget estimates and in the recording of transactions.	Director of Education	There is greater awareness within the team on the classification of capital and recurrent expenditure. Training has been provided to the team by the Management Accountant on classification of expenditure. In the preparation for the 2019/20 Budget a review was undertaken on capital spend before the budget was finalised. Capital spend is being monitored by the Finance Officer, Business Manager and the Director who has oversight of finances for Education.	Action completed. This has been embedded into the budget and performance management processes. Recommended to be closed.

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No	Date Reported to LEGCO by PAC	Body/Name of report	Recommendation	Responsibility	Response	Management's Recommendation
5	SP 01/19 08/03/2019	St Helena Government - Expenditure in Excess 2017/18	The excess expenditure on Head 26, Environmental and Natural Resources Directorate, for Capital Expenditure of £154,190 for the 2017/18 financial year is recommended to be allowed to stand charged to public funds.	Financial Secretary	Legislative Council resolved at the 8 March 2019 meeting that the Statement of Expenditure in Excess 2017/18 laid as SP 46/2018 should stand charged to public funds in accordance with section 106(3) of the Constitution.	Action completed. No further action required. Recommended to be closed.
6	SP 01/19 08/03/2019	St Helena Government - Expenditure in Excess 2017/18	The Director of ENRD introduce measures to ensure the correct classification of capital and revenue expenditure when preparing the budget estimates and in the recording of transactions.	Director of ENRD	Capital expenditure is now identified when budget submission are being compiled. The Finance Manager supported by the Management Accountant ensures that this exercise is done with relevant budget holders as necessary before the budget estimates are submitted. When capital items are then financed the transactions are taken directly from the capital expenditure budget line. Training has been provided to relevant officers on classification of expenditure.	Action completed. This has been embedded into the budget and performance management processes. Recommended to be closed.
7	SP 01/19 08/03/2019	St Helena Government - Expenditure in Excess 2017/18	The excess expenditure on Head 29, Safeguarding Directorate, for Capital Expenditure of £399 for the 2017/18 financial year is recommended to be allowed to stand charged to public funds	Financial Secretary	Legislative Council resolved at the 8 March 2019 meeting that the Statement of Expenditure in Excess 2017/18 laid as SP 46/2018 should stand charged to public funds in accordance with section 106(3) of the Constitution.	Action completed. No further action required. Recommended to be closed.