



# **St Helena Government**

## **BUDGET EXECUTION REPORT**

**FOR PERIOD 5 (AUGUST 2019) OF  
FINANCIAL YEAR ENDING 31 MARCH 2020**

**Overview of Budget and Performance for the Financial Year ending March 2020**

**Current stage of the budget monitoring process**

This Budget Execution Report (BER) covers the period April - August 2019 for the year ending 31 March 2020. As a control mechanism budgets are constantly monitored for potential overspends of expenditure and under collections in revenues throughout the year by Directorates and Corporate Finance. Budgets are scrutinised on a monthly basis against actual revenues and expenditure.

No Special Warrants or Supplementary Appropriation have taken place to date.

**Outline of Approved budget**

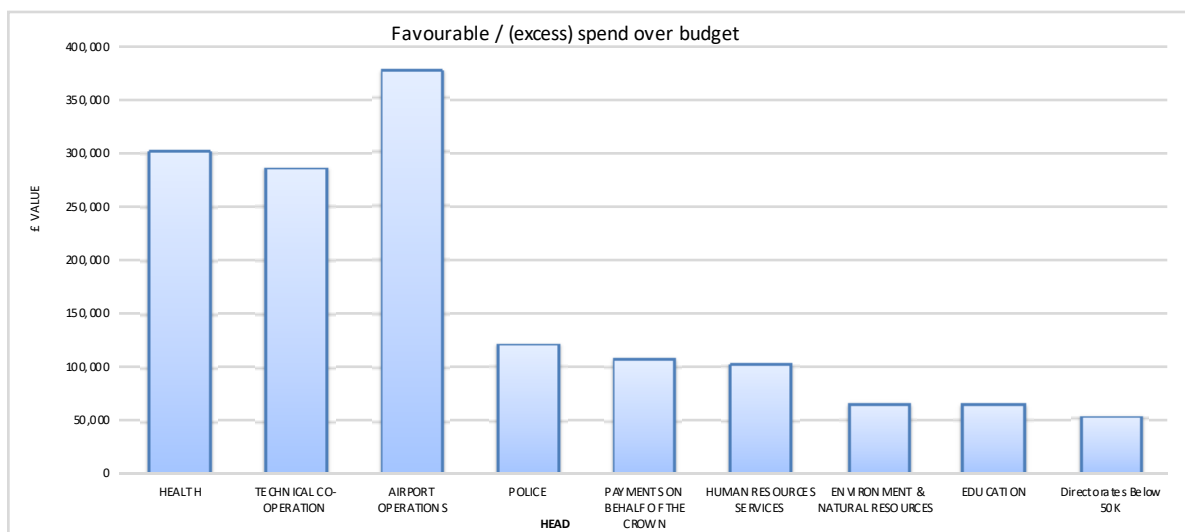
The total Original Approved Budget for the year is as follows:	Actuals: Year to Date £'000	Budgeted: Year to Date £'000	Actual Vs Budget £'000	%	Approved Budget £'000
<b>Total Recurrent Income:</b>	<b>17,887</b>	<b>18,603</b>	<b>(716)</b>	<b>-4%</b>	<b>46,056</b>
<b>Total Expenditure:</b>	<b>(16,997)</b>	<b>(18,451)</b>	<b>(1,454)</b>	<b>8%</b>	<b>(46,056)</b>
Recurrent Expenditure:	(16,965)	(18,437)	(1,473)	8%	(45,801)
Capital Expenditure	(33)	(14)	19	100%	(255)
<b>Total budget Surplus/(deficit)</b>	<b>889</b>	<b>151</b>	<b>738</b>	<b>488%</b>	<b>0</b>

**Revenue**

There is an adverse variance of £716k (4%) for the period April - August 2019 mainly due to under collection in Customs (refer to pages 4 and 6 for more detail).

**Expenditure (Recurrent & Capital)**

A favourable variance of £1,473k (8%) was achieved for the period April - August 2019. The diagram below shows the heads of appropriation with variances above £50k. Detailed review can be found on pages 5, 6 - 8.



**Performance Against Budget**

To date we have recorded a surplus of £889k being over 450% higher than the budgeted surplus of £151k. The higher surplus has been mainly due to significant underspend in Health, Technical Co-operations, Airport Operations, Police, Payments on Behalf of the Crown and Human Resource Services.

The Budget Execution Report on page 3 shows the performance against revenue and expenditure budgets by Head of Appropriation and significant sub component budgets. The performance is further illustrated by the Consolidated Fund Variance Summary Reports on pages 3 and 4. Detailed explanations for the budget variances are included on the Variance Explanation report on pages 6 - 8.

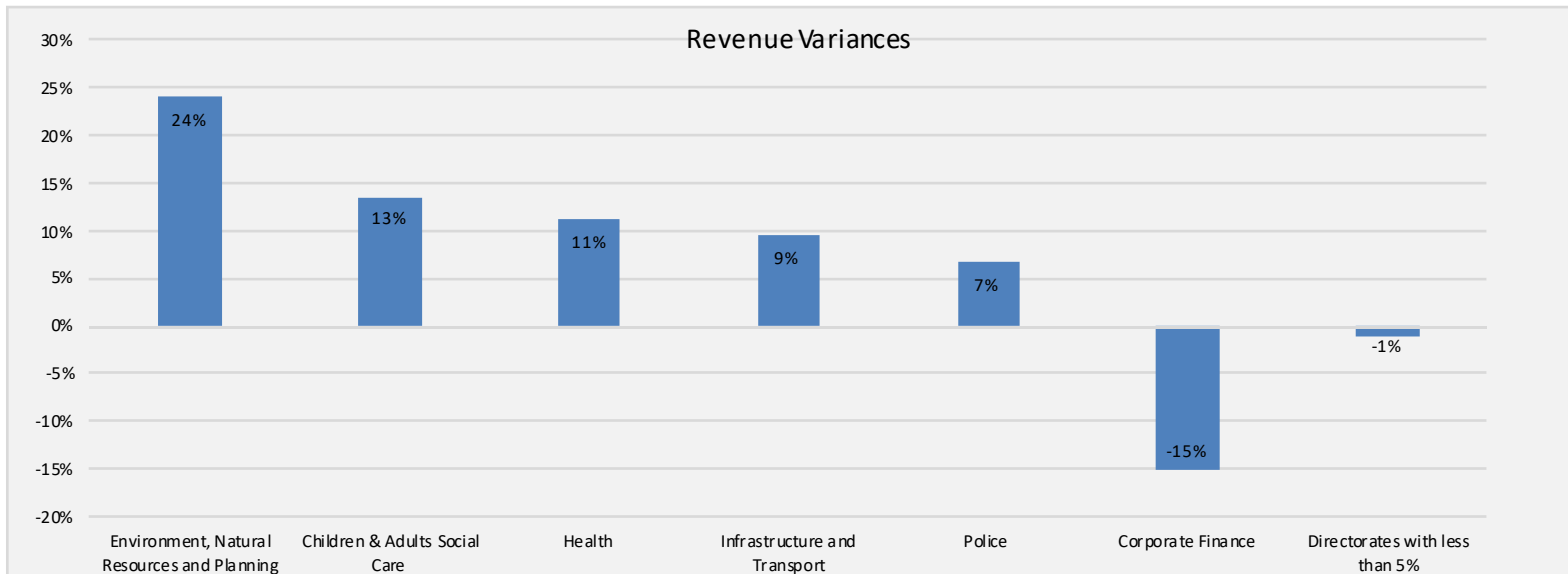


## CONSOLIDATED FUND BUDGET EXECUTION REPORT PERIOD 5 (AUGUST 2019)

	REVENUE							EXPENDITURE							SURPLUS/(DEFICIT)					
	YEAR TO DATE				FULL YEAR			YEAR TO DATE				FULL YEAR			YEAR TO DATE			FULL YEAR		
	Actual	Approved Budget	(1) Variance A - AB	A / AB %	Forecast	Approved Budget	(2) Variance F-AB	Actual	Approved Budget	(1) Variance AB - A	A / AB %	Forecast	Approved Budget	(2) Variance AB-F	Actual	Approved Budget	(1) Variance A - AB	Forecast	Approved Budget	(2) Variance F-AB
	£	£	£	%	£	£	£	£	£	£	%	£	£	£	£	£	£	£	£	£
CORPORATE SUPPORT, POLICY & PLANNING	110,484	113,133	(2,649)	98%	287,149	291,000	(3,851)	840,230	824,522	(15,708)	103%	1,584,093	1,537,000	(47,093)	(529,806)	(511,389)	(18,417)	(1,296,944)	(1,246,000)	(50,944)
HUMAN RESOURCES SERVICES	0	0	0	0%	-	0	0	141,807	243,427	101,620	58%	550,890	536,000	(14,890)	(141,807)	(243,427)	101,620	(550,890)	(536,000)	(14,890)
TECHNICAL CO-OPERATION	0	0	0	0%	-	0	0	3,420,425	3,706,152	285,727	92%	9,097,091	8,623,000	(474,091)	(3,420,425)	(3,706,152)	285,727	(9,097,091)	(8,623,000)	(474,091)
POLICE	152,293	142,802	9,491	107%	372,317	377,000	(4,683)	687,979	808,327	120,348	85%	1,847,046	1,848,000	954	(535,686)	(665,525)	129,839	(1,474,729)	(1,471,000)	(3,729)
CORPORATE FINANCE	3,740,223	4,401,151	(660,928)	85%	21,117,582	11,543,000	9,574,582	527,800	538,546	10,746	98%	1,288,000	1,328,000	40,000	3,212,423	3,862,605	(650,182)	19,829,582	10,215,000	9,614,582
PAYMENTS ON BEHALF OF THE CROWN	11,711,530	11,841,835	(130,305)	99%	19,167,771	28,742,000	(9,574,229)	2,129,632	2,237,359	107,727	95%	7,162,000	7,162,000	0	9,581,898	9,604,476	(22,578)	12,005,771	21,580,000	(9,574,229)
ECONOMIC DEVELOPMENT	0	0	0	0%	-	0	0	387,500	387,500	0	100%	930,000	930,000	0	(387,500)	(387,500)	0	(930,000)	(930,000)	0
PENSIONS	0	0	0	0%	-	0	0	543,913	550,750	6,837	99%	1,290,000	1,290,000	0	(543,913)	(550,750)	6,837	(1,290,000)	(1,290,000)	0
BASIC ISLAND PENSION	0	0	0	0%	-	0	0	1,046,824	1,040,463	(6,361)	101%	2,448,000	2,448,000	0	(1,046,824)	(1,040,463)	(6,361)	(2,448,000)	(2,448,000)	0
INCOME RELATED BENEFITS	0	0	0	0%	-	0	0	260,153	245,689	(14,464)	106%	551,000	551,000	0	(260,153)	(245,689)	(14,464)	(551,000)	(551,000)	0
ACCESS	0	0	0	0%	-	0	0	256,562	299,853	43,291	86%	712,000	712,000	0	(256,562)	(299,853)	43,291	(712,000)	(712,000)	0
AIRPORT OPERATIONS	1,451,667	1,452,000	(333)	100%	3,500,000	3,500,000	0	1,082,760	1,458,334	375,574	74%	3,500,000	3,500,000	0	388,907	(6,334)	375,241	0	0	0
EDUCATION	91,933	89,700	2,233	102%	204,121	227,000	(22,879)	1,286,863	1,350,816	63,953	95%	3,407,405	3,350,000	(57,405)	(1,194,330)	(1,261,116)	66,186	(3,203,284)	(3,123,000)	(80,284)
HEALTH	263,417	237,066	26,351	111%	585,887	569,000	16,887	1,338,755	1,641,096	302,341	82%	4,028,829	3,886,000	(142,829)	(1,075,339)	(1,404,030)	328,691	(3,442,942)	(3,317,000)	(125,942)
OVERSEAS MEDICAL TREATMENT	0	0	0	0%	-	0	0	630,436	625,000	(5,436)	101%	1,500,000	1,500,000	0	(630,436)	(625,000)	(5,436)	(1,500,000)	(1,500,000)	0
MEDICAL EVACUATION	0	0	0	0%	-	0	0	44,977	90,000	45,023	50%	200,000	200,000	0	(44,977)	(90,000)	45,023	(200,000)	(200,000)	0
ENVIRONMENT, NATURAL RESOURCES & PLANNING	50,831	41,055	9,776	124%	116,075	113,000	3,075	709,622	773,938	64,316	92%	1,867,000	1,867,000	0	(658,791)	(732,883)	74,092	(1,750,925)	(1,754,000)	3,075
INFRASTRUCTURE & TRANSPORT	215,822	197,211	18,611	109%	496,362	486,000	10,362	846,924	609,993	(236,931)	106%	1,530,000	1,530,000	0	(431,101)	(412,782)	(18,319)	(1,033,638)	(1,044,000)	10,362
CHILDREN & ADULTS SOCIAL CARE	98,348	86,665	11,683	113%	237,162	208,000	29,162	1,181,548	1,205,720	24,172	98%	2,911,664	3,003,000	91,336	(1,083,200)	(1,119,055)	35,855	(2,674,502)	(2,795,000)	120,498
<b>Total Recurrent</b>	<b>17,886,548</b>	<b>18,602,618</b>	<b>(716,070)</b>	<b>96%</b>	<b>46,084,425</b>	<b>46,056,000</b>	<b>28,425</b>	<b>16,964,770</b>	<b>18,437,485</b>	<b>1,472,715</b>	<b>92%</b>	<b>46,405,018</b>	<b>45,801,000</b>	<b>(604,018)</b>	<b>921,778</b>	<b>165,133</b>	<b>756,645</b>	<b>(320,593)</b>	<b>255,000</b>	<b>(675,893)</b>
<b>Capital</b>																				
POLICE	0	0	0	0%	0	0	0	0	0	0	0%	30,000	30,000	0	0	0	0	(30,000)	(30,000)	0
CORPORATE FINANCE	0	0	0	0%	0	0	0	0	0	0	0%	50,000	50,000	0	0	0	0	(50,000)	(50,000)	0
CHILDREN & ADULTS SOCIAL CARE	0	0	0	0%	0	0	0	0	0	0	0%	90,000	0	(90,000)	0	0	0	(90,000)	0	(90,000)
EDUCATION	0	0	0	0%	0	0	0	17,311	0	(17,311)	0%	17,311	0	(17,311)	(17,311)	0	(17,311)	0	(17,311)	0
INFRASTRUCTURE & TRANSPORT	0	0	0	0%	0	0	0	15,189	13,836	(1,354)	110%	176,354	175,000	(1,354)	(15,189)	(13,836)	(1,354)	(176,354)	(175,000)	(1,354)
<b>Total Capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,500</b>	<b>13,836</b>	<b>(18,665)</b>	<b>23%</b>	<b>363,665</b>	<b>255,000</b>	<b>(108,665)</b>	<b>(32,500)</b>	<b>(13,836)</b>	<b>(18,665)</b>	<b>(363,665)</b>	<b>(255,000)</b>	<b>(108,665)</b>
<b>Movement on Consolidated Fund</b>	<b>17,886,548</b>	<b>18,602,618</b>	<b>(716,070)</b>	<b>96%</b>	<b>46,084,425</b>	<b>46,056,000</b>	<b>28,425</b>	<b>16,997,270</b>	<b>18,451,321</b>	<b>1,454,051</b>	<b>92%</b>	<b>46,768,683</b>	<b>46,056,000</b>	<b>(712,683)</b>	<b>889,278</b>	<b>151,297</b>	<b>737,980</b>	<b>(684,257)</b>	<b>0</b>	<b>(684,257)</b>



## CONSOLIDATED FUND VARIANCE SUMMARY REPORT PERIOD 5 (AUGUST 2019)

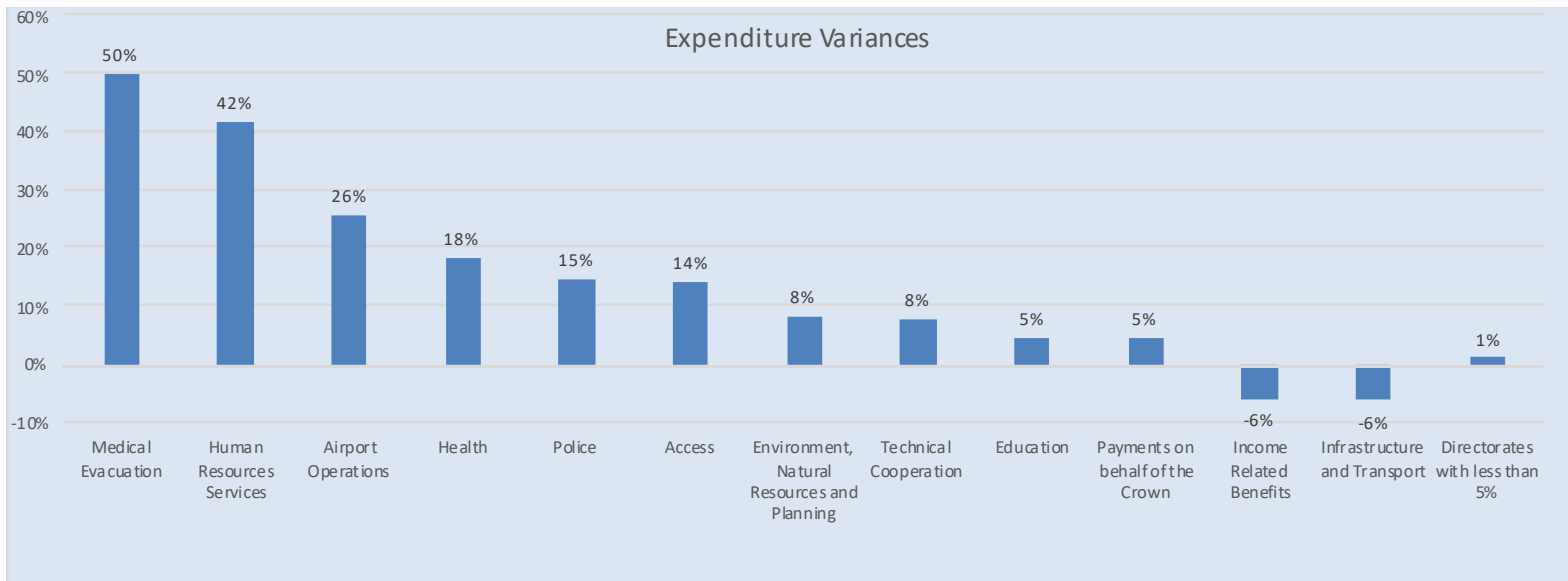


### REVENUE:

Overall revenue for the 5 months period ending August 2019, reflected an under collection of four percent (**circa £716,000**).

We reported an over-collection of fees under the 5 directorates (Police, Health, ENRP, I&T and CASC) by circa £75,000. However the position to date has been reduced by the under collection of customs revenue by Corporate Finance. The under collection in customs amounted to circa £661,000 as well as £130,000 under Payments on Behalf of the Crown.

Please refer to the variance explanation report for detail.



**EXPENDITURE:**

Overall expenditure for the 5 months period ending August 2019, reflected an under spend by eight percent (**circa £1,473,000**).

The reasons for the underspend included timing differences between budgeted expenditure and actual costs due to contracts and overseas procurement being delayed. Also noted was a saving in salaries due to vacant posts as a result of high staff turnover. The largest underspends were noted under Health, Technical Co-operation, Airport Operations, Police, Payments on Behalf of the Crown and Human Resources Services (£302,000; £286,000; £375,000; £120,000; £108,000 and £102,000 respectively).

Please refer to the variance explanation report for detail.



## CONSOLIDATED FUND VARIANCE EXPLANATION REPORT PERIOD 5 (AUGUST 2019)

**Head**

REVENUE					
YEAR TO DATE					
Actual	Approved Budget	Variance A - AB Favourable / (Adverse)	Variance AB - A Favourable / (Adverse)		
£	£	£	£	%	
				<b>Explanations of variances &gt;5%</b>	
Police	152,293	142,802	9,491	7%	Immigration fees for the first two months of the year were higher than anticipated, this is partly attributable to two cruise ship arrivals.
Corporate Finance	3,740,223	4,401,151	(660,928)	(15%)	The under collection of customs taxes was mainly due to less items being imported to the Island in respect to alcohol and other items of £566k. Revenue generated from excise and liquor duty was under collected by £134k which was due to importation of items attracting lower duty charges. This was off-set by favourable collection in Customs Taxes for Fuel and Tobacco of £126k and £48k respectively. Revenue Services recognised an over collection of income taxes by a total of £70k.
Health	263,417	237,066	26,351	11%	Dental and hospital fees were slightly higher than budgeted as well as increased revenue from water testing. During the Month of August additional revenue was raised from treating a crew member from a passing ship attracting visitor rates.
Environment, Natural Resources and Planning	50,831	41,055	9,776	24%	During the month of August there was an increase in income for veterinary and spraying fees.
Infrastructure and Transport	215,822	197,211	18,611	9%	The increase in income was mainly from leased property/land, £17k more than anticipated.
Children & Adults Social Care	98,348	86,665	11,683	13%	The over collection is due to the actual revenue being higher than budgeted at the Princess Royal CCC, notably budgeted average rental was £45 compared to an actual of £60 per week.
<b>TOTAL RECURRENT INCOME</b>	<b>17,886,547</b>	<b>18,602,618</b>	<b>(716,071)</b>	<b>(4%)</b>	

EXPENDITURE					
YEAR TO DATE					
Actual	Approved Budget	Variance AB - A Favourable / (Adverse)	Variance AB - A Favourable / (Adverse)		
£	£	£	£	%	
				<b>Explanations of variances &gt;5%</b>	
Human Resources Services	141,807	243,427	101,620	42%	The underspend has been due to Distance Learning Courses, Modules for Nurses as well as Overseas training not being taken as planned.

EXPENDITURE					
YEAR TO DATE					
Actual	Approved Budget	Variance AB - A Fav ourable / (Adverse)	Variance AB - A Fav ourable / (Adverse)		
£	£	£	£	%	Explanations of variances >5%
Technical Cooperation	3,420,425	3,706,152	285,727	8%	The underspend is due to vacant TC posts and a timing difference on consultancy fees to be spent later in the year (£213k and £114k respectively). This was off-set by higher vacancy advertising expenses of £39k for the vacant posts.
Police	687,979	808,327	120,348	15%	The underspend is largely attributable to employee related costs (notably in Police Operations & Immigration) amounting to £62k, as well as a timing difference between planned spend and actual spend on supplies and services mostly imported amounting to £63k.
Payments on behalf of the Crown	2,129,632	2,237,359	107,727	5%	The actual for IT Replacement is £50k lower than anticipated to date. Legal fees reflected an underspend, £12k, due to pending cases yet to be finalised. Public pensions expenditure is currently lower than budget resulting in £43k underspend. Expenditure on external contracts were lower than budgeted resulting in an underspend of £107k. These were off set by a net overspend on payments to the St Helena Hotel Development (£100k).
Income Related Benefits	260,153	245,689	(14,464)	(6%)	The overspend was due to income related benefit claims which are demand led.
Access	256,562	299,853	43,291	14%	Savings were made on the Rupert's to Jamestown barge costs, these are dependant on volume of goods transported. The average monthly cost amounted to £31k compared to an budgeted cost of £41k per month resulting in an underspend of £50k.
Airport Operations	1,082,760	1,458,334	375,574	26%	The difference is due to budget equally phased over 12 months however, the actual cost is expected to increase towards the end of the year.
Education	1,286,863	1,350,816	63,953	5%	The underspend is mainly due to a 66k underspend on Student Scholarship Scheme and Allowances resulting from student drop out and students not returning as planned.

EXPENDITURE					
YEAR TO DATE					
Actual	Approved Budget	Variance AB - A Fav ourable / (Adverse)	Variance AB - A Fav ourable / (Adverse)		
£	£	£	£	%	Explanations of variances >5%
Health	1,338,755	1,641,096	302,341	18%	The underspend has been largely due to savings on employee related costs amounting to £40k, mostly due to vacancies. £23k underspend results from the Patient Source contract not yet entered into as expected. Saving on supplies & services (£170k), mainly orders not yet received from overseas. £35k on the Chronic Disease Management saving was achieved and will be utilised in other areas.
Medical Evacuation	44,977	90,000	45,023	50%	The underspend is due to one aeromed flight having occurred between April - Aug. This is a unpredictable cost for which the underspend could be used in the future.
Environment, Natural Resources and Planning	709,622	773,938	64,316	8%	The underspend is mostly due to vacancies not filled of £22k. There is a timing difference between budgeted contract work (£28k) and procurement (£14k) not being completed and billed as forecasted.
Infrastructure and Transport	646,924	609,993	(36,931)	(6%)	The overspend was due to the general maintenance for GLH & Buildings (£22k) as well as purchase of petrol jetter for unblocking sewerage pipes (£6k).
<b>TOTAL RECURRENT EXPENDITURE</b>	<b>16,964,770</b>	<b>18,437,485</b>	<b>1,472,715</b>	<b>8%</b>	

CAPITAL EXPENDITURE						
YEAR TO DATE						
Head	Actual	Approved Budget	Variance AB - A Fav ourable / (Adverse)	Variance AB - A Fav ourable / (Adverse)		
	£	£	£	£	%	
					%	Explanations of variances >5%
Police	0	0	0	0	0%	N/A
Corporate Finance	0	0	0	0	0%	N/A
Education	17,311	0	(17,311)		0%	The overspend related to the replacement of a server to be funded from the re-curent budget.
Infrastructure and Transport	15,189	13,836	(1,354)		(10%)	The overspend related to emergency work required on the Buttress Wall required to ensure public safety.
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>32,500</b>	<b>13,836</b>	<b>(18,665)</b>			
<b>TOTAL EXPENDITURE</b>	<b>16,997,270</b>	<b>18,451,321</b>	<b>1,454,051</b>			

#### PERFORMANCE MEASURES

Local Revenue as a Percentage of total expenditure:

	Annual Approved Budget	Actual to Period 5 (31/8/19)	Budget to Period 5 (31/08/19)
Total Local revenue	12,750,000	6,175,017	5,308,783
Total Expenditure	46,056,000	16,997,270	18,451,321
Percentage	28%	36%	29%