



**St Helena
Government**

GOVERNMENT OF ST HELENA

**PROCEEDINGS OF THE LEGISLATIVE COUNCIL –
THURSDAY 28TH MARCH 2019 – SECOND SITTING OF
THE TENTH MEETING**

ST. HELENA
LEGISLATIVE COUNCIL

THE PRESIDENT

The Honourable John Gilbert Cranfield

EX-OFFICIO MEMBERS

The Honourable Chief Secretary	-	Mrs Susan O'Bey
The Honourable Financial Secretary	-	Mr Dax Richards
The Honourable Acting Attorney General	-	Mr Andrew Radley

ELECTED MEMBERS

The Honourable Clint Richard Beard
The Honourable Cruyff Gerard Buckley
The Honourable Gavin George Ellick
The Honourable Corinda Sebastiana Stuart Essex
The Honourable Anthony Arthur Green
The Honourable Lawson Arthur Henry
The Honourable Kylie Marie Hercules
The Honourable Brian William Isaac
The Honourable Cyril Kenneth Leo
The Honourable Christine Lilian Scipio
The Honourable Derek Franklin Thomas
The Honourable Russell Keith Yon

CLERK OF COUNCILS

Ms Anthea Moyce

PROCEEDINGS OF THE LEGISLATIVE COUNCIL

Thursday, 28th March, 2019

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 Dale Bowers)

3. ADDRESS BY THE PRESIDENT

Good morning, Honourable Members, ladies and gentlemen and welcome to this our second sitting of the tenth meeting of Legislative Council. Many thanks once again are extended to Bishop Dale for giving us the benefit of prayer and thanks are also extended to Mr Keith Brindsen for standing in at such short notice as our Mace Bearer, as Mr Merlin George is not with us this morning.

Honourable Members, the business before this House today is resumed debate on the Appropriation Bill, a Motion for debate and the customary Adjournment Debate. I would like once again to thank the Honourable Financial Secretary for his most informative budget speech which Honourable Members will now be given the opportunity to speak to. I wish you all well in your important deliberations on the Appropriation Bill and I now call on the Clerk to announce the next item of business, please.

4. MOTIONS

Motion No. 1 – The Honourable Financial Secretary.

THE APPROPRIATION BILL, 2019

Resumed Debate

The Speaker –

Honourable Members, I put the question that the Appropriation 2019/2020 Bill, 2019 be approved in principle and referred to a Committee of the whole Council. Honourable Members, the Motion is now open for debate. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker. Mr Speaker, Honourable Members, I rise in support of this Motion, a Bill for an Ordinance, the Appropriation Bill, 2019, to provide for the services of the Government for the financial year 1st April 2019 to 31st March 2020.

Mr Speaker, Honourable Members, I would like to commend the Financial Secretary on his Budget Speech as I believe he has given a fair and balanced view of the state of our economy and it captured the many achievements we as a Government have made over the last year during what can only be described as a challenging year. There is still much to do and I will be addressing some of these issues in my response.

I, too, would like to thank Her Majesty's Government for not only signing off on our settlement for this year so that we do not have to go into a rollover budget, but also for the uplift in taking into account inflation and for recognising the many challenges we still face. This is particularly so, as pointed out by the Financial Secretary, against a backdrop of great uncertainty in the UK and Europe over the Brexit issue. I would hope that in going forward we can look to a three-year settlement and talks with key officials suggest this will be possible. I, too, would like to mention our relationship with HMG and from discussions earlier this month there seems to have been a huge effort made by the FCO and DfID when we had senior officials from both these departments of HMG on island. We value our partnership with HMG and I hope from the talks we had with officials recently this partnership will build in strength and equality.

I would like now to respond to some of the issues raised by the Financial Secretary and I would first like to talk about our commercial air service. I agree that in a short space of time, just some seventeen months, we have achieved a lot. I would have liked the Financial Secretary, given the importance of this key driver to our economy, to advise the House what is the next steps as this is the most important part, where do we go from here? I look back on my response to the budget speech last year. I identified then two elements with regard to the air service which I took from information provided by the market which was, firstly, the reinstatement of flights to Cape Town and consideration of lowering of the fares. I am pleased to say that one of these points have been addressed in the second flight schedule for the peak season in 2019/2020 in that a number of flights will originate from Cape Town. This is good news and has been well received by tour operators. I would hope that any conclusions drawn from the service operated out of Cape Town will not be prejudiced by the very short period flights originated from there. I would ask the Financial Secretary to address the issue in his response what consideration has been given to lowering of the fares given that this was a major concern to the industry and still is. Please can this be a priority for the next review of the Air Service Contract? I would also like to know what plans SHG have for graduating the air service to attract more visitors, what, if any, work is being done to see if flights can originate from Europe? Whilst recognising we are at the early stages of air access, the service we have now is not going to sustain a tourist driven economy, we need to accept this and plan to change this. It is for SHG to explore the market in earnest so that we can see what is out there in terms of taking the service to the next level and beyond, we cannot just sit back thinking that the number of visitors arriving is okay because they equal and surpass that of the RMS. The only way numbers are going to increase is if SHG have a forward plan and this to me is what is missing. I will explore more of this in the Adjournment Debate as I strongly believe that no-one is going to do this for us, SHG need to lead on this. Members will be aware that I have already raised this very issue and will continue in other forums and will be expecting some action to be

formulated and agreed as to how we can explore the market to see how we can increase the number of visitors, including flights from Europe.

It is pleasing to see that there has been an increase in the Minimum Wage to take effect from 1st April and that once again this Government has honoured its commitment to do an uplift in Income Related Benefits and Basic Island Pension. This is good news for those in receipt of benefits.

I look forward to seeing the work done on the Labour and Population Strategy and to encourage more Saints to move to St Helena. This strategy must, however, include how the Government propose to create an enabling environment that addresses the acute shortage of affordable houses and land to build houses on, in particular to first time buyers or builders. The one thing that has worked for many years on St Helena is the fact the huge number of Saints who strived to build their own homes. There are, however, some huge challenges and blockages to this successful trend continuing. This is the cost of land, including SHG land, the difficulty of borrowing or availability of loans to match the cost of building a house. This is against a backdrop of SHG not increasing its own stock of Landlord Houses and with a waiting list nearing the hundred mark. The last social houses built by SHG was over six years ago, but at the same time we have not created an environment that encourages Saints to build their own homes. Please can I ask the Financial Secretary what steps SHG will be taking to change the current environment given that SHG is not increasing its own stocks, what actions will SHG do to create an enabling environment for first time buyers. The stamp duty concession announced by the Financial Secretary will not help first time buyers if the blockages to loans is not addressed and availability of land is not forthcoming. There needs to be a debate on the issue of loans for first time house buyers on low salaries as the amount one can borrow does not match the cost of building a home. SHG needs to lead on this so that we can find a solution and one that encourage more Saints to build their own homes and those Saints who live overseas to return and settle, bringing much needed new skills to the island. This can only happen if SHG lead the way in creating an environment that facilitates the blockages I outlined and finding solutions to these.

One of the major contributing factors that have caused the downturn in our economy after the construction of the airport came to an end has been the absence of a capital programme. I hope that this will change later this year as following discussions with our partners in DfID we have been told that a new Capital Development Investment Programme will be approved shortly. This is really good news for St Helena and is the one thing that can bring some quick wins and create a stimulus to our economy and, in particular, our construction industry.

I would like to commend the Financial Secretary for accepting Elected Members' proposals in dealing with the increase in alcohol differently this year given the downturn in our economy as we felt that, for the reasons outlined by him, it warranted a lower than normal increase.

I commend to the House the changes to the Customs and Excise Regulations for further re-classifications from the 20% bracket to the 5% bringing further relief on a number of other goods, making them more affordable.

I also commend the changes made to reform of Tax laws that will create an enabling environment for both private sector and investors. I likewise commend the new Approved Investment Scheme that replaces the Investment Tax Credit. This new scheme is intended to support businesses where it is most needed when considering an investment scheme.

Finally, Mr Speaker, I would like to thank the Financial Secretary and his team for the many hours spent in preparing this budget. I wish to thank HMG for their support in agreeing the settlement, in particular, the uplift at a time when our economy is sw..?... This budget when approved and later a capital programme will see some positive progress and uplifting of the economy. I support this Motion and beg to move. Thank you.

The Speaker –

Thank you very much indeed. The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you, Mr Speaker, I rise in support of the Bill. Mr Speaker, I think it can be said that St Helena has made progress during very difficult times. The Financial Secretary, in his excellent Budget Speech on Monday, set out many of the highlights from the past year, reminded us what has been achieved during really challenging times and provided a framework as to why we can look forward to an interesting year ahead. If not already planned, I strongly suggest that the Budget Speech is made widely available probably through an insert in the newspaper. It's great that after two years we will not have another rollover budget, certainly good for Government business. At times this year it did not seem to me that we would ever get very close to the settlement we have today. It's not only the amount of the settlement, but also, as in the Budget Speech, there's now the prospect of a multi-year capital programme. That's good news for Government, that's good news for the private sector, that's good news for St Helena. However, much work has to be done before this can happen. Above all, perhaps, is what I see as a new and positive relationship that has recently emerged with DfID. That didn't happen naturally or by chance, it's been the result of intense discussions with the DfID Minister and DfID Advisers based on, and I emphasise, the collective desire and contribution by all elected members and officials.

So, to the draft budget. Of course, it doesn't provide for everything we want, but, given all the circumstances I feel that the outcome is reasonable. At least it provides a platform on which we can build. Some of the figures in the budget, including the information that flowed from the recent ExCo meeting report, are worth a further mention for the benefit of the public and also it will assist in putting all our discussions into context. This budget we are told sees an increase of £5.2m over the present financial year, £5.2m, that's an increase of 14.5%. The main increases really relates to inflation,?....services, the budget pressures and the support for St Helena Hotel Development Limited. Significantly though, the proposed overall spending for 2019/20 of £46m does not draw on any money from our Consolidated Fund. That £46m is to be funded by £6m from our Customs, £6.1m from our taxes, £2.8m from our revenue and £0.3m FCO and £31.8m from DfID. That £31.8m from DfID being made up of £26.8m as core financial aid, £1.5m as call down and £3.5m as support for our airport operations, so therefore DfID's overall contribution to our budget is some 69%. For this we say thank you to Her Majesty's Government who have been very supportive during times when they had their own challenges. Our local tax revenues from Customs, tax and other revenue streams contributes about 30% towards our budget. Putting together our budget has been like managing a business, what we can get from our major funder, DfID, is only possible if we do our part. We have had obligations to fulfil the budget settlement. Raising revenue and therefore increasing costs is sometimes not always appreciated, none of us really like doing that, but it has to be done no matter who is on Council will have to make this happen. Elected members faced many challenges in putting together this budget, members had to take account of St Helena's Ten-Year Plan, our national goals as well as keeping in view our Strategic Economic Development Plan. Our proposed spend therefore will see £41.5m to Directorates, £4.3m for Pensions and Benefits and £0.3m as capital for Police, Corporate Service and towards Infrastructure and Transport. A key area for me, and my Social and Community Development Committee, SCDC, is the budget for Safeguarding and at Committee stage I'll make a few brief comments on the Safeguarding budget as this was mentioned in the Budget Speech.

Earlier I referred briefly to elected members and officials involvement in the budget process. I believe the results we have was through concerted efforts and the regular engagement through

teleconferences with the DfID Advisers and sometimes also video conferences with the DfID Minister himself. Views continually expressed to HMG were those contributed to by all elected members.

In the Budget Speech, mention was made that the recent visit of the two senior officials from FCO and DfID was extremely encouraging. Yes, a watershed moment, we hope. The good signals that came out of the visit leaves the door open to us, elected members and officials, to be proactive and build a positive relationship with all our colleagues overseas, not least about working towards securing a three-year budget settlement from here on. I think there's also more to be gained in elected members building a stronger tie with our political colleagues at Westminster, but we might have to hang on for a week or two. Yes, and we don't know what is going to be the fallout from that. Taken alone I think our budget reflects a reasonable settlement given all the circumstances. However, we will probably be faced with issues at a time when the island is feeling the effects of the end of the year for construction stage, the present lack of full capital programme and the lower than originally hoped for visitor numbers and no sight yet of overseas investors. This transitional period will present many challenges not least those we expect to be solved by those which was originally envisaged as the economic growth through increased number of tourists would have helped to resolve.

My Committee, the Social and Community Development Committee, has to be particularly concerned about ensuring that those below the poverty line are catered for. The Budget Speech refers to the Minimum Income Standard, which is the basket of goods which calculates the poverty level, currently set at £90 per week. The Minimum Income Standard also determines the rates for Income Related Benefits and Basic Island Pension. For those of you who may have listened to Tuesday's ExCo report will know that's it's just been approved that the Income Related Benefits and the BIP, Basic Island Pension payments are to be increased from next month for which there is financial provision in the draft budget before us today. The new rates will be £70 per week for Income Related Benefits and £72.40 for Basic Island Pension, representing a greater uplift than the general price inflation. The Budget Speech also mentioned minimum wage and new hourly rates which take effect from next month - £2.18 per hour for 16 and 17-year olds and £3.13 per hour for adults. These have been all key considerations by elected members and officials.

We heard about the economic development and the economic stimulus during airport construction, but that having been completed we now face some declining work for the construction industry and other private sector activities. Let's hope there's a turning point in sight. I believe one key contributor towards growing the economy is having more people on the island. To encourage that we ourselves need to embrace that. Looking forward, the fibre optic cable, which the Honourable Financial Secretary referred to, will be a big game changer. To deal with these current issues and for what's planned ahead presents an enormous forthcoming workload for elected members, officials, Directorates and we need the public support.

It may also be an opportunity for me to pay tribute on your behalf to the tremendous work carried out by voluntary groups and organisations, these contributions make an enormous benefit to society. This period of transition we're in does indeed have its own downside, but opportunities for a brighter future does exist, achievable only if we work together. Working together doesn't mean simply agreeing with one another, but finding the best solutions, not only for the present moment, but what's best for the long term, our future generations. It involves unpopular decisions, like having to do our part in raising fees and charges. Hopefully this draft budget will see the start of stabilizing our economic situation. Hopefully too our new relationship with DfID will enable us to work together and work towards changes so that we can take control of our own destiny. No-one ever said it was going to be easy, but together we can be successful.

Finally, a huge thanks to the Financial Secretary, his staff, Directorates, officials and elected members for the hard work and efforts towards enabling us to have a balanced budget in time for this forthcoming financial year. Thank you, Mr President, I support the Motion.

The Speaker –

Thank you very much indeed. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker, I rise in support of this Motion which I have to say the Budget Speech by the Financial Secretary was very well presented and thoroughly thought through. It is pleasing to see that this year we will see a budget presented on time from the new financial year, compared to the past two years where we have had to experience a rollover budget for several months into the financial year and to those concerned should be commended for the hard work and high level of commitment shown in making this happen; officials themselves, elected members and our partners within DfID. Despite a rollover budget for the current financial year, the Financial Secretary did a good job in capturing the many achievements and successes and it is a shame that in many cases focus is placed on criticism and not success. If we are to grow our economy and empower our people then greater emphasis needs to be placed on encouraging them for the good work and efforts they do. Although not what we would have liked to have seen for this year, according to the Financial Secretary we will see an uplift in our grant-in-aid of £4.7m. £3.5m of this will relate to our airport and £1.2m for frontline services. As of last year, there will be the inclusion of a pull down fund in the Financial Aid package of £1.5m to cover legal costs and mitigation and whereas we will see a reduction in the Health aerial evacuation and overseas medical treatment budgets, should the need arise there will be the scope to call down from this funding. Savings on the Health budget in the areas I have mentioned – aerial medical evacuation and overseas medical referrals have been attributed from the fact of less aerial medical evacuations than anticipated, savings in overseas medical referrals as a result of moving our medical patients from Cape Town to Pretoria and the provision of surgery care on island in respect of hips and knees. This has meant that we have more money in our budget to allocate to areas such as Income Related Benefits and Basic Island Pension and so on. Although it would appear that the Health budget has been reduced with the ability to call down on the funds as mentioned, it actually means that in real terms there is an increase in the Health budget of £372k which will be used to develop the Health Promotion Strategy in tackling chronic diseases, management approach and greater emphasis placed to prevent illness and prevent complications of chronic diseases, the new Smoking Cessation Campaign, the cost of increments to staff and the increase on drugs and medical supplies. During the recent visit of the FAM negotiating team it was encouraging to hear them mention the good progress within the Health Service and the fact that the Health Service have met 90 odd percent of its key performance indicators.

Mr Speaker, the new tax changes which recently have been approved I will say has been well thought through in the difficult situation we find ourselves. They will add value to businesses and the Tax Working Group should be commended on the hard work they've done in bringing these proposals forward. When it comes to economic growth, although still in its early stages, we have some way to go with many challenges, the cost of our flights, destinations and cancellations are areas of real concern and need to be tackled. We need to establish a plan of action, Mr Speaker, in dealing with these issues.

There is the issue of continuous freight increases on basic, essential, food goods. Some work is being carried out by Andrew Weir Shipping and I'm pleased to say today that I have received a proposal, which I will share to Members and hopefully that can be developed when we

explore different options, such as importing goods, cheaper goods from places like Walvis Bay and mainly Recife, Brazil. We need to be looking at other options other than Cape Town.

Mr Speaker, I will turn to the staffing element within our budget, because I think that goes unrecognized within the community and what I will say that this Council is committed in investing in our local staff and I'm not sure whether this is fully understood and appreciated in the general public. Having said that, there is some areas I feel we can do better and improve upon. A few years back, this Council took a decision in relation to succession planning which shows a clear pathway leading to our local people taking over certain key jobs which are currently performed by Technical Cooperation Officers. In order to do this, the cost was £350k, money of which the Council had to find from within our current budget allocation and I'm pleased to say that this allocation has been provided within this budget as we continue to explore this pathway. We have seen results, we have seen Nurses doing a degree with the University of Derby, four of which recently passed to international standards, another six completing their degree, but in order to retain these people they must be properly rewarded. We have seen teachers achieving international recognition as well as Police being properly trained, successes in Safeguarding, we have seen recently a local person return as a trained Social Worker, I understand there's another one training in the UK, all of this is funding provided from within our budget. Although we have some way to go, good progress has been made and would have not been achieved without the support of our Technical Cooperation Officers, certainly where Health is concerned, they've led the way. The end result is that if we continue with this process it will lead to local staff taking on more key positions and the need for less Technical Cooperation Officers, but as we continue down this pathway it will cost more and this is where we need the support from DfID in a partnership approach and I will say that recently we have seen good signs of DfID and the FCO working in partnership with St Helena, their position has changed, certainly from the previous two years, but we need to build on this, we need the support, we need our Minister of DfID, Lord Bates, being our champion, we need to get to a position where the Minister is our champion, supporting us in what we're trying to achieve, we need that support. At some stage, Mr Speaker, we will fall off the ODA eligibility, Overseas Development Aid, but this is where we need continued support in going forward. There are plans, and I'm pleased to say that our partners in DfID are very supportive in the three-year aid settlement and I hope that we can work together this year in achieving this, three-year aid settlement. Again, this will go some way in terms of forward planning and have real value to building and shaping our economy.

Mr Speaker, I will add that we have some work to do in terms of taking the public along with us, in terms of educating the public on how the budget works, especially when I talk about Technical Cooperation Officers, it's the general public perception that the funding can be used for local people, that is not the case, this funding is there for specific purposes and we have in place a succession plan, like I say, and where people are aspiring to taking over key jobs, but this is a process that will take time, it's a process that will take time and we need to take the public along so they understand this. Having been in the Government service for over thirty-two years, I know how it works. You can simply not put local people into key positions because then it's dangerous, you're setting people up to fail and the issue with that comes liability, it comes liability, so we need to have this plan in place which we have and we need to continue working on it.

Mr Speaker, in closing, I will say, I didn't prepare an adjournment debate so as I'm talking now I will say that the key to our economy is the Capital Infrastructure Funding for our economy and I hope that we will soon see that over the line, it will add real value to our economy out there. We know that the private sector businesses are struggling, downsizing and a lot of major projects are being held up because we don't have the funding, such as Rupertsand

our Comprehensive Development Area for housing, so that is really key and I hope that that is weeks away as opposed to months away.

Mr Speaker, I support the Appropriation Bill, 2019, I beg to move.

The Speaker –

Thank you very much, Honourable Member. The Honourable Brian Isaac?

The Hon. Brian Isaac –

Thank you, Mr Speaker and I rise in support of the Motion. The opening statement made by the Honourable Financial Secretary on Monday clearly portrayed that many difficult decisions had to be made to enable a balanced budget and not a rollover budget as we've had over the last two years. As a Member of Council, I'm privileged to information that indicates a stronger working relationship with St Helena Government and senior officials in London at a ministerial level which can only be good for St Helena at this difficult economic climate that St Helena is faced with. Mr Speaker, the total recurrent planned spending for 2019/2020 to be just under £56.1m, an increase of £5.2m in comparison to the previous year. The Financial Secretary also gave a breakdown of the funding of some of the larger projects, such as £3.5m for the operations of the airport, core Health Services increased by £372k with aeromedical evacuations and overseas medical referrals increasing by £5k, but will be provided with financial support by pull down funds under the Financial Aid Package should the need arise. Concerns has been raised with me on this proposal by some members of the community that the Health budget had been cut, but I was able to explain that it is a movement of budget lines and Health can benefit from additional increase of £372k if demand required. I'll make a positive comment that I feel we have achieved a good aid settlement for the new financial year when Britain is in a crisis with Brexit, but we must be able to demonstrate good governance and achieve good value for money, we must remember that a lot of our investment have gone into the island and we must be confident that our investments benefit the island in the long term.

St Helena has gone through many changes over the past years and the future benefits from many projects, but some projects did not produce the outcome benefits as predicted, but we must learn from our mistakes made and move on.

There will be an increase in Basic Island Pension and Income Related Benefits by £240k which will be welcomed by recipients, but will not make any big changes in their lifestyle as the increases proposed will not supplement the high cost of living that the island is faced with, but a move in the right direction. I recognise these concerns but also understand the financial issues involved in making changes if required.

The total forecast for local revenue for the year is £14.0m. I have been approached by the following, concern about the approach following the approval given by ExCo on Tuesday where Members were asked to consider whether an exemption order to be issued to exempt from Customs duty on fuel imported or sold for the purpose of generating electricity by Connect St Helena, for the purpose of commercial fishing, for the purpose of running the Fisheries Processing Plant by the St Helena Fisheries Corporation. It was commented that the proposal is good, but there were concerns how this shortfall will be recovered. In ExCo's deliberation, members note that based on current consumptions it is estimated that the exemption will cost £865,000 in terms of loss of revenue for the electricity generated and £30,000 for commercial fishing and processing. This would be on top of the proposed annual subsidy for 2019/2020 of £681,000 to Connect St Helena Ltd and £350,000 to the St Helena Fisheries Corporation to support the local fishing industry. Members approved the request but for one year in the three instances, in all three instances. The proposal offered many benefits in its entirety and will benefit growth in the community, but concerns raised is what impacts

would this have over proposed revenue streams or how this shortfall will be recovered during the next financial year. As this was raised in the public, could the Financial Secretary respond to this in his winding up of the debate?

Other good news proposals is the cable project, we would receive €10m from EDF 11 Programme. PASH Global hope to stabilize the cost of electricity is another major project for the island. We must be ready and I'm aware of the work that has already gone into these projects.

We await the announcement of a Capital Programme for St Helena which we hope will be a multi-year programme following the withdrawal by DfID over the past two years. If a Capital Programme is not forthcoming by the private sector they will share the biggest impact, but I am confident that we will receive a Programme and with thanks to all involved in the reforms, ...?...policy, Sustainable Economic Plan and related work in good governance and a stronger partnership with our colleagues in London to avoid this micromanagement.

Mr Speaker, I also wish to share with this Honourable House there are a lot of interest by the wider public of the financial support provided to Mantis Hotel which appears to be a regular occurrence when there are major problems of not having a level playing field with other accommodation providers. The question asked, how long will this continue with taxpayers money? These concerns are continually raised with me and I am sure that all Members in this Honourable House have been asked the same questions by the public and I do have some difficulty in supporting this budget line.

In conclusion, Mr Speaker, I wish to thank all involved in the preparation to present a well-balanced budget for the next financial year. I look forward to the continued support of colleagues, officials, Directors, staff and constituents, the most important people in our work as we work together for the next financial year. Thank you, Mr Speaker. I beg to move.

The Speaker –

Thank you very much indeed. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Mr Speaker, I declare my interest as President of the St Helena Chamber of Commerce.

It is very pleasing that the budget proposed for 2019/2020 is a significant improvement on that with which we were faced last year. It still falls considerably short of what I, and I am sure many more, would like to see for St Helena, but it is certainly a step in the right direction and given the continuing Brexit chaos in Britain, is comparatively favourable. It is even more pleasing to note the apparent positive and constructive step change in the British Government's attitude towards and perceptions of St Helena which I believe this budget settlement reflects. There now seems to be a genuine desire to work in partnership with St Helena coupled with a much better understanding on the island's current situation and requirements. If this new relationship continues and strengthens it can only point to a better future for us all and it is up to all of us to do what we can to ensure that that will be the case. Elected Members have worked consistently over the past years to raise awareness within Her Majesty's Government of the reality of St Helena's current situation and the critical transition period that we are in. In addition to other actions, we organized the visit of the Right Honourable Andrew Mitchell MP, have written to and held teleconferences and video conferences with relevant Ministers, have brought St Helena's needs to the fore at successive Joint Ministerial Conferences and presented both written and oral evidence at the recent Foreign Affairs Committee, FAC, Inquiry into the future of the British Overseas Territories. In this regard, Mr Speaker, I wish to congratulate the Honourable Derek Thomas for the quality of the answers that he provided when he was questioned by the FAC, which clearly made an impact as some are quoted in the

Committee's report. It is very encouraging that all the time and effort that has been spent by Elected Members on behalf of our constituents and in collaboration with officials appears to be bearing fruit at last and I wish to assure constituents that I will do all I can to ensure that it continues to do so.

Although understandable with all the insecurity relating to Brexit, it is disappointing that we have a one-year programme once again. Not only would a longer period provide us with more autonomy, as the Honourable Financial Secretary has indicated, but it would also facilitate longer-term planning and provide a greater level of certainty, thus boosting business confidence and enabling St Helena Government to set and maintain a clear path towards the achievement of key goals in the knowledge that the necessary resources for delivery will be available. The Honourable Financial Secretary has not indicated which elements of the 2019/2020 budget are to be ringfenced and I would be grateful if he could do so in his response to this debate.

It is concerning that although the vibes are favourable, formal confirmation of an approved Capital Programme has not yet been forthcoming. We all know how absolutely crucial such a programme is to the sustainable economic and social development of the island and the sooner we can roll out a new programme the better for all. Without capital investment coming on stream soon, the construction and allied sectors will collapse and this must be prevented. We must all work together to ensure that momentum is not lost and that delivery is not delayed once funding is finally approved.

It is also concerning that there appears to be an implication that convictions by juries indicate stronger good governance and rule of law. Surely the decisions reached by juries should be based solely on the evidence placed before them and the accused is presumed innocent until proven otherwise? If a jury finds a person not guilty this should not be seen as an indication of weak governance or rule of law and it is important in the interests of justice that public perceptions reflect this.

Although I am not usually supportive of increasing the number of Technical Cooperation posts, I do fully support the four mentioned by the Honourable Financial Secretary. The highest level of teaching of English at Prince Andrew School is vital to our students' future, so recruitment of the TC is essential in the current circumstances. However, it is sad that the Education Directorate could not retain the services of the two local graduates trained to deliver the subject. I sincerely hope that the proposed Labour and Population Strategy will explore ways and means of improving retention of our brightest and best in the roles for which they have been trained and become fully qualified.

The post of additional Legal Draughtsman is very important as it should address the issues that I raised in this Honourable House earlier this month and the post of Building Services Engineering Instructor is another about which I have been very vocal on many occasions as trades training is of the utmost importance as St Helena starts to see more opportunities open up. The need for some input is persistently raised within the Chamber of Commerce and it is high time that the delay ought to be addressed. A dedicated contracts management resource is also essential as the number and complexities of St Helena Government's contractual agreements and obligations increase.

I would be grateful if the Honourable Financial Secretary could provide further detail regarding the additional funding needed for the running of the new Police Headquarters. There have always been questions regarding whether the move represents value for money and if recurrent costs have risen as a result of the relocation, this is disturbing. I would also be grateful if the Financial Secretary would explain the justification for the proposed subsidy for the hotel at 1 2 3 Main Street and, in particular, the implications for St Helena Government if the proposed sum is reduced or withdrawn. Subsidies are always a very contentious issue, particularly those in areas that are perceived to be supporting competition with the private sector and I am very pleased that, as the Financial Secretary indicated, there is going to be a general review of

subsidies going forward which should help to provide more clarity and address some of the public concerns.

I will not comment in detail on the tax policy changes as I did so on Monday, except to reiterate that despite possible market saturation issues I still strongly believe that all forms of primary production should be rewarded if St Helena's balance of payments is to improve and the policy is to be fair and equitable. Leakage from our economy in respect of supply of raw and processed construction material would be counterproductive and this should be borne in mind, as should the scale of investment already made by local businesses within this sector and the fact that these established businesses will not be eligible for benefits under the Improved Investor Scheme unless they make a qualifying new investment.

With regard to future prospects, it is disappointing that the PASH negotiations are still ongoing and I ask that the Honourable Financial Secretary enlighten us as to why the process has taken so long and when it is expected the contract signature will be able to take place.

New investment is crucial, but it must be of the type that will benefit St Helena and not just the investor. Whilst the new Investment Policy and Strategy go a long way towards ensuring this, it is important that other checks and balances are in place also. Many other countries and territories eager to attract investment have had their fingers burnt and St Helena should learn from their mistakes to ensure that the same does not happen here.

Mr Speaker, I wish to express thanks to the Honourable Financial Secretary and his team and all others who have made possible the budget that is before us for appropriation today. Let us hope that it will mark the start of a much more positive and rewarding year for St Helena. It is the duty of us all to work together to try to ensure that this will, indeed, be the case. I support the Bill.

The Speaker –

Thank you very much, Honourable Member. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Mr Speaker, I commend the Financial Secretary for his Budget Speech. St Helena is just the visible peak of a huge mountain protruding from the South Atlantic Ocean. Under the vast ocean, St Helena is connected to the rest of planet Earth. We were reminded of our global links when St Helena recently held another international environmental conference. Visitors and speakers came from around the world to our beautiful island and each one of the St Helenian speakers at the conference did our island proud.

At the end of the first day of the conference, a gentleman, who also attended, asked me for a ride back to Half Tree Hollow. At the very start of our conversation he said: "We Saint Helenians may complain, but we do have a lot to be grateful for."

Mr Speaker, today I believe that I have good reasons to complain and also good reasons to be grateful.

Last year DfID provided St Helena with 27 million pounds budgetary aid and unfortunately was unable to provide any of the financial uplift requested. The level of financial aid was seriously inadequate for St Helena's needs. St Helena requested that DfID provided a minimal financial uplift of 2.7 million pounds for the 2019/2020 budget. Although the full amount could not be met, we are grateful for the extra 1.2 million pounds increase provided by DfID. Last year, and the year before, St Helena was forced to deal with the frustrations of a roll-over budget. Today, we are grateful to DfID for ensuring budgetary aid is provided at the start of the 2019/20 financial year.

Whilst the budgetary aid package from the United Kingdom remains inadequate for the current and progressive needs of the people of St Helena, we are most grateful to the UK taxpayers for

their 28.2 million pounds budgetary aid and the additional 3.5 million pounds in support of St Helena Air Access.

In the past, there were complaints on the dictatorial approach by DfID civil servants towards elected members. We are now grateful for the improved working partnership and the increased communication between elected members and DfID officials. This was most noticeable during the months of discussions on financial aid for St Helena. The new approach to the working relationship was further strengthened by statements to elected members by DfID's Head of Overseas Territories and the FCO's Head of Caribbean and Southern Oceans Department during their recent visit to St Helena.

Mr Speaker, we complain that SHG could do better. Today we are more than grateful to the Financial Secretary, the Chief Secretary and the directors and staff of the directorates for their collective, sterling work in distributing the portions of bread according to the size of the loaf and delivering a balanced budget for 2019/2020.

I would just like to add, that the decision by the UK government not to provide development funding for capital projects over the last two years has had an enormous detrimental impact on the livelihoods of the people of St Helena and on the social and economic prospects of the community. However, we are grateful to the Minister of DfID, Lord Bates, for his early commitment and reassurance that financial aid for capital projects has already received his urgent attention for approval.

The island has been going through a very difficult period socially and economically, but some change for the better is unfolding for St Helena and I hope this will soon inspire the people of St Helena to glimpse a future of some promise. Each one of us who selflessly cares about our island, our community, our family, our home, our livelihood and our future generations has an important part to play in the next chapter of St Helena's journey.

Mr Speaker, I support the Budget, but if I may, there is just one more thing I would like to bring to the table for attention.

On Monday in formal Council, my Honourable colleague, Dr Essex, asked a question relating to the consultant's report on the St Helena Government Mantis Hotel. I am told that all elected members will be provided with a copy of the full report. The Chief Secretary is concerned with the report containing confidential and sensitive information. All elected members are bound by the oath of confidentiality as each one of us justify and decide on appropriate openness and transparency.

The Mantis Hotel is in direct competition with the private sector and the financial support for the creation and operation of the SHG business is now heading towards five million pounds in just four years. The property has been open for business since November 2017. Another two hundred thousand pounds have been allocated as a subsidy for this financial year, but we are told that the running costs will stabilise in the 5th year of operations. We must also consider that there is a very real possibility that, in the not too distant future, major inward investment in new hotel business in St Helena will almost certainly create competition for the services on offer by the Mantis Hotel. Indeed, any additional competition will also have a negative impact on similar businesses within the private sector already struggling to survive due to the lack of visitors.

Mr Speaker, there are pros and cons, but we are where we are with the Mantis Hotel. However, it is hoped that the consultant's report will at least identify any operational extravagance that may exist within the Hotel business and will provide recommendations for making the SHG Hotel work within its means, sooner rather than later. Mr Speaker, I beg to move.

The Speaker –

Thank you, Councillor Leo. The Honourable Christine Scipio?

The Hon Christine Scipio –

Thank you, Mr President. Mr President, firstly I would like to congratulate the Honourable Financial Secretary for his Budget Speech. He has produced a budget to commence at 1st April 2019. Mr President, this is a real achievement as it's always going to be tough in the difficult times that St Helena is facing. We do look forward to securing a multi-year financial aid programme. The Honourable Financial Secretary states that we're experiencing challenging times, this is particularly evident in the construction industry where a survey in November last year indicates that the businesses in this industry are struggling. The focus now should be, Mr President, on implementing the Sustainable Development Plan to get the island through this period of transition. Mr President, it is interesting to note that the Honourable Financial Secretary commented that PASH Global negotiations are close to conclusion, but I'm always left with the question as why do certain things take so long to materialize on St Helena? Increased visitors numbers by air is most welcomed, but it isn't enough to write home about it. Is it time to review fares to attract more visitors during the off-peak period? If the fares were cheaper and we see an increase in the number of arrivals whilst the subsidy will still be required the spin-off increased visitors numbers could help St Helena. Greater occupancy of the hotel at 1 2 3 Main Street could mean a reduction in St Helena Government's subsidy. We must not forget about the tourists that arrive by sea, the yachtsmen and women, they also contribute to the economy. Mr President, a key element is people. I have grave concerns about Saints leaving the island, especially families. We have to be very careful that whatever policies and plans are put in place they address what is happening on St Helena. They need to provide the right environment to encourage our people to stay, not just the right environment for investors. Recognition should be given to the important contributions that Saints have made to the economy and how they can benefit from their investment. Mr President, we need to face the realities of where we are, what is required, lay the foundations for an economy and a timeframe for this transitional period. Mr Speaker, there is no mention in the Honourable Financial Secretary's speech of the income from our Saints working offshore, which is estimated to be £5m a year. This is a critical factor for both economic and social development. The level of income has been constant for at least the past thirty-five years with an increase of Saints going to work on the Falklands after the war. Mr President, we must not lose sight of the fact that Saints have invested heavily into St Helena. Mr President, though I'm reluctant to draw to this conclusion, as stated in my speech in this House last year, I believe that we are still in a financial crisis situation. We are attempting to encourage more investors; as the Honourable Financial Secretary points out, many investors are waiting before investing further, meanwhile we as Saints are expected to plod on. We are trying to bring in more income, as we should, but the amounts are small, from tourists as the main source of income just four to five million, this is from both visitors and returning Saints visiting family and friends. In the Honourable Financial Secretary's speech, the last financial year, he indicated that St Helena Government was working on projected figures of £1.4m a year from tourism with only 52,000 going to St Helena Government revenue streams. Mr President, how do we move from this base for a sustainable economy and what is the period of transition? The UK's contribution to the budget this year represents almost 70% which we are grateful for and it is likely to continue in the absence of a clearly set out evaluated sources of income and a timeframe for this to take place. From this base in what ways can the island have a sustainable economy given its special circumstances? Britain is currently going through problems of its own exiting the EU. This will also impact St Helena. We need to have a complete reassessment of the situation on the island and in partnership with the UK Government put in place at least a ten-year transitional plan of how the island can go forward and how it will be funded in the interests of the people of St Helena. Britain must understand and support the need to have an agreed plan in a period of any transition. Mr President, I beg to move.

The Speaker –

Thank you very much indeed. The Honourable Russell Yon?

The Hon. Russell Yon –

Thank you, Mr Speaker. Today I stand here in different circumstances as to where we were last year. This time around we have a balanced budget, on time, and, if approved, can provide for public services without having to look over our heads as to where the next penny is going to come from. What a difference a year make. It was pleasing to hear the excitement in the Financial Secretary's voice as he delivered his budget speech on Monday and rightly so as he can now relax and possibly have a shipwreck or two.

Mr Speaker, the Financial Secretary, his Deputy and colleagues in the Finance team, together with the other SHG officials and members of Legislative Council should be commended for getting this budget completed in a timely fashion and our counterparts within DfID should also be thanked for moving the process along smoothly so that we can continue business. Continuity plays a big part and adds to the stability of our economy. This is not to say that this was an easy task and there were some very nervy moments along the way. The MTEC process used this year might not also be everyone's favourable solution, but I believe it is a step in the right direction and one suitable to ascertain our budgets in going forward. There are still some issues to be ironed out which will make the process even friendlier to use, but like every new system you will always encounter minor inconsistencies. The early arrival from members of the DfID FAM team allowed the process to flow steadily and made a huge difference than having to deal with the whole team all at the same time. Mr Speaker, to be able to inform our constituents that a balanced budget is approved is a blessing in disguise. Our constituents are facing tumultuous times on St Helena and together with the increased cost of living, coupled with the inflation, life is not easy, but let's hope that we can now breathe a new ...?... and begin to offer some solace to everyone. Some will question as to why decisions made by some of us to support funds to be released to NGOs and SHG entities. I understand this will cause some discord, but hopefully these payments can be addressed for future budgets and other wider options will present themselves. Let us look forward to what should be judged as better days ahead and if we can achieve at least most of the proposed budget changes to increase a better living on St Helena then that in itself will be an accomplishment. The future looks bright and hopeful,, the arrival of the digital cable will help in stabilizing our economy, bringing much needed investment and create an abundance of jobs. I have always said that having a digital cable should have come before the airport, but hopefully soon we will realize this dream too.

Mr Speaker, the airport has been classed by some as being a failure, but just recently some of our visitors who attended the second conference here on the island remarked that we should be lucky to have such an airport and are wishing us all the best for its future operations. In fact, some are eager to return and have already started informing their families and friends that they should venture to our little island. Yes, there are problems, but not with infrastructure at the airport, mostly due to mother nature moving now from crosswinds to low cloud, but at the same time we are seeing an influx of visitors, not enough to keep everyone happy, but I believe the tide is changing. Still a lot more work to be done in bringing the tourists here, but the world is slowly getting to know the whereabouts of St Helena.

Mr Speaker, this year's balanced budget of over £46m will be distributed between St Helena Directorates and including Enterprise St Helena and as Chair of the Environment and Natural Resources I am pleased to say that there have been no decisive cuts within the Directorate budgets. I would also like to inform members and listeners that with effect from 1st April 2019 the ENR Directorate funding, after two years delay, split into two Directorates, namely, Environmental Natural Resources and Planning and the other being Infrastructure and

Transportation. Mr Darren Duncan and Mr Derek Henry will perform the duties as respective Directors in the interim. This will reduce the amount of work for the current Director as we all know that ENRD was created by picking up the pieces when other Directorates were restructured. Mr Speaker, nothing out of the usual will change to what has been currently ongoing, however, it will increase the workload of the Chairman with no inflation increase to his pay cheque. Under the new Directorates, work will carry on as usual and the only major change being the support team to include the Finance Officers having to support both Directorates, challenging, but at this time everything within these Directorates will be challenging. However, to undertake such a workload with restricted resources there's always a task, but I believe we have a team capable of rising to that challenge. Within the Directorate there are several young employees who have risen to the task over the past two or three years and undertaken several jobs that recognition should be imminent and something that both Directors will be addressing in the near future, otherwise without the deserved acknowledgement some might realize that they can fulfil their dreams elsewhere. This will be an infamy as, quite frankly, I believe they are the future for our tomorrow. If we go through all the Directorates you will notice that the current ENRD Directorate has the least TC support, yet provide an enormous frontline service. This in itself is a testament to the Directorate and proof that if given the opportunity our Saints can aspire. They still have a lot more to achieve and to aspire to. It is understood that another St Helenian trainee in the UK will join the INT Directorate this year and coupled that with our own local Vet who is presently understudying the current Vet shows that we are moving in the right direction. This is a succession plan in the making and will eventually save SHG even a larger amount of money. Even as I speak, there are several of our local rock guards working under extreme conditions erecting a buttress wall to safeguard a large boulder on the Half Tree Hollow side overlooking the General Hospital. If we want to continue coordinating these types of works with our local staff then they too must not be forgotten along the way. They are the guys who allow many of us to sleep peacefully at night. Mr Speaker, I won't use this opportunity to spell out what additional funding would be required to upgrade our infrastructure on the island as I believe I have already made the most of my opportunities to get that message across, but I do hope that in going forward members will give further consideration to supporting our request in the future. On another note, the ENRP Directorate will continue to seek donors who provide funds to support our environmental challenges.

Mr Speaker, it leaves me to say thank you once again to all involved, it's been a pleasure and for once we have a balanced budget on time. It would be even healthier if we could say to DfID thank you for approving our capital programme funding also, but let's hope that is not a decision that is too far away.

Mr Speaker, I would just like to inform this House that I give my support to the Bill for an Ordinance to provide for the services for the financial year of 1st April 2019 to 31st March 2020. Mr Speaker, I beg to move.

The Speaker –

Thank you very much indeed, Honourable Member. The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr President. Mr President, I'm not going to rehash what my colleagues have already expressed so gracefully about the state of St Helena financially and I commend them for doing so.

Mr Speaker, for the first time in two years we finally have a budget on time. Whilst I'm entirely grateful for this year's settlement, I live with the hope that the recent visit by the Head of the Overseas Territories, Mr John Gordon, and the Deputy Director for the FCO with remit to the

celebrations, Mr Will **Jelly**, will bear fruits in terms of securing a longer term settlement, probably three to five years that is most importantly paid to inflation. This should give SHG the financial certainty and security it needs to combat logistical and economic lagging caused by fluctuating currency exchanges and bulk fuel adjustments. It should enable SHG to facilitate longer term planning with built in maintenance programmes. Her Majesty's Government in turn will have streamlined financial management with St Helena and correctly aligned with the capital investment programme will result in more efficiency, value for money and surplus investment. Mr Speaker, I do feel this can be a real changing point, only time will tell. Thank you, Mr Speaker.

The Speaker –

Thank you very much, Honourable Member. The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Thank you, Mr President, I stand to speak on the budget for 2019. I am pleased to say we don't have a rollover budget like last year and I thank the financial team for presenting a balanced budget, but I am disappointed that we have to increase £200k subsidy for the Mantis Hotel again. Is there another fund of £200k where all hoteliers can tap into for lean periods, I would like to give that some consideration? Again, there is no raise of pay for social and government workers, I would like us to do something about that one. The next one is that our national football team are leaving these shores for the first time, is there a uplift in some funding for them to help them? The next thing I would like to talk about is we made some steps to improve life for the vulnerable in the IRB and BIP, but we could have made better use of funds for the vulnerable people, for example, where the Safeguarding budget was underspent in 2018/19. I asked the question in this House a while ago about the state of Francis Plain playing field, but again there is no movement, is there any funding available for that? So therefore, Mr President, I cannot support the budget in its entirety. Thank you.

The Speaker –

Thank you very much. The Honourable Clint Beard?

The Hon. Clint Beard –

Mr Speaker, it seems this year there's been the improvement that allowed Her Majesty?... the ability to prepare a balanced budget all ready for the start of the new financial year, so thanks go to the Finance team for preparing and for all Directorates who have had to prepare and do necessary adjustments to get a balanced budget, it shows that collectively we can achieve the outcomes the island so rightly deserves. The budget we have is not ideal, not an ideal budget to my mind, but a budget that we have to manage with an effective and efficient form of governance and accountability as governance is so critical in these times when we have no idea what lies ahead, but we have been tasked with the responsibility that we are the custodians of the funds and we need to make sure we have the direction to manage those funds appropriately and use them island wide to deliver the essential services and future sustainability.

Mr Speaker, the movements I have seen is – the EDF funding has kicked in and we have received €10m for the cable project, attainment of staff within SHG achieving academically and how hard they must have been working fulltime and family life and the studying on top of that, so well done to all of them.

We are all striving to keep those lower income households in a position to manage the increases happening on island. We have the air service to Cape Town in December 2019 to February 2020, I see there are bus shelters being erected and hopefully completed before the winter

season, hosting of another successful conference on island, the establishment of St Helena Airport Limited that will now operate the airport operations, the Health Directorate being able to perform hip and knee surgery and the cost savings obtained, a definite move to healthier lifestyle initiatives. Education is still projecting good attainment results in numeracy and literacy and aiming for 60% in these areas. External Funding Coordinator appointed and had second visit to the island. There's been lots of negotiating and papers and narratives being conveyed to create a budget that can work for the island and thus an increase of £1.2m for an inflationary increase and £3.5m for airport operations and we hope this budget will allow us to maintain services and for?.....what we want to achieve in this financial year. We also need to have forward insight into what our objectives are with air access and how it will create a plan where the asset we have in the airport grows our economy and not cause potential strain on the economy in future years. We need to bear in mind that if an economy is not strong the effects on island will be visible and the struggle to keep heads above water more evident. When it comes to the revenues there are increased projections in taxes and duties in the pink book and we hope that these projections will be achieved which is just over £11m. I've looked at flight costs and that is another area which should be given greater consideration. I am sure the operational costs for flying with ten people is the same as flying with twenty people, for example, let's use cheap tickets and say the ticket cost £800, for ten passengers that equals £8,000 and if we reduce those tickets to £650 and we get twenty people we would now attain £30k. A reduction could probably attract more uptake and then this will allow a higher percentage probability if numbers were to increase for probable spend to increase on island too and also stimulation in the economy and boosting revenues and make sure the airport operations stays profitable or at least break even.

SHG needs to make sure resources are used effectively in streamlining processes and improvements of delivering services. Partnership relationships are key to successful implementation and understanding of what is needed and more visits by high ranking officials to see the need of the island and how that could change the economic climate for the island and when people see the reality of what is planned they have a better idea and understanding if a project will work or not and what implications it will have. It's no use spending funds and not achieving the desired results and benefits. We need joined up and collaborative thinking and a stronger partnership to achieve this.

In looking at the budget lines, most of them have had an increase, it seems Health and the Directorate of Environmental and Natural Resources and Infrastructure and Transport have had a small increase, but hopefully this will still allow services at the appropriate level to be delivered. There has been posts included that will benefit our students and also posts that will allow for accountability and legislative duties that will assist the island in getting in line and adapting to the ever changing economic and social climate that we have, that we as a island have to adapt to and stay abreast of, which is so important in an ever changing political arena. It is also just a note that there is no allocation in the budget for employees of SHG to get an increase. I know there is a?..... system but not all can be on this system. To deliver services and maintain high level of morale we need to remunerate employees accordingly as without?..... employees we would be in a dilemma.

Taxes are another point of revenue collection but we all need to bear in mind that shrinking tax bases will increase the strain on those already paying tax and although the revenue is needed we must be wary of the effects it will have and how that will translate in the economic climate in the coming financial year. However, there are initiatives for investment and improved incentives that go with investment. We need to bear in mind that the climate and increases in freight costs will also have a negative effect on collecting revenues as increases in charges will mean less is brought in and without a capital programme will we meet projected revenue? Look at the cost of products that a family would use, see the increases, for example, fish, £5.50 per

kilo, tub of marg £3.20. Look at what a £5.00 would get you in 2018. Use that same pound value and what will that afford you in 2019? What is the pound really worth now in reality? Think about that one.

We continue to prepare ourselves for the cable and renewable energy phase that the island will experience and we see how milestones are being achieved and how we are trying to put more people in those areas. This year's budget will see an increase in the Income Related Benefit and Basic Island Pension. I feel this is welcome and we have to make sure there are plans to keep those benefits ...?.... with inflation and demands. There's also been the introduction of ...?.... and I think this was mentioned before or last year as we need to support organisations by incentivizing individuals who make donations to organisations with charitable aims. It allows these organisations to be recognized for the good they do and have been doing and allow this work to continue in the future. We also described the vital role they play in the community but also not forget delivering some of the SHG policy initiatives.

Mr Speaker, I finally say that an optimistic approach is probably the only way to deal with things and hoping that this criticism is not taken as negative but rather as an area that could be looked into as we all cannot just agree viewpoints without discussion. We have to work together and achieve the best that we can with what we have at our disposal, so let's just get on with it and collectively as leaders on island get the job done. Thank you, Mr Speaker.

The Speaker –

Thank you very much, Honourable Member. The Honourable Kylie Hercules?

The Hon. Kylie Hercules –

Thank you, Mr Speaker. I shall take this opportunity to thank the Financial Secretary and his team, Directors and their teams, all elected members who were involved with the budget process as it is not an easy task, nor is it one that should be taken lightly. It is pleasing to know that this year we have an on time increased budget for which we must thank Her Majesty's Government in the UK. Although it is still falling short of what we fully need we must be thankful given the uncertainty Brexit brings.

St Helena has seen many achievements even in the difficult times and for that we should be proud as it is you, our people, who continue to build the island and in doing so build it for future generations to come. Seeing Nurses and Teachers, to name a few, achieving international qualifications shows that the people of St Helena can achieve and will achieve if given the opportunity. What we now need to do is look at the strategy which will link those finishing their schools to workplace, their schooling, sorry, to the workplace. SHG should be looking at providing training positions to our younger generations to step into, slightly different from the apprenticeship scheme currently in action, but it will complement the scheme and allow our youth to follow their journey in?..... tomorrow. I am sure if we provide some aspirations there could be a decrease in the numbers leaving, so let us take this forward and start working on it this year.

Within the budget today is £200k for the Hotel, the St Helena Hotel Development. It baffles me as to how we continue to inject funds into the Hotel when there is no budget line for other private sector businesses. It is unfairly set that there is one business solely owned by SHG which continues to be supported by SHG and other businesses are not. How can other businesses compete with this unfair advantage? Mr Speaker, it is absolutely vital that as we look and move forward we consider how we take along all the community. SHG is applauded for having a poverty level which is reviewed and updated twice per year using the Minimum Income Standard. However, the criteria for receiving benefits continues to leave some people not able to claim benefits. We must accept that the island is modernizing and with such will come the need to review what the necessities are to live on St Helena. The evolution of

technology modernizes a community but in doing so it also causes communities to bear a higher cost. Modernisation requires a digital finance that we the people of St Helena do not have the finances to...?....., the people of St Helena cannot be expected to modernize and SHG will not?.... people along with the changes faced that we so desperately need. Therefore, SHG and the community needs to work together to move the island forward.

Finally, Mr Speaker, I look forward to more positive relations with both FCO and DfID in going forward and hope to see a capital programme alongside of the multi-year settlement.

The Speaker –

Thank you very much indeed. Everyone has spoken so the Honourable Mover may wish to reply to the debate?

The Hon. Dax Richards –

Thank you, Mr Speaker. Firstly, I'd like to thank all Members for your very, very positive contributions this morning. What I'll try to do is I will ...?..... to actually answer everybody's single question individually, Honourable Members, but what I've done is grouped together some of the key things that have come out of the discussions and so I'll address each of those key things.

So, I first of all would like to touch on really is around the air service and visitor numbers to the island and I think we all agree this is, you know, this is something that we really do need to work on to increase the number of visitors that we have to the island to improve the service over the long term to create sustainable economic growth on St Helena. Councillor Henry asked about, to respond, around what was done recently in terms of the fare review as part of the overall contract review for the air services agreement. We did touch very briefly on this point during our discussions with Airlink and also with our colleagues in DfID. The general consensus at that time was that at this point we will leave the fares as is until such time we have a little more data available to justify a reduction or an increase or whatever the case might be. This will be continuing in terms of the work that we'll be doing over the coming months, we have just recently set up a group with representation from key stakeholders, including political representation, which will be taking forward and looking at the future service, the future of our air service. As you quite rightly say, the air service comes to an end contractually in just over a year and a half's time, although there is the possibility for an extension within the contract, plus we do need to have that long-term focus and I think this also supports some of the activities that Councillor Essex's motion later today will also touch on, so I think we fully agree in terms of that we need to do more and develop that long-term strategy of what we're doing with our air services and as a result of that we hope that we will get sufficient buy in from all of those that are in that group to actually try to settle potential problems going forward.

If I can turn now to increases in the budgets, I'll answer them, because I know Councillor Essex you asked a specific question around the Police Directorate, I would suggest that we actually address that during the Committee stage of the Bill if that's okay with you, but just to say generally the increases that we're looking at in terms of pensions and benefits should actually be there to support the most vulnerable members of this society and I think that is absolutely really important going forward. Councillor Thomas touched on the great progress made in the Health Service over the last year, I fully agree with you, Councillor, and not only the Health Service, there's a number of areas across SHG where we have, as I outlined yesterday, made significant improvements. In terms of the ring-fenced budgets, at this point in time, DfID haven't confirmed what are going to be ring-fenced, however, we anticipate that the budgets that will probably be ring-fenced is gonna be the Access budget, the Safeguarding and also the pull down fund that we've talked about already.

If I could turn now to some of the reforms. Members, I think there was overwhelming support for the reforms that have recently been implemented as agreed in this House and also at Executive Council, but that is just the start of what we need to do to continue to make St Helena a more attractive place to visit, to work and also to do business, so we are proposing to do some more work in the next financial year which will try to look at broadening our tax base, but I'd just like to make special mention to one or two items that Councillor?.....mentioned around what we're doing to support our first time housebuilders. As you quite rightly said, we do, the first step was to actually introduce the stamp duty for first time housebuilding and to support first time housebuilding and first time house buying, well, going through, I think one of the policy priorities for SHG that this is going to be something that we really want to tackle is to ensure that we work with our partners in the Bank of St Helena and other agencies around the island to ensure that we have a policy to support first time housebuilding and to encourage home ownership and also housebuilding in general, including what SHG is doing in terms of its part for increasing the Government Landlord housing stock. So we also, in terms of some of the other reforms, I think Councillor Hercules mentioned about the reforms that we need to be looking at in terms of supporting our vulnerable in society, I know that Councillor Leo is leading that group that is formalizing a response to the big issue which is around the definition of the household income, the household status, I should say, which hopefully will be addressed during the next financial year.

And then the other big area that was touched on about the terms of reforms which is late into our longer-term goals, which are, we really do need to look at increasing the number of people on St Helena. At the moment with only 4,700 it is a challenge to be raising the level of taxes that we need or fees that we need to be able to support the huge level of services that we provide as the St Helena Government going forward and we can only do that really by looking at attracting both our diaspora back to the island, but also looking at our Immigration laws and I know that that is already in train through a group that is being chaired, I think, by Councillor Derek Thomas, which will hopefully address and break down some of the barriers to encourage more immigration into the island as well, but also the key part is making sure that we keep our own people on the island and I think that was touched on by a number of members, and, yes, we fully agree, I think we do have to look at tackling that and as I mentioned in my budget speech I think these are one of the priority areas that we need to address in the next financial year.

If I could turn now to subsidies and I hear very clearly the concerns that have been raised by a number of members around the subsidies, particularly in relation to the Hotel, so I think Councillor Essex asked to give indication of what would be the implications, for example, if we weren't to support the Hotel with this budget. At the moment, SHG is the 100% or 98% owner of the Hotel Company and we had £2.5m invested in the Hotel. If the Hotel was to close, and that's what the?.... result of not being able to support the Hotel through the subsidy that is proposed, this would have wide implications for SHG in terms of the loans that are currently outstanding for the Hotel Company. At the moment, SHG has £1.5m guaranteed or guaranteed by Letter of Intent which the Bank of St Helena would be able to call upon in the event that the Hotel wasn't able to keep its obligations, so this money would, if a?.....a fall of £1.5m on the Consolidated Fund, so at this point in time we do not propose that we want the, er, in that position where?..... to support the recovery of those guarantee loan amounts, but I'd like to tell a little bit and talk a bit about the independent and initial findings that my Honourable Friend on the left talked about on Monday in terms of her response to the question, I think, from Councillor Essex, which is basically the initial findings from the report suggest that it was still the right decision for SHG to take to invest in a hotel in Jamestown and also the initial report, the findings from the initial report suggest also that it is recommending that SHG continue to subsidise the Hotel for a number of initial years,

I think, off the top of my head, it's initially two in the first instance that we should be looking at and then it needs to be revisited in due course, but I think that also makes the tie-in to what I mentioned earlier in my budget speech around a review of all subsidies across SHG, but I didn't, whilst I heard very much about the increase for the Hotel I didn't hear any concerns raised about the increase for Fisheries which is also a significant amount of subsidy being paid, which we're talking about £350k earmarked in this year's budget, so, and then I also would just like to respond to Councillor Isaac's question around the fuel duty, just to be absolutely clear, at the moment we do not have this included in our revenue projections, so it is not a case where we actually would be losing revenue because this has never been included in our revenue projections. The duty on fuel used at the Power Station was always duty free when it was set with SHG and also when it transferred over to Connect St Helena. If this duty had been included then we were talking about potentially significant increases in subsidy or potentially significant increases in electricity prices which we already know is very, very expensive on the island, so in terms of, I just want to reassure the public, we're not talking about a loss of revenue in this case, we're actually talking about, if you're looking at it on a comparative basis, where we were at the start of the process to where we are now, the landing tax is zero because we've never ever budgeted for the revenue that would come from the fuel, the duty that was actually achieved from the selling of the fuel for the generation of electricity on the island, so there's no impacts and there's no concern for, I would suggest, for wanting to think that in next year that we'd be looking for ways to actually recover revenue to meet that shortfall because that isn't the case.

If I can turn now to staffing, I fully agree with all the sentiments that have been expressed around the table today and around continued investment in our staff, it is absolutely critical. It is SHG's priority to ensure that we have a sustainable workforce and the only way to do this is through succession planning and we need to continue to develop our local staff, as the Chief Secretary mentioned, I think, again, in a response in a recent Legislative Council meeting. Staffing, ENRD, I fully agree with Councillor Yon, is to be commended, but, again, going back to my earlier comments, I think all staff across SHG is to be commended for the investment that they do themselves to improve their prospects for the future on top of the day to day job in most cases.

I would like to touch briefly, if I'm allowed to, Mr Speaker, on just to congratulate Mrs Wendy Benjamin who has been promoted to Director of Education and I think we'll all see that as another very positive news story for St Helena in terms of our Directorates. *(Applause)*

If I can turn now very briefly to the capital programme, fully support all of the sentiments as well around the capital programme. Our new capital investment programme when it comes, which we hope will be very, very soon now, should look to unlock some of the economic activities on the island and also provide a media stimulus to the private sector and particularly our construction sector. The discussions that we've been having over the last couple of days with DfID is they also want to see more within the Year 1's capital programme that actually stimulates the economic activity on the island and so we will continue to work with DfID and our elected members to prioritise the capital programme for Year 1 when it's approved and try to get that stimulus going into the economy sooner rather than later.

It was mentioned by virtually every member, I think, the positives that came out of the recent visit of our FCO and DfID colleagues and I have to say I can only fully agree with what all members have said. You know, it was a watershed moment for us, as I mentioned in the Budget Speech and we do look forward to continuing that relationship with HMG and working hard so that we can eventually come to a situation where we're getting a multi-year financial aid settlement, but also providing a greater level of certainty for the people of St Helena.

Finally, Mr Speaker, just to tell of the future prospects, I was also asked to comment on the

PASH discussions, I can't say specifically why the negotiation has taken as long as it has, although I do know that it is a significant level of investment for PASH Global in terms of what they would have to make into the equipment needed to take forward the energy strategy as we plan to do, those discussions have been not stalled, but it has been coming up against some issues around making sure that their financiers are happy with the proposed contract and that is really where the time is taken to get us to the point where we are. However, I am advised that those have now been sorted and that there are the last couple of minor changes of the contract that needs to be done and we should actually expect to see a signed contract in the not too distant future. But, you know, we also need to look at some of the other potential investments, the possibility also of the Trade wind Golf Resort and Hotel that we all know about, there's also an exciting prospect I should think for the business community on St Helena as well, you know, that will also create a very large stimulus for the economy if we can progress that project as well, so, Mr Speaker, I'd just like to finish by saying something similar to, well, I'm actually going to touch on what Councillor Tony Green said, is that, you know, in order for us to be able to go forward to make this budget a success we must work together in order for this to be a successful outcome for the people of St Helena. Mr Speaker, I beg to move.

The Speaker –

Thank you very much, Honourable Mover.

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

Council Adjourned.

Council Resumed.

The Speaker –

Good afternoon, Honourable Members and welcome back to this afternoon's debate on the Appropriation. 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 –

Do we have a seconder, please?

The Hon. Mrs Susan O'Bey –

Mr Speaker, I beg to second.

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

Council in Committee.

The Chairman –

Honourable Members, you are reminded that as this is an appropriation bill the Schedules are to be considered before the clauses and that special rule of procedure are set out in Standing Order 13, Rule 2.

The Hon. Dax Richards –

Mr Chairman, if it is alright with you, Sir, I'd like to call the Deputy Financial Secretary to the table who will help us with the details of the Bill. I would also like to suggest?.....discussions, if that's alright with you, Mr Chairman, so for those Councillors who have a ..?..., Directorates, I should say, who have Directorate Councillors into their Council Committee and the Chairs of those Council Committees will make an initial introduction after which we will take?.....questions and we?..... that it may be useful to have the actual Accounting Officer sitting alongside the Deputy Financial Secretary to answer any queries that might come up as part of the discussions. I hope Members are happy with that as a?....

The Chairman –

Right, we'll start with Schedule I, Head 12 = Corporate Services – Support, Policy and Planning, standing in the sum of £1,537,000.

Mr Nicholas Yon –

Thank you. So, might I suggest that the Estimates Book, the Pink Book be used at the same time so you have the details which sit behind the particular Heads, so if you'd like to turn to page 29. Page 29, Head 12 – Corporate Services – Support, Policy and Planning. The Accounting Officer is the Head of Corporate Support and this particular Head is for £1,537,000 and it covers the Governor's Office - £151,000; Management and Administration - £322,000; Information Services - £78,000; Public and National Affairs - £241,000; Support to Executive and Legislative Councils - £338,000; Justice Administration - £131,000; Public Relations - £67,000; Corporate Policy and Planning - £76,000; Attorney General's Chambers Running Costs - £96,000 and Internal Audit of the budget - £37,000. It is also a projected revenue of £291,000. And I'd just like to highlight some of the key differences year on year, so for this particular Head the majority of the differences relate to salary changes from the previous year, it also includes the full amount for Councillors' remuneration whereas in the previous year we had part of the costs, but this year it's included in full and then there's also costs for the UK Representative's Office in the UK, additional costs there and also in terms of the, sort of, general running costs for the administration there's some inflationary increases, for example, IT charges that has caused an increase in the budget this year.

The Chairman –

Any Honourable Member wishes to speak on Head 12?

Head 12 – Corporate Services – Support, Policy and Planning – £1,537,000.

Question put and agreed to.

The Chairman –

Head 13 - Corporate Services – Human Resources standing in the sum of £9,159,000.

Mr Nicholas Yon –

Thank you. So, for this particular Head 13 if you refer to page 31 of the Estimates Book, so it's Head 13 –Corporate Services – Corporate Human Resources, the Accounting Officer is the Director of Human Resources and Organisational Development. In the amount of £9,159,000 the Core Human Resources budget for the day to day running costs is £186,000, the big part of this budget is the Technical Cooperation budget, that's standing in the amount of £8,623,000 and then the Overseas Training budget has the funding that we use to train our local staff in the amount of £350,000. You will note that there is no revenue anticipated under this particular

Head. The key increases for the year are to do with the Technical Cooperation budget and the increase in the additional posts as outlined by the Financial Secretary in his budget speech.

The Chairman –

Any questions? The Honourable Christine Scipio

The Hon Christine Scipio –

Thank you, Mr Chairman, can I ask, under Overseas Training for £350,000, if you can give us a little more detail as to say what Directorates or what employees or what courses that this would be offered, will be offered within this particular £350.000? So, for instance, like, if it's already been identified that £100k will be for upskilling teachers or £20k will be for upskilling people in Corporate Services or something like that, so, do you have that kind of information?

Mr Nicholas Yon –

Thank you, so, there will be an element of continuous training, so where in the previous year we would have had, for example, a staff member's on, sort of a, long-term degree, for example, so, there will be ongoing costs for over a three-year period, but there are some elements of the budget that would be only allocated this year based on applications made from across the different Directorates and there's a process that they go through, but I'll pass it to the Accounting Officer.....?..... further details.....?.....

Accounting Officer –

So, each Directorate(*Inaudible*).....

The Hon. Christine Scipio –

So, Mr Chairman, can I ask how many employees Government has undergoing overseas training at the moment, because if it is something that has restarted then that can be undertaken by the Education Directorate going forward, so you said that money has already been committed for courses that have already been started, overseas training, so can you tell us how many employees are overseas at the moment ongoing with training?

Mr Nicholas Yon –

Unfortunately, we don't have those numbers to hand, I can certainly provide those numbers to you.

The Hon. Christine Scipio –

Thank you.

The Chairman –

The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Speaker. Can the Honourable Assistant Financial Secretary say if this is designated as a replace budget?

Mr Nicholas Yon –

Thank you. As the Financial Secretary outlined earlier, it is not.....(*Inaudible*).....budget.

The Chairman –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Chairman. On that particular subject, the overseas training, does this cover succession planning, competency-based pay or whatever is held within the Directorate's budget?

Mr Nicholas Yon –

So, this would just be the training element, so, yes, as part of the succession planning we do take this into account when those bids are considered for the training budget, but it doesn't cover its competency pay because that would be a separate budget line.

The Chairman –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

As the Assistant Financial Secretary has indicated that these budgets are not ring-fenced does that mean that monies out of the TC budgets could be vired for other purposes within SHG?

Mr Nicholas Yon -

Yes, potentially you can, but although there is under the current MOU with DfID there is an element where you need to?....?.....if the virement is greater than £200k, you need to go and have discussion with DfID about it first, but there is the ability to do that, for example, if there was a localisation of a post,?..... have that conversation.

The Chairman –

The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Chairman. When our colleagues from DfID was here just over a week ago, members will recall we raised this issue about how are we going forward and DfID could contribute to our?..... in some way SHG when ...?.... our succession planning and one of the issues we got at the moment is that each time we replace a TC Officer, in particular a?..... post, it means that SHG finds the money from their recurrent budget and this is, it's, members will appreciate it's at the higher end when you replace a TC Officer and from my experience in the Government there was no incentive for us to do it. We know as a Government that it is important to us if we're going forward and I did raise with the officials the importance of them making a contribution where that actually occurs, so they will be making significant savings to the TC budget, but our recurrent budget goes up and I do feel that HMG should make a contribution to that, so I would like to see those discussions developed.....?.....?.....there was an?..... to look at it anyway.

The Chairman –

Honourable Financial Secretary, would you like to assist?

The Hon. Dax Richards –

Thank you, Mr Chair. It's a very valid point that the Honourable Member brings up. I would like to confirm that that is already the case so at the moment, for example, you can actually remove funds from the TC budget and actually put it into the recurrent budget as a top up and?.....?..... so this ability already exists.

The Hon. Lawson Henry –

Thank you very much, I'm pleased to hear it.

The Chairman –

The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

In circumstances?....., Honourable Financial Secretary, does that mean then a further commitment will be given once that transaction takes place?

The Hon. Dax Richards –

When we transfer the funds it then becomes part of the budget for that Directorate and then it's taken into consideration in the next year when we actually prepare the budget ceiling so?.....sustainable solution going forward rather than?.....

The Hon. Cruyff Buckley –

Thank you very much.

The Chairman –

Any other Member wishes to speak?

Head 13 – Corporate Services – Human Resources, £9,159,000.

Question put and agreed to.

The Chairman –

Head 15 – Police, standing in the amount of £1,848,000.

Mr Nicholas Yon –

Thank you, so you'll find the relevant page, page 33 in the Budget Book, please, Head 15. The Accounting Officer is the Chief of Police. This account in the amount of £1,848,000 covers the Management and Administration budget for £3,000; Fire and Rescue = £357,000; Police Operations - £507,000; H M Prison - £338,000; Police Investigations and Public Protection - £76,000; Immigration and Licensing - £200,000; Emergency Planning - £48,000; Sea Rescue Service - £178,000 and the significant difference to the previous year being the introduction of the new output which is the Contact Support Centre in the amount of £101,000 which is a new service. It also covers revenue or expected to receive revenue of £377,000 and this will include, for example, immigration fees, etc, so those are all included in the £377,000. The key differences between year on year that I'd like to highlight is, for example, additional posts for Sea Rescue and the Fire Service mainly to do with increased demand from additional flights at St Helena Airport, it also includes additional costs of being able to run the Police Service and moving to Coleman House and a query was made earlier today around the estimated cost in terms of moving from, additional costs incurred moving from Ogborn House to Coleman House and it's anticipated that this will be around £26,000, that covers additional IT costs, etc, to run the service at Coleman House. It also includes additional equipment changes or replacement equipment for the Directorate and Emergency Services as well.

The Chairman –

Any Member wishes to speak on Head 15? The Honourable Kylie Hercules?

The Hon Kylie Hercules –

Thank you, Mr Chair. Just in terms of the H M Prison, I note that there is a decrease from last year, is there any reason why this has decreased this year?

Chief of Police –

(Inaudible)

The Hon. Kylie Hercules –

You say there's been an increase in food provision but a decrease in other whereas the one offsets the next then?

Chief of Police –

(Inaudible)

The Hon. Kylie Hercules –

Just on H M Prison, I note that from an earlier question that I put in the House in an earlier LegCo it was said that the Probation team and the delivery of Community Services done through H M Prison and so and they're within that budget, so is there any, now that it's been decreased will that have an effect on the delivery of community service or community based punishments?

Chief of Police –

(Inaudible)

The Hon. Kylie Hercules –

So, in terms of supervision for these community-based sentences then that wouldn't be a problem by?ing the budget to have that supervision still be there to carry on, oversee, I should say, the community based sentences?

Chief of Police –

(inaudible)

The Hon. Kylie Hercules –

Within this budget is there, has there been any additional posts within the budget for the Prison? Has there been any additional posts put into this budget for a prison?

Chief of Police –

(Inaudible)

The Hon. Kylie Hercules –

Has it gone in then, Honourable Financial Secretary?

Mr Nicholas Yon –

So, any new bids for posts will come via a separate process?.....approved in the budget so if a request has been made it's a separate process.....?.....

The Hon. Financial Secretary –

If I can just add to that, it's a piece of work that's been mentioned in a number of Legislative Councils?..... as to why the work on the workforce plan will inform staffing levels going forward so that will have to take place within the?.....

The Hon. Kylie Hercules –

Thank you. So, funds then have been placed with any additional posts gone into this budget this year; H M Prison did not have a cook for some time but I understand there's now a cook so that's been absorbed and still been able to decrease the overall head er, count, overall amount, sorry?

Chief of Police –
(*Inaudible*)

The Chairman –
The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –
Can the Honourable Assistant Financial Secretary say under which heading is the Probation Service covered, if it is covered by this heading?

Chief of Police –
The Probation is managed by the Investigations Unit and it's actually under that Heading.

The Hon. Cruyff Buckley –
The Police Investigations and Public Protection is where it is ...?....?

Chief of Police –
(*Inaudible*)

The Hon. Cruyff Buckley –
I would suggest that that is somewhat misleading, could we have a different heading next time to include probation?

Chief of Police –
We'll consider it.

The Hon. Cruyff Buckley –
Thank you.

The Chairman –
Dr Corinda Essex?

The Hon. Dr Corinda Essex –
Thank you. Can you provide a breakdown of the new expenditure for the Contact Centre, please, what does that actually involve?

Mr Nicholas Yon –
Thank you. So, it does include the salary costs for staff, but also includes elements of the cost of running, so a proportion of the electricity costs, telephone costs etc as well as some minor amounts for maintenance(*inaudible*)....., that is all included in that line, that is £105,000.

The Hon. Dr Corinda Essex –
How many staff members does that cover?

Chief of Police –
There's one Supervisor and six?.....

The Hon. Dr Corinda Essex –
That staffing complement is a lot more than that which used to be used by Connect St Helena ...?..., I'm sure, who used to have three and a Supervisor, what is the reason for the increase?

Chief of Police –
The reason?.....(*inaudible*).....

The Hon. Dr Corinda Essex –
SURE normally provided 24-hour cover until relatively recently, so I'm still doubtful as to whether there is justification for seven posts.

Chief of Police –
(*inaudible*)

The Hon. Dr Corinda Essex –
Are these posts interfaced with your existing Controller posts?

Chief of Police –
(*inaudible*)

The Chairman –
Any other Member wishes to speak? The Honourable Derek Thomas?

The Hon. Derek Thomas –
Thank you, Mr Chairman. Under the revenue by output I see there, only a small sum, but under Police Operations it's £4,000, Police Investigation and Public Protection £4,000.....

The Chairman/Councillors –
You're in the wrong year, that's last year.

The Hon. Derek Thomas –
No, I know it is last year, the point I'm coming on to is this year it seems it's falling away, why is that?

Chief of Police –
(*Inaudible*)

The Chairman –
Honourable Kylie Hercules?

The Hon. Kylie Hercules –
Thank you, Mr Chair. Just leading on from what Honourable Dr Corinda Essex asked, you said that there's three posts that's been absorbed into the Contact Centre, but I see Police Operations have increased, were those three within Police Operations in the previous year?

Chief of Police –

The Police Operations in terms of Police staff?.....(*inaudible*).....

The Hon. Kylie Hercules –

Okay, so the increase then is to cover what you're looking to do in future?

Chief of Police –

(*inaudible*)

The Chairman –

Chief, they have a problem hearing you around the table.....

The Hon. Kylie Hercules –

So just then to those posts which have now gone to the Contact Centre didn't sit in that budget anyway?

Chief of Police –

(*inaudible*)

The Chairman –

Any other Member have any questions?

Head 15 – Police - £1,848,000.

Question put and agreed to.

The Chairman –

Moving on to Head 17 – Corporate Services – Corporate Finance, standing in the amount of £8,490,000.

Mr Nicholas Yon –

Thank you, So, this can be found on page 35 of the Budget Book, Head 17 – Corporate Services – Corporate Finance, Accounting Officer is the Deputy Financial Secretary and it's £8,490,000. So, it covers the following: management of the Social Security, so not the actual social security payments, but management of that system - £79,000; Customs and Excise - £291,000; Income Tax Office - £60,000; Accounting Services - £409,000; Post and Customer Service Centre - £181,000; Port Management - £207,000; Payments on behalf of the Crown - £7,162,000, this covers a wide range of costs including subsidies to organisations, grants to NGOs, etc, so I can explain why ...?...would be; Corporate Procurement Services - £67,000; Programme Management Unit for £34,000 and you will note that there is a change this year with Airport Contracts Management Unit moving away from Corporate Finance and to a separate Head, Head 21, which I'll come on to later. This Head also expects to receive revenue of £14,285,000 and that is Customs and Excise department, £6,323,000, Income Tax £5,113,000 and then there's been an also significant amount of payments on behalf of the Crown which accounts for the ...?... so that DfID call financial aid, so that's included within at the overall cost. You will also note information under Note 4 that the unemployment benefits has now transferred from the Safeguarding Directorate, Head 29, and now been transferred to Corporate Finance under the management of Social Security and that comes forward so that we can increase there. This is done because, to try and bridge all the benefits into one area for

the actual budget.....?.....into one area. In terms of the significant change this year, you will note there's an increase of £310,000 across Corporate Finance. The biggest increase here relates to the budget for claims on behalf of the Crown. The key changes there being the inclusion now is subsidy for St Helena Hotel Development Ltd of £200,000 and also additional subsidy hereof for the St Helena Fisheries Corporation of £88,000 additional.....?.....

The Chairman –

Members have any questions? Honourable Kylie Hercules?

The Hon. Kylie Hercules –

Thank you, Mr Chair. I know you said that we will come on to it a bit later, payments on behalf of the Crown seems to be the biggest figure, £7,162, so could you give a breakdown as to what Heads that actually comes, what NGOs?.....?.....

Mr Nicholas Yon –

Yes, what might be useful is to, in relation to subsidies and NGO allocations, if you'd like to turn to page 22, halfway down the page of 22 of the Budget Book?..... so you will see St Helena Fisheries Corporation total amount allocated or earmarked for this year is £350,000, you will have the Public Solicitor's Office - £2,000, Media Services of £75,000, there's Swimming Pool contract - £83,000, Public Transport system - £71,000, National Trust - 43,000, Subsidy to Connect St Helena - £681,000 and Equality and Human Rights Commission - £67,000, the Community Development Organisation - £13,000, Heritage Society - £19,000, New Horizons - £61,000, SHAPE - £67,000, Creative St Helena - £35,000 and there's also the Community Grant Scheme that was administered by the Community Development Organisation, that's in the amount of £25,000, and you will also see listed also at the bottom of the page St Helena Hotel Development - £200,000, so those are the key, sort of, subsidies there, for grants that are paid. In addition to that you will see under Payments for Contractors a little further down the page 23, for the Bus Service - £232,000 and ...?.....contract of £363,000. What is also included in this budget is, for example, the budget for other employee costs and this is the amount of money that is set aside annually to cover any salary or costs that might arise during the year and then, as part of Supplementary Appropriation process, with these new posts, for example, that's the particular Directorate, we can allocate that out to that Directorate at that point in time, so those are the key areas, including the pensions, Public Sector pensions that?....., so those are the key items that actually?.....

Also included in that is the £1.5m calldown fund as part of the?.....is included in there as well and as mentioned by the Financial Secretary it covers litigation or legal costs ...?.....cases and also it can be covered for the overseas medical treatment or overseas aeromedical evacuation as well.

The Chairman –

The Honourable Kylie Hercules?

The Hon. Kylie Hercules –

Thank you, Mr Chair. You mentioned some of the NGOs, now, in previous years NGOs used to have a..., this was one of the main means of where you get some things from and many years used to be some set aside for Directorates as well, so Directorates is now been combined to centrally or is it still that some come from other budgets?

Mr Nicholas Yon –

There's still an element that some is put aside of this process, sorry, outside of this budget is still in Directorates, so where there's, in this case, and this is towards a subsidy, so if an amount is required to help them operate what is approved in Directorates is an amount of money under a, sort of, service level agreement where there's a very specific service that?..... provides that additional funding is granted for, so the intent that that should be made the same, however, we would like to issue, going forward from this year, one communication with the NGO to say that these are the different elements that make the full allocation, so we will approve....?.....?..... Chief Secretary?.....one communication for the full amount broken down into various projects.

The Hon. Kylie Hercules –

Okay, thank you for that. You said about service level agreement, so when there is, you said this is to cover the one cost, when this is given to them is there any service level agreements in place currently with this?

Mr Nicholas Yon –

Unfortunately, not each organisation has a particular service level agreement in place at the moment, most of them do, but there are certain ones that don't. We want to make sure that this year.....?..... service level agreement in place, but having said that, agreements between Directorates and SHG in terms of the reorganisation in terms and conditions, even though it was informally we will have agreed terms for the amount of money that was?....

The Hon. Kylie Hercules –

So, just so I am clear on that, even though some of them have service level agreements there's still some terms and conditions so then the money that's going into these NGOs and other organisations we can then ask for specific outputs when you ask?.....when you have the terms and conditions so that you can understand where the money is being spent and what it's being spent on?

Mr Nicholas Yon –

Yes, so I think, if I can just give a bit of background. So, there will be,?.....we wanted it to come into place last year, but this year, ...?.....drafts subsidy policy that could be agreed in terms of how draft subsidies are dealt with across?.....organisations, so there will still be there for the relevant committee, so we've broken down each of the organisations into either social, economic, sort of, economic areas or social areas?.....Social and Community Development Committee, so what we'd like to do is to discuss with the Committee and an NGO that a specific so that outputs or deliverables are?.....?.....and deliver the money that's available, so we'll have those discussions?.....?.....NGOs.

The Chairman –

The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Speaker, I'm not sure if I'm on the right page here. I know under Expenditure, Councillors Expenses, the £232,000, does that include Councillors salaries as well?

Female Voice –

Yes.

The Hon. Cruyff Buckley –

So why is the Councillor's salary regarded as an expense?

Mr Nicholas Yon –

So this is in relation to18, this is covered under Head 12, so under Head 12, earlier?..... in support to Executive and Legislative Councils, under here it is regarded as salaries mainly because they're not employees of St Helena Government, so it's remuneration under legislation so we account for that separately, the main thing, basically, that you're not an employee.

The Hon. Cruyff Buckley –

Thank you for that clarification.

The Chairman –

Any other Member wishes to speak? The Honourable Anthony Green?

The Hon. Anthony Green –

Mr Chairman, can I, sort of, get a clarification, page 22 and the subsidy to Connect St Helena, I just wanted to ask the Assistant Financial Secretary that 681, does that include the subsidy that's given for the reduced fuel costs?

Mr Nicholas Yon –

No, that's not included, the addition, that subsidy, that is taken as nett of the revenue for?.....

The Hon. Anthony Green –

So, in terms of overall information, the actual subsidy to Connect is greater than 681?

Mr Nicholas Yon –

Yes, Mr Speaker.

The Chairman –

Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Thank you, Sir. Under the St Helena Hotel Development, £200,000 and £350,000, why isn't there any head in there for other hoteliers who have gone through the same thing? Remember last year we met with some hoteliers up at the school and we made some money available to help, but it was only for a three-month period and here we now taking £200,000 from our budget to give to the hotel while the other hoteliers are suffering, so how come we don't have something in place for them?

The Hon. Dax Richards –

Thank you, Honourable Member. And then you remember last year there was the business support initiative that was financed by SHG with support of DfID that was actually channelled through Enterprise St Helena, so that's why it didn't ...?..... in our budget. In terms of there's going to be a budget available to support those entities that will be a part of the process that should?..... for this financial year so, you know, it's something that you can look at, potentially, going forward for next financial year.

The Hon. Gavin Ellick –

But in the meantime, everybody still suffering.

The Hon. Dax Richards –

I'm led to believe also, Councillor, that they can still go back and access the small industry help for that. My Honourable Friend on the right is saying that members of the business community can still go to Enterprise St Helena for support,?..... business support initiative is no longer available.

The Hon. Gavin Ellick –

Yes, because I phoned and asked the question, that's why I know it wasn't in operation. Thank you.

The Chairman –

The Honourable Clint Beard?

The Hon. Clint Beard –

Can you explain Miscellaneous, Farmers Support, Page 22?

Mr Nicholas Yon –

This isn't actually under Head 17; this will be under Head 26.

The Chairman –

Honourable Kylie Hercules?

The Hon. Kylie Hercules –

Thank you, Mr Chair. In detailed ...?.... payments on behalf of the Crown, can you say if the Foreign and Commonwealth Office funding that was received also sits underneath that heading?

Mr Nicholas Yon –

No, that's accounted for separately. What I will say though is that it is included in this budget this year, as part of this budget now, however, we have since decided at the last Executive Council meeting, that we should set up a special fund to deal with the transactions of any Foreign and Commonwealth Office funding that we receive so going forward, even though it's included in this budget now we will have to make adjustments to this budget in the coming year. What we will do with that Special Fund is receive in all of that project revenue and then allocate that out on a spend?.... project basis rather than in our current budget. We feel that is a better way that we can be accountable to you and to FCO how the monies are spent.

The Hon. Kylie Hercules –

Thank you.

The Chairman –

Any other member wishes to speak? The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Going back to the subsidy for the hotel again, 1, 2, 3 Main, is £200,000 the minimum that is required to avoid the hotel closing and therefore potentially SHG being exposed to expenditure of £1.5m plus from the Consolidated Fund?

The Hon. Dax Richards –

In terms of the exposure, the minimum exposure, we're very much planning on, as we have discussed today a few times, the level of visitor numbers that we have into the island, however, there is the possibility that £200,000 might not be sufficient to help the costs of the hotel, operational costs of the hotel, so at that point in time we'll have to consider whether or not the exposure to SHG will be(*inaudible*).....

The Hon. Dr Corinda Essex –

If, in fact, there is a pleasing upturn as a result of the efforts that I hope we're all going to be undertaking to try and maximise passenger occupancy of the planes, presumably that £200,000 might not be necessary?

The Hon. Dax Richards –

Yes, correct.

The Hon. Dr Corinda Essex –

And if that were the case then the full £200,000 would not be utilised?

The Hon. Dax Richards –

Yes, you are correct.

The Hon. Dr Corinda Essex –

Thank you.

The Chairman –

The Honourable Brian Isaac?

The Hon. Brian Isaac –

Mr Speaker, just to ask?....., but if there were nine that doesn't support, how would that work??.....support?.....

The Hon. Dax Richards –

So, the only options that you have as Councillors is to reduce that Head of Expenditure, but it would have to be supported by?..... to?..... Then I also believe that it has to be proposed by a member of Executive Council.

The Hon. Gavin Ellick –

So, what you're saying, Sir, is, if I didn't like, say,?.....with the hotel development, I refused that, it would have to come from an ExCo member for me to?.... or something like that?

The Chairman –

Attorney General?

The Hon. Andrew Radley –

Under Standing Orders, the requirement is for any amendments to expenditure.....?.....(*inaudible*).Standing Order 13(2).

The Chairman –

The Honourable Kylie Hercules?

The Hon. Kylie Hercules –

Thank you, Mr Chair. So, really and truly we can't say no then?

The Hon. Dax Richards –

You can say no to the overall Head of Expenditure.....

The Hon. Kylie Hercules –

In doing so, saying no to the overall Head of Finance, then what would be the outcome if we were to do that?

The Hon. Dax Richards –

Then there would be no budget for the rest of Corporate Finance and the rest?.....(*inaudible*).

The Chairman –

The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

So, in hindsight we are over the barrel.

The Hon. Kylie Hercules –

I wouldn't say over the barrel, Mr Speaker, because this is actually set out in Standing Orders.

The Hon. Gavin Ellick –

Maybe I forgot to read that.

The Hon. Andrew Radley –

Sorry,?..... for clarification.....?..... The Standing Orders say any Members who reduce a Head.....(*inaudible*)

The Chairman –

Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

I thank AG for that clarification, Mr Speaker, I was going to suggest something to the contrary. Is there any provision to set the Standing Orders to one side in order to increase which would allow a Member of LegCo to....?.....?

The Hon. Andrew Radley –

Sorry, could the Honourable Member repeat the question?

The Hon. Cruyff Buckley –

Is there any provision to set aside Standing Orders in the case of proposing to increase a Head of Expenditure?

The Hon. Andrew Radley –

There are several rules to ...?.....an increase?..... Standing Orders.

The Chairman –

Any Honourable Member wishes to speak? The Honourable Clint Beard?

The Hon. Clint Beard –

Is there any way of splitting the funds for the hotel between giving the Hotel and the private sector?

The Hon. Dax Richards –

It would only be that you would have to find funding from elsewhere to be able to assist the other organisation....(*inaudible*) or alternatively the next option is to, if this is an issue, I could look at it and we would have to(*inaudible*).....budget is approved.

The Chairman –

Any other Member wishes to speak?

Head 17 – Corporate Services – Corporate Finance - £8.490,000.

Question put and agreed to.

The Chairman –

Head 19 – Economic Development, standing in the sum of £930,000.

Mr Nicholas Yon –

Thank you. So, this can be found reference page 37 of the Budget Book, Head 19 – Economic Development. The Accounting Officer is the Deputy Financial Secretary. Oh, sorry, I apologise to the Chairman, Economic Development.

The Hon. Lawson Henry, Chairman, Economic Development -

Thank you, Mr Chairman and thank my?.....?..... So, the subsidy to Enterprise St Helena. The subsidy of £930,000, Enterprise St Helena is required to cover the?.... and running expenditure for the organisation and Members we are grateful for the uplift of an additional £30,000 this year. This is also required to underpin and to ensure that the organisation delivers on the DfID and ESH project to programme. This subsidy does not only cover the running costs, but also there is small portion related projects. The P....?..., PIAGD, which is based in England, additional funding has been set aside to procure additional P..?. in France and South Africa in the next few months. ESH also pays for ongoing maintenance of the trails and various walks around the island and ESH will be sponsoring the Festival of Running again in November. The second tranche of the interpretation signs for the island will be procured during the coming financial year, with the installation of both tranches also taking place. ESH has also set money aside for the upgrade of different community sites as well as ongoing contribution to the ...?..... company. ESH continues to support the Tourism Industry in general, also on cruise ship days?.....in January 2019. Members may be aware of the Phase II grant programme that is funded directly by DfID, the figure of which can be made available once we have publicised?..... Thank you.

Mr Nicholas Yon –

.....?..... this particular Accounting Officer is the Deputy Financial Secretary and this, the line is purely for the subsidy for Enterprise St Helena. I think the Honourable Chairman?..... highlighted a few changes in that?.....

The Chairman –

The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Chairman. Can I ask if all of this allocation will be attributed to operational needs or will there be some overlapping project funding and infrastructure needs?

Mrs Michelle Yon –

As mentioned by the Chairman, there are small project?.....protection sites, so, yes, there will be infrastructure evident of that subsidy?.....

The Hon. Cruyff Buckley –

Can you say if there will be negotiations and working relationships with the work of the Environment and Natural Resources Department to assist them with their infrastructure?.... to accommodate tourism?

Mrs Michelle Yon -

We do?.....Department?.....and for the sitting members of Legislative Council that sits on our sub committees as well?.....

The Hon. Cruyff Buckley –

Thank you for that answer.

The Chairman –

Any other Member wishes to speak? The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

It was alluded to before that some funding can be available to other hoteliers, could that be made available to, aware to the public please, Ma'am?

Mrs Michelle Yon –

The subsidy?..... to us by the?.....recurrent costs and other arrears and even if the funding could be made available for the hoteliers it would have to come from DfID and?.....negotiations with?.....

The Hon. Gavin Ellick –

Thank you, Ma'am.

The Chairman –

Any other Member wishes to speak?

Head 19 – Economic Development (£930,000) –

Question put and agreed to.

The Chairman –

Head 21 – Access, standing in the sum of £4,212,000.

Mr Nicholas Yon –

Thank you. So, this particular Head, we've done some restructure this year, so previously Head 21 was entitled Shipping and it covered £500,000 cost of transporting cargo from Rupert's Wharf to Jamestown Wharf. What we've done this year is part of the discussions around our financial aid, DfID has agreed that they will move the funding for airport operations out from the Airport Project and into our recurrent budget as part of our financial aid, so what we've done, we've taken this Head and changed it slightly and we've made it to be called Access and cover both the shipping of £500,000 that was there, a continuation from the previous year, but also covered the £3.5m for the airport operations, for the running of the St Helena Airport and also we've included this year £212,000 for the airport contract management unit, so this is a restructured Head 21, the Accounting Officer is the Deputy Financial Secretary and the expected revenue under here as part of our financial aid is £2.5m.

The Chairman –

Questions, Honourable Members. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Chairman. So, I would ask the Deputy Financial Secretary if he could advise if now it has been moved into our recurrent expenditure, is there going to be a proposal for a particular Council Committee to have responsibility for access and when is it likely to be submitted?

The Hon. Dax Richards –

I think it's a very good question you've raised, Honourable Member.?.....Access or Shipping under the Constitution is one of the Governor's special responsibilities, but I know there has been some discussions around re-looking at terms of reference for Council Committees and I would imagine that this will form part of those discussions as to who would be the Council Committee responsible for Access?....

The Hon. Christine Scipio –

So, just the fact that Elected Members by approving the budget today, I will go away and won't know today who's going to be, what Committee is going to be responsible, when does this decision be required and to say when it is likely that it is known what Council Committee the Directorate is responsible to?

The Hon. Dax Richards –

I think that depends on the terms of reference for the?..... which has been outstanding for quite some time.

The Chairman –

The Honourable Lawson Henry?

The Hon. Lawson Henry –

Just a moot point, there is no mention in the Constitution that the Governor has special responsibility for Access, although I accept that it could be looking at Access Shipping. Thank you.

The Hon. Dax Richards –

I agree, Councillor, that's why I only said shipping.

Mr Nicholas Yon –

I can also say that the airport operations budget line of £2.5m will be treated as any other subsidised organisations,?..... St Helena Airport Ltd?.... so those are covered under the Government's arrangements like we do for Connect St Helena?..... how they claim funds from SHG, so it would be just a straight allocation of money because it will be based on?.....

The Chairman –

The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Under this arrangement here from shipping, if any alternative arrangements for shipping came up, could we use this budget or we will have to have special warrants to do so?

The Hon. Dax Richards –

That very much depends on how quickly a?... option would come on the table, but in terms of the way the budget works, we have allocated, well, if this is approved, we have allocated £500,000 to shipping and then?..... spend it, so there's a possibility for it to be used for different things under the head of shipping.

The Hon. Gavin Ellick –

But if anything come up and we could you say, but where else could we tap into to get some more money for these alternative shipping arrangements?

The Hon. Dax Richards –

I think you have to do the actual feasibility study first?....., but alternatively this line under Access you also have the option of tapping into the Consolidated Fund as an alternative means of financing?.....

The Hon. Gavin Ellick –

Thank you very much.

The Chairman –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Chairman. This new figure here under the Revenue, £3.5m, is this a realistic figure and how did we arrive at that?

Mr Nicholas Yon –

Yes, so the £3.5m is based on the discussions we had with DfID where £3.5m is allocated as part of the financial aid package so the new figure of £31.8m, that includes this £3.5m and so that's how it's taken from DfID and so from the revenue side this is part of the package.

The Chairman –

The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Can the Honourable Assistant Financial Secretary say if this figure includes maintenance costs?

Mr Nicholas Yon –

When you say this figure, the £3.5m? So, there would be an element there within the budget provided by the company, St Helena Airport Limited, so they put their budget together, they will have to take account of maintenance costs?.....

The Hon. Cruyff Buckley –

Can the Honourable Assistant Financial Secretary say if consideration will be given to remove the Head Met Forecasting Services from the Environment and Natural Resources budget and place it into the Access budget?

Mr Nicholas Yon –

Thank you, I think that is a fair point. We wouldn't be able to change it at this stage now, but?.....

The Hon. Cruyff Buckley –

Thank you very much.

The Chairman –

Any other Member wishes to speak?

Head 21 – Access - £4, 212,000.

Question put and agreed to.

The Chairman –

We move on to Head 22 = Education and Employment, standing in the amount of £3,350,000.

The Hon. Christine Scipio –

Thank you, Mr Chairman. So, Members need to look at the bottom line of the expenditure, you see that our current budget for 18/19 is similar to 19/20 with a small increase of £7k paid into the recurrent estimate that was provided to us initially, so to be able to do that we did, erm, tough decisions, but probably will come into our indicative ceiling, so if you just look at generally, Members, that there is a little increasing in some areas within the schools and that is because there has been an increase in the IT charges recharge costs generally across the entire sector, so, for instance, to give you an example, if you look at Harford Primary School of £329, it has been increased to £337, it's just to give you an example, so generally in the sector there has been a small increase in the recharges.

So, currently, Mr Speaker, for this budget, it is very difficult to ensure that we do have money for every student that comes through our system because at that time where everything depend on the birth register and children that come in are studying, we can't take into account the family returning to renew admission or move to new pastures, so what we've done so far is that in the Primary Schools we based it on our current predicted figures. We also took into account the number of scholarship students that we currently have overseas studying and taking into account the cohort that is coming through this current year, so currently in the 18/19 we have ten students overseas and just to give the listeners a flavour as to what subjects students are studying; Environmental Science, Civil Engineering, Computer Science, Veterinary Nursing, Psychology, Law and at the moment I can say currently that we have had three applications coming forward for our 19/20 budget. There is a process that members are aware that we follow through so that we have a particular student who wants to study in the Public Health Department, there is a Psychology and also Computer Science.

So, when we looked at our budget for 19/20, members you will know that under the line for Teacher Training there is an increase. The previous year we had £58,000 included in our recurrent budget, now in the 19/20 we have £103,000 so it is an increase, because what we did was we wanted to accurately reflect on the cost of teacher training here on the island so we have teacher trainees that we're hoping to have in the system for 19/20. The previous year we had accommodated to have more students going away for scholarship, as it is previously, we have three applications for this year so you can see there is a small dip in the scholarship students and, of course, it has to start with the third year who will hopefully come back, so that is the reason why there is a reduction in the costs, so I hope that members don't feel that Education isn't supporting sending students going away, we need to see what the cohort that's coming in, we need to try to be realistic.

So, I will ask Members if they have any questions, as you know that in his Budget Speech the Financial Secretary talked about Community College where 196 courses is being offered so in respect of registrations I should say, on the increase, so we have plod on really hard as we possibly can to get to the ceilings, so that's why there isn't any huge change generally, but overall the estimate current budget is at a point where it cannot be reduced any further to enable the Directorate to provide the statutory service.

The Chairman –

The Honourable Cruyff Buckley

The Hon. Cruyff Buckley –

Thank you, Mr Chairman. I'm not sure if I'm being aggressive by saying this, Mr Chair, but I'd like to ask the Honourable Christine Scipio if she supports the idea of amalgamation within the schools to perhaps save on costs?

The Hon. Christine Scipio –

Well, that will be an opinion, Mr President, Mr Chairman, and I feel that we need to make a decision, we need to consult with the community, I don't think it is ideal or appropriate for me to just state that we need to do this.

The Chairman –

The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Thank you, Sir. I don't see nothing in here for upgrades of playing fields or anything like that, where does that come in?

The Hon. Christine Scipio –

So, in the, thank you for that question, in the Prince Andrew School budget there is allocation - £6,000 for ground maintenance. My Honourable Friend has raised this question in the House previously and it's a pleasure to relay to you that a maintenance programme is in place, but it's also recognised that Francis Plain Field does not get a rest, I do recall there was provisionally in one of our budgets to look at an alternative sports field which is in the Land Development Control Plan, it's out at Bottom Woods, that project didn't progress for whatever reasons, so it was hoped that by having a sports field in an alternative location on the island that it would give the Francis Plain options to rest so that we can have some maintenance done to it.

The Hon. Gavin Ellick –

Thank you very much, Ma'am.

The Chairman –
(inaudible)

The Hon. Gavin Ellick –

So, in actual fact, we had money to build another sports field and what happened to that money, because if we had another sports field, as you alluded to Francis Plain needed a rest, that means we know what we doing.

The Hon. Christine Scipio –

As you know, Honourable Councillor, in a meeting in this particular Chamber we discussed funding for a sports field, that funding was allocated in the Enterprise St Helena budget, as for why it didn't happen I, as Chair of Education, I don't think it appropriate for me to provide an answer, I'm certain that the Deputy Financial Secretary may try to provide a response to that, but there has been a lot of discussion about this in previous years and I'm sure you are aware of the conclusion.

The Hon. Gavin Ellick –

Yes, I am, but in all fairness, if I have to say it, for me the lack of maintenance over at Francis Plain we should have done take care of it long time ago.

The Hon. Dax Richards –

Mr Chair, if I can just add that the Councillor'sright,sum allocated and remember an additional £100,000 was allocated to Enterprise St Helena in the 2017/18 budget, we were also aware a part of the process with approving the budget in the 2018/19 financial year, SHG and Enterprise St Helena had faced some difficult decisions around reallocation of resources and if you remember as part of the significant reduction in the money provided by St Helena that £100,000 was lost as part of that process.

The Hon. Gavin Ellick –

Thank you, Sir, for that explanation. It?....., so that one went out the window. Thank you.

The Chairman –

Any other Member wishes to speak? Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Chairman. Can I ask why is there a reduction in the budget head under Tertiary Education of £275,000 to now £240,000?

The Hon. Christine Scipio –

Mr Chairman, as explained before, it was a reduction in the number of students that's coming through. I thought I made it very plain with my explanation previously, so.....

The Chairman –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

I apologise, I must have fallen off to sleep.

The Chairman –

Any other Member wishes to speak?

Head 22 - Education and Employment - £3,350,000.

Question put and agreed to.

The Chairman –

Moving down to Head 23 – Health, standing in the sum of £5,586,000. The Honourable Derek Thomas?

The Hon. Derek Thomas (Chairman, PHD) –

Yes, thank you, Mr Chairman. Members will see that the Health budget is £5,586,000, a reduction from this current year, but we will know from the budget speech that was presented that, yes, there's a reduction in the Health Aeromedical evacuation and overseas medical treatment budgets, been a reduction there, but Members will be aware that should the need arises there will be the scope to calldown from the sponging, so taking that into account, having the ability to do that, what it means in actual terms is that the Health budget has been increased by £372,000. Now, the Health budget is there to support the strategic plan that the Health Directorate has introduced, which is updated every year and currently it now runs from 2019 to 2022 and it is geared towards achieving the key performance indicators as set out in the Strategic Plan and the challenges that the Health Service face is the biggest threat to the Health Service is the non-communicable diseases. As Members will know it is a big threat to the island in relation to hypertension; diabetes is the most frequent root causes of ill health for islanders and this was highlighted as well in the recent visit of the DfID Health Adviser who really highlighted this and Members will know that the plans that Health Service have in place is to tackle these non-communicable diseases. What we have in place now is proper data collection so the Health Service frequently monitor data collection so instead of waiting until people acquire these diseases a lot is proactive work now in trying to monitor people's health conditions to prevent them from getting those illnesses in the first place because we know further downstream it leads to bigger things, ill health and a greater level of expense, so there is in place early interventions through data collection and in recent months the Health Service has been quite active in monitoring people's health and trying to prevent people from acquiring these dangerous diseases. The..... Great focus is placed on tackling chronic disease management and Members will know that we have in place, which was launched on May last year, the Health Promotion Strategy Plan and Members will also know that from recent analysis carried out that progress is being made, good progress is being made in relation to people's habits, their diets and exercising. We have merchants on-board who are trying to, where possible, import more healthier goods, especially when it comes to things like diet drinks. Council have done their bit when it comes to the Customs duty so all of those measures are in place. It's still early stages, but it's fairly monitored and the aim is to develop this programme. Members will also know that we've been successful with the orthopaedic work that's being carried out at the Hospital; knee and hip replacement and to date twenty-six operations have been successfully completed, performed on island, which has generated the savings which could be used elsewhere and this work will continue.

Under the theme of therapy service, which was introduced this year, sorry, 2018, the Directorate plans to expand the service by including in its staffing an Oncology Nurse and this will make significant difference in the service we provide to Cancer patients. We know that Cancer patients are referred to Pretoria, used to be Cape Town, now Pretoria, and they spend

long periods there. This, having the Oncology Nurse on island will allow the treatment to be carried out, so the funding that the Health is asking for is to support these initiatives, so that's a basic summary and I will allow the Financial Secretary and the Assistant Director there to perhaps go through the details within the budget. Thank you.

The Chairman –

Do Members have any questions, please? The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Chairman. So, talking about diseases I need to understand, Honourable Thomas where is the preventive care, what line is that included in, does it come under hospital and acute care, primary care or community care?

Mrs Helen Lawrence (Assistant Director, PHD) - -

.....(inaudible)....but also what we've done.....?.....answer that, what we've done this year in?.....is we move budget around various different sections so it is more appropriately placed so we're able to tackle it more, so we then also included under our Medical?.....line as well,?..... which is going to be a more focused approachcurrently we're doing community services will be to continue, but there also needs to be a concentrated effort in tackling?..... management so that budget had been increased in that particular line where you will see there's still £218,000?..... There's?.....£218,000 is specifically relates to Pharmacies management, that £218,000 also includes us also moving some funding from the Administration and Management budget so there are some things that ...?...Administration and Management that was more appropriate to place in other areas of the Directorate so what you will actually see is that there are increases and decreases in each of the areas but as an overall picture?..... what has actually happened is that the additional funding that we've actually asked for equates to the actual?.....salary lines which is to do with the increases that people would have paid last year?.....?.....paid as well. There's also increase, we were quite fortunate to transfer one of our posts from TC to the local budget as well, so we've had that?..... on the salary side. Utilities,?.....we had, that was based on the actual consumption last year, because as you will have found from what the Financial Secretary has said in the Chamber?.....additional services?.....in patients so in hospital now to do this, so, of course, the money must go up with it. The other areas where we've actually asked for additional funding is our medical supplies with associated Customs duty and that would support the inflationary rate, cost of medicines, the?....., in our Communications budget line as well.....?.....need some additional funding there. In fact, last year what we did we had to cut, we estimated what we would require?.....we made the decision to cut back in order to meet the budget ceiling for last year. The other area that we've asked for some additional funding is Scientific and Technical analysis and that's for the testing that we're not able to do on St Helena and have to send offshore to be done, so with those new lines and with the drawdown that we would be able to?..... we would?..... but the?.....where you would see the difference.

The Hon. Christine Scipio –

So, thank you for that. Mr Chair, can I ask what proportion of the budget relates to the disease management then as there is an increase of £218k?

Mrs Helen Lawrence –

It's £112,000.

The Hon. Christine Scipio –

And what funding is available to support smoking and alcohol abuse, is it 5,000?

Mrs Helen Lawrence –

So that £5,000 in theis to look at things?.....addition to the diabetes, to?.....it's also to look at alcohol abuse and stuff as well, so training will involve continuing?.....expensive, so we're offering it free, so to be able to continue to do this and to support people with the?.....we will actually require funding.....this?.....proactive.

The Hon. Christine Scipio –

Mr Chair, can I ask the OAD Specialist into the island that we do have the adequate equipment at the hospital for these specialists to carry out what they are required to do?

Mrs Helen Lawrence –

Yes, we can?.....and there are?.....Specialists to review what we have to be able to advise on what we require, so on some occasions it is to actually do thatto see what we actually already have and what it is that we need to?.....

The Hon. Christine Scipio –

Just an observation, Mr Chairman, I know you'll cover Schedule II later, I don't see any capital expenditure requests for the Public Health in relation to any equipment, so do I assume that the 19/20 that Public Health do have the adequate equipment for when specialists come to the island to ensure that the community receive the treatment that they are sent out here to do?

Mrs Helen Lawrence –

Well,?.....?.....?.....

The Chairman –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Chair. The Mental Health provision has been reduced quite substantially from the current year to the next year and as we still do not have a secure mental health facility on the island, if it were the case that a patient required secure treatment where would that funding come from?

Mrs Helen Lawrence –

That is covered in this budget line?.....is that the patient is admitted to hospital?.....to support the hospital nurses.....?.....

The Hon. Dax Richards –

Mr Chair, in the event that we find ourselves in the situation where there isn't sufficient funding in that line then we will first of all look within the budget resources available to the Directorate, other across SHG and then worst case scenario we draw on the Consolidated Fund.....?.....

The Hon. Dr Corinda Essex –

Because it has been a matter of great concern that because of the absence of a capital programme we haven't been able to move forward with the construction of a secure facility for

that sort of eventuality and we've got to make sure that there is an adequate provision until such time that we've got that on island.

Also, Mr Chairman, with regard to revenue I notice that the Dental revenue is due to increase by 70%, how has that been arrived at, nearly 70%?

Mrs Helen Lawrence –

That has been?..... I think it was underestimated in the previous year, so based on what was actually collected and the use of the services?.....

The Hon. Dr Corinda Essex –

Okay, thank you.

The Hon. Dax Richards –

She's sayingthe Medical Fees.....?.....based on actuals this year that's why you see an increase in the?.....this year.

The Chairman –

Any other Member wishes to speak? The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Chairman. Perhaps more of an administrative issue than?....., Mr Chair, can I ask why is the aeromedical evacuation and treatment overseas, which is almost half of the medical heading under Expenditure by Output, not?.....?

The Hon. Dax Richards –

At the moment it is actually ...?.....Medical Services, it's been there for a number of years, however, going forward we will be?.....consideration?.....

The Hon. Cruyff Buckley –

Thank you for your answer, Financial Secretary, I just feel that it can be misleading to the layman in the street?.....significant proportion is allocated to the overseas medical referral.

Mr Nicholas Yon –

I think that is the reason why we?..... to help explain that, because the purpose of her outputs budget is to show output so that we know part of that medical service is?.....overseas and you don't see what is local medical treatment and what is overseas so that is one line is medical treatment.

The Hon. Cruyff Buckley –

Thank you very much for that explanation.

The Chairman –

Any other Member wishes to speak?

Head 23 – Health - £5,586,000.

Question put and agreed to.

The Chairman –

Head 26 – Environment, Natural Resources and Planning, standing in the amount of £1,867,000. Honourable Russell Yon?

The Hon. Russell Yon (Chairman) –

Thank you, Mr Chair. I won't go through any great detail as Members will be well aware that this Directorate is now split in two from ENRD to be under Head 26, Environment, Natural Resources and Planning, so in this Directorate we will continue to perform a lot of frontline services in forestry production, biosecurity, agricultural support and then we will have our conservation and terrestrial and marine and?..... and also planning and development control. One line that will also remain with the Directorate will be the Met Forecasting Services. Members will see that there has been very minor uplift in some increases, most of which has come to our line for the Met Forecasting Service, from what?.....£120,000 to now of £140k so that's the increases we will see for this year and some minor increases throughout the Directorate, but other than that I just hope it will allow the Directorate to perform the duties that they have been doing for the previous years.

The Chairman –

Thank you very much.

Mr Nicholas Yon –

The Honourable Chairman, Environment & Resources has already said in terms of the significant change Members will note Page 47 is the withdrawal from certain cost?.... that will be added to the Infrastructure and Transport. However, what I can say is that included in Revenue?.....under this Head is £113,000 and the Accounting Officer is the Director of Environment and Natural Resources and Planning.

The Chairman –

Any Honourable Member wishes to speak? The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Speaker. Can I ask the Honourable Chairman of the Environment and Natural Resources Committee if there is any provision within this budget in relation to our heritage?

The Hon. Russell Yon –

Thank you very much for your question. You do sit on the Committee with us, so I do understand that there have been some detailed discussions into how we are going to protect our heritage and?.....

The Chairman-

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Chairman. Can I ask then, under the Revenue, Planning and Building, no, sorry, under the Waste Management there's £3,000 and now we're expecting £12,000, how is it proposed to make this amount, what are we doing differently?

Mr Derek Henry –

Okay, so this is accounted for by the introduction of the commercial waste collection?.....

The Hon. Derek Thomas –

Thank you.

The Chairman –

The Honourable Kylie Hercules?

The Hon. Kylie Hercules –

Thank you, Mr Chairman. Can I ask, Revenue by Output, there's a line for CS houses which stands and zero this year, there's nothing for the previous years, is that what we're expecting for revenue from the Chief Secretary houses?

Mr Nicholas Yon –

I think there's an error in the Book where previously those lines were hidden and in printing unfortunately the line was?....., (*laughter*) ...so I apologise.

The Chairman –

The Honourable Brian Isaac?

The Hon. Brian Isaac –

Thank you, Mr Chairman. Can I ask, the upkeep of public facilities and areas - £44,000, how will that be managed and what will that be used for?

Mr Derek Henry –

So that is referring to things like the picnic areas and so on.

The Hon. Brian Isaac –

Thank you, Longwood Avenue.

Mr Derek Henry –

.....?.....that one was actually taken out of the budget some years ago, but we're actually looking at what we can do now to try and make provision for that. We mainly prioritise what we've got in the budget which we've got?.....

The Hon. Brian Isaac –

So, hopefully, we might not see any benefits from this for?.....?

The Hon. Susan O'Bey –

If I can just, sort of, mention something here. Executive Council actually agreed that there should be some funding allocated specifically for these areas and at the moment what we're having to consider is to look at how we can pull together a draft, such as a business plan, actually pull together a plan. This appears to particularly identify the costs and Longwood Green is actually included in that.

The Hon. Brian Isaac –

Thank you, Madam,?.....

The Chairman –

Any other Member wishes to speak? The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Would that include other areas around the island as well, because I find it hard that the Longwood Green seem to be in the dire strait, but if we had money to do these things and we on the other side of the island have money and we still have money in our budget and we still doing our piece, so I find it very funny.

The Hon. Dr Corinda Essex –

Just on a point of clarification, I think the money that the Honourable Member is referring to is the money that came from ESH for beautifying the different areas around the island, so that wasn't actually out of this budget.

The Hon. Gavin Ellick –

I know that, Ma'am, that's why I making the point.

The Chairman –

Honourable Brian Isaac.....?..... Any other Member wishes to speak?

Head 26 – Environment, Natural Resources and Planning - £1,867,000.

Question put and agreed to.

The Chairman –

We move on to Head 27 – Infrastructure and Transport, standing in the amount of £1,530,000.

Mr Nicholas Yon –

Thank you. So, this has to be the new Head?.....this year split with ENRD, so this is Infrastructure and Transport, Head 27. The Accounting Officer is the Director of Infrastructure and Transport. It actually includes the Management and Administration - £259,000, Provision for Maintenance of Roads - £408,000, Provision of Maintenance - £347 (?), Rockfall Protection - £63,000, Building Maintenance for Works - £49,000 and what you will notice compared to previous year that has reduced, but it's reduced to an ...?.... element and we come on to that in the Schedule to talk about that element. Technical Services - £118,000, Land Registry and Property Disposal - £48,000, National Geographic Information System - £88,000. It is anticipated that under this particular Head that we receive revenues of £486,000.

The Chairman –

Any questions, Honourable Members? The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Just an observation, although I fully understand why the previous year's forecast and?...outturn were not shown, because this is a new Head, it's a pity that they're not included somewhere in this document for the information of the public for comparative purposes. It, For example, as it looks now, it looks as though it's never had money for roads before, I know we haven't had much, but we have had some, so I would like to suggest that a further footnote is placed when this information is put on the website and in the public domain to enable the public to be able to make straight comparisons. Thank you.

Mr Nicholas Yon –

So it is included under Head 26, so ...?... on to their which shows the previous year, but I agree if it's shown in the same place so there's the ability to be able to compare the?.....

The Hon. Dr Corinda Essex –

And it isn't actually cross-referenced here to state where it's shown later on in the document, so even if a footnote was put by these comments to say, 'see over page' or whatever that would be more helpful.

The Hon. Dax Richards –

However, if you do look at ,,,,?..... page 47,.....?.....

The Hon. Dr Corinda Essex –

Yes, yes, but not in depth.

The Hon. Dax Richards –

No, it doesn't.

The Hon. Dr Corinda Essex –

No.

The Chairman –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Chairman. Can I ask if any provisions were made in this budget for community roads to assist our elderly, is it incorporated under Provision and Maintenance of Roads, is there any provision there for community roads and if so, how much?

Mr Nicholas Yon –

Yes, £19,000, about £20,000, sorry.

The Hon. Derek Thomas –

£20,000?

Mr Nicholas Yon –

Yes, £20,000.

The Hon. Derek Thomas –

Where is it factored in the Pink Book?

Mr Nicholas Yon –

Provision and Maintenance of Roads on page ?

The Hon. Derek Thomas –

Provision and Maintenance of Roads, so it's incorporated under the 408?

Mr Nicholas Yon –

Yes.

The Hon. Derek Thomas –

Thank you.

The Chairman –

The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Can the Assistant Financial Secretary say if this is an increase on last year's provision or a decrease?

Mr Nicholas Yon –

Yes, it is an increase of 38 from last year, so last year there wasn't any provision in the original budget for Community and District Roads, so now it's actually a?..... so what we've had to do is the additional £38,000 has been allocated this year to allow the £20,000 to be included for Community and District Roads. Again, last year,?.....18/19, the Roads Division actually managed, reallocated?..... to allow it to be able to allocate some money?.....roads this year, but we corrected that in the budget for next year.

The Hon. Cruyff Buckley –

Thank you for that clarification.

The Chairman –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Chairman. The provision of £47,000 for Maintenance of Street Lights, for maintenance alone or does this incorporate additional street lights as well?

Mr Derek Henry –

No, this is maintenance of the existing services.

The Hon. Derek Thomas –

So this year, from the new financial year there's no funding available for any additional street lighting?

Mr Derek Henry –

No, there is no.....?.....

The Hon. Dax Richards –

Can I just add that there ...?.....in the capital programme for additional street lighting.

The Chairman –

Honourable Kylie Hercules?

The Hon. Kylie Hercules –

Thank you, Mr Speaker. There was mention of the Building Maintenance works. I see by comparing last year's to this year's it's a ..?... decrease, is there a reason for that?

Mr Nicholas Yon –

Yes, so, basically what we've done is to identify what are the capital requirements by the Building Maintenance and?.....and put it into Schedule II.....?.....

The Chairman –

Any other Member wishes to speak?

Head 27 – Infrastructure and Transport - £1,530,000.

Question put and agreed to.

The Chairman –

We move to Head 29 – Safeguarding, standing in the amount of £3,3,000. The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you. Mr Chairman, I know you commented the Head amount for 2019/20 is £3,3,000, I'll just run through the lines of expenditure for Safeguarding: £143,000 for Support Services; £260,000 for Learning Disabilities; £69,000 for the Family Centre; £147,000 for the Sheltered Accommodation; £1,263,000 for the Community Care; £573,000 for Occupational Therapy and Better Life Allowance; £13,000 for the Safe Haven; £277,000 for Children's Services and £302 for Adult Safeguarding. I just want to mention, if I may, Mr Chairman, that unfortunately during the past year we've had a number of changes with regard to Directorship and so I really do welcome Mrs Poole Nandy and trust that her dogs will like it here as we do need some stability here, but I think because of this change with regard to Directorship and because, as Members will know, we fought hard for additional money because of the shortage, particularly in staff and the botanical ...?.... that cause. Honourable Members were very good in giving us that money, but unfortunately through procurement difficulties and other things it wasn't possible to secure the staff from overseas, but now with a Director in place permanently we do hope and trust and promise that our budget this year will be fully and carefully managed and deficits from the services that perhaps did occur during last year will now be fulfilled. What we can say is the recruitment is back on track for Social quality staff and support staff and specialists, they will be underway, which is reflected in this year's budget and additional areas such as procurement across the Directorate will be ...?... managed and what will the Director to make sure that money available will focus on the delivery of our quality services and also the new Director is actually using the basis of this budget to actually make a re-assessment of all the services to make sure that there's a clear criteria and if there's a need to change policies, procedures and, if necessary, formal recommendation for registration, that will be brought forward to make sure the services that we count as wonderful will be appropriately committed.

The Chairman –

Au questions, Honourable Members? The Honourable Brian Isaac?

The Hon. Brian Isaac –

Mr Chairman, could it be explained, Community Care, what does that entail, does that also assist with structure repairs to elderly homes or that's not right?

Mrs Poole-Nandy (Director, Safeguarding) –

So, Community Care is the basis of support(*inaudible*)

The Hon. Brian Isaac –

Is there any provisions here to help those people to remain in their own environment?

Mrs Poole Nandy –

Yes,(*inaudible*).....

The Hon. Brian Isaac –

Thank you, Mr Chairman.

The Chairman –

The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Chairman and also to our Chairman for his explanation and particularly with relation to the staffing. He is right that we have had concerns for some time now about the staff?.....particularly at the CCC. This is also an opportunity to welcome our new Director to St Helena, but I just wanted to ask her at these early stages of her tenure on island if she?.....identified any further gaps and what is the potential timelines now for the recruitment of that much needed staff.....?

Mrs Poole Nandy –

To respond to the question, there are gaps?..... In terms of the South African contract,?.....next three months.....?..... (*inaudible*).....

The Hon. Lawson Henry –

Thank you very much.

The Chairman –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Chairman, I do sit on the Social and Community Development Committee and I know there's been challenges relating to the recruitment of staff, albeit the funding was put there and I do appreciate the fact that the Director is new and she is looking now at how staff may be recruited and I was pleased to hear that possibly within the next two months up to about fifteen staff from overseas could be recruited, but the point I'm making is that during this gap, and it might be, you know, and I raise it here, because we do have the Financial Secretary and Chief Secretary here, because I know this was a stumbling block, that staff were getting stressed out because they were calling in to work, filling in additional shifts during their rest periods and could not claim overtime and this does not do any good for their morale and so forth when you're under strength, when you're stretched like that, especially when you're dealing with elderly people and I was wondering until such time, because you can't achieve this overnight, we hear it's probably going to take up to three months, it might be a bit longer, but if there is the scope seeing that the service is stretched now and people need to come in to pull different shifts can consideration be given if need be for these staff to be paid overtime, because what we hear, you see, certainly as Committee members, we get it as, oh, we're pulling this for shifts, but we can't take time off because we're under strength, so can we not consider in cases like that, consideration be given to pay them if the budget allows it and perhaps that's time to get the additional staff in place, that's the point I'm making. Thank you. You don't have to give an answer now, but it's something that perhaps could be considered.

Mrs Poole Nandy –

So,.....?..... additional hours subject to their grades.....?.....could be done.....?.....too much because we've got some vacancies?.....Obviously?.....(*inaudible*).....

The Hon. Derek Thomas –

Thank you, Mr Chairman, thank you, Director, for that response, I'm very encouraged to hear that.

The Chairman –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Chair. Whilst I accept there is a need to bring in some individuals from overseas because of the crisis situation that we're in and the fact that local staff basically need some respite, it is also very sad that we're in the position of having to do that. One of the main reasons why we're in the position of having to do that is because our own local staff are not paid adequately, to be perfectly blunt about it, and do not have terms and conditions that are conducive to them staying in the Care profession or improving their skills and developing themselves within that profession, because there are not the necessary incentives for them to do so and we've got to recognise now we're going to spend out additional funding to bring in people from overseas because there are fares to be paid, accommodation to be paid and so on, which would not be applicable if we were using our own people, so I am heartened to hear what the Director has said about looking after our own people, but I would like to know what additional provision is being made here to improve terms and conditions for our local staff within the Safeguarding Directorate. Thank you.

Mrs Poole Nandy –

Okay, so?....response,?.....additional staff from South Africainterim?..... to enable?.....?.....?.....(*inaudible*).....

The Chairman –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

I would ask that as part of that exercise the establishment of a cadre is given consideration.

Mrs Poole Nandy –

.....(*inaudible*).....

The Chairman –

The Honourable Anthony Green?

The Hon. Anthony Green –

Yes, just for a point of information, one of the issues that you've just heard the Director say she will be talking to Corporate HR, one of the issues when the Committee were discussing about pay and grade, it was pointed out that there is a possibility of Carers actually improving their pay by gaining competencies, but the problem was by coming in on extra shifts they weren't being allowed the time to do that, so I think what's being proposed is welcome and I do also appreciate the support from this Honourable House.

The Chairman –
The Honourable Christine Scipio?

The Hon. Christine Scipio –
Thank you, Mr Chair. Can I ask, the reduction in the Family Centre by, by my calculation, £27,000, can you give an explanation as to what has contributed to that reduction?

Mrs Poole Nandy –
The?....., so that reduction?.....(*inaudible*)

The Hon. Christine Scipio –
So there is provision if any children under eighteen are, not required to be at the Family Centre, can be administered?

Mrs Poole Nandy –
Yes.....?.....

Mrs Christine Scipio –
Provision is there for that?

Mrs Poole Nandy –
Yes, absolutely, what we want to do is look at the need on island,?.....care,.....?.....(*inaudible*).....

The Chairman –
Honourable Brian Isaac?

The Hon. Brian Isaac –
Can I ask if.....?..... Safeguarding Directorate,?.....

Mrs Poole Nandy –
You're going to have to repeat the question.

The Hon. Brian Isaac –
Oh, sorry. Is Barn View, previously a respite centre, is that still part of the Directorate or are there plans to reopen it or is it operating at the moment?

Mrs Poole Nandy –
So Barn View.....?.....(*inaudible*).....

The Chairman –
Honourable Kylie Hercules?

The Hon. Kylie Hercules-
Thank you, Mr Chair. I, too, sit on the Social and Community Development Committee?....., but I'm just curious to know that there's been a reduction in community care in the Revenue by Output, can you explain how that?.....

Mr Nicholas Yon –

Thank you. So, basically, when the budget is prepared, we basically look at trends that are currently existing, so what actually collected this year we based the budget on that. We make assumptions around the people who are in and who pays and what ways ...?.....policy, so it's based on the trends that exist.

The Hon. Kylie Hercules –

Thank you. You mentioned based on a policy, internal policy,?.....charge

Mr Nicholas Yon –

I should say there are certain rates that are charged by the Directorate so, for example,?....., for example, so there isVIP rates, so we?....., I'm not sure of the actual physical parts of the policy and what the rates are.....?.....

The Hon. Kylie Hercules –

Can I ask another question? Just on Children's Services, I notice there is an increase in the budget, is this where the Child in Need sits as well?

Mrs Poole Nandy –

Yes.

The Hon. Kylie Hercules –

I note from the?.....in the Pink Book, page 22, there's been a reduction in that line, can I ask how this was arrived at?.....a reduction from 15 to 8?

Mrs Poole Nandy –

I think.....?.....

The Hon. Kylie Hercules –

Okay, so this was a new line previously in last year's budget, so we're now reducing in terms of what we spent last year, can I ask if the Child in Need policy, if you like, is widely known to the community of St Helena?

Mrs Poole Nandy –

.....(*inaudible*).....

The Chairman –

Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Chairman. I take this opportunity to welcome Tracy to the team and I do hope that she can be resilient given the history of the Directorate, to be able to evaluate herself and excel in what is an extremely?..... Can I ask if transport is allocated and if so under what heading and if this is a, sort of, limited factor in terms of providing outreach to elderly patients who wish to remain in their homes?

Mrs Poole Nandy –

So outreach support is ...?...like home care support, transport today.....?....., day care services,?.....(*inaudible*).....services.

The Hon. Cruyff Buckley -

And which heading is that accommodated for?

Mr Nicholas Yon -

It would really depend on the different services.....?.....

The Hon. Cruyff Buckley -

Okay, thank you.

The Chairman -

Any other Member wishes to speak?

Head 29 – Safeguarding - £3,3,000.

Question put and agreed to.

The Chairman -

Honourable Members, I have to put the question now that the total recurrent expenditure, standing in the amount of £41,512,000 do stand part of the Bill.

Question put and agreed to.

The Chairman -

As Pensions and Benefits don't form part of the budget we'll move down to Schedule II, Capital Expenditure. We'll begin with Head 15 – Police, standing in the amount of £30,000.

The \Hon. Dax Richards -

Mr Speaker, just to clarify Pensions and Benefits do form part of the budget but there's not required to be a?.....

Mr Nicholas Yon -

So Schedule II, Head 15 – Police - £30,000 is for a request for a ..?.. Access hardware for the Fire and Rescue Service, it also...pronounce the name correctly, but Lukas Driving Sprayer also for the Fire and Rescue Service, so this is equipment that is necessary to them to be able to carry out their duties.

The Chairman -

Any questions? Honourable Cruyff Buckley?

The Hon. Cruyff Buckley -

Thank you for that explanation, I do see £20,000 sitting under the Fire and Rescue and I see an additional £10,000 allocated to capital under Contact Centre?

Chief of Police -

£10,000 for a generator for the new Police Station?.....

The Hon. Cruyff Buckley -

Thank you very much.

The Chairman –

Any other questions, Honourable Members?

Head 15 – Police - £30,000.

Question put and agreed to.

The Chairman –

Head 17 – Corporate Services – Corporate Finance, standing in the amount of £50,000.

Mr Nicholas Yon –

Thank you. So, this amount for Corporate Finance is in relation to Port Management and whilst Ruperts Wharf is certified ..?... Wharf and in order for us to ..?... our security plan is to have a place with the necessary fencing around the port area. At this point in time there is no fencing or no appropriate fencing around the wharf and the certification has been given to us on the basis that we will create this this year, so the request for £50,000 would allow us to meet that requirement to maintain certification.....?.....

The Chairman –

Any questions, Honourable Members?

The Hon. Christine Scipio –

Can I ask, Mr Chairman, if this fencing will provide any restriction to the community accessing the area?

Mr Nicholas Yon –

Primarily it is to ensure that when we do operate the wharf on the arrival of a vessel in port that we are able to maintain adequate security in the area and particularly at the time when the wharf is a fully functional wharf.

The Hon. Dax Richards –

.....?....when it becomes?.....

The Chairman –

The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Just a point of observation, Mr Speaker, I mean, the wharf is closed practically on three sides, £50,000 seems a bit excessive?

Mr Nicholas Yon –

There needs to be the right kind of fencing for us as part of the plan. It also needs to be, I'm not sure of the right terminology, but it needs to be resilient to the sea and the salt air, so I

The Hon. Cruyff Buckley –

Could this allocation have formed part of the CSSF, Comfort and S... Stability Fund?

Councillor –

No.

The Hon. Dax Richards –
.....?.....

The Hon. Cruyff Buckley –
Thank you.

The Chairman -
The Honourable Gavin Ellick?

The Hon. Gavin Ellick –
I just saying £50,000, that got to be some fencing, then the sea do get really rough down there, it pull out everything so will this be money well spent?

Mr Nicholas Yon –
It costs £50,000, obviously includes the purchase cost, freight and also installation as well, so it isn't just the fence itself, it includes all of those elements.

The Chairman –
Any other questions, Honourable Members?

Head 17 – Corporate Services – Corporate Finance - £50,000.

Question put and agreed to.

The Chairman –
Head 27 – Infrastructure and Transport - £175,000.

Mr Nicholas Yon –
So, this is broken down - £40,000 for renovations to Essex House; £100,000 for the Hospital Administration block; £25,000 for Harford, St Paul's and Prince Andrew Schools and £10,000 for Half Tree Hollow?.....

The Chairman –
Any questions, Honourable Members? The Honourable Christine Scipio?

The Hon. Christine Scipio –
Thank you, Mr Chairman. Can I ask what projects is already included in the 25 April park for Prince Andrew School and St Paul's, can we have some more detail, please?

Mr Derek Henry –
So that is for the redecoration of those schools.

Mrs Christine Scipio –
So strictly painting?

Mr Derek Henry –
Yes.

The Hon. Christine Scipio –
So why is that coming out of the capital expenditure if it is only painting?

Mr Derek Henry –

This was part of the recurrent budget, but I think it actually?.....in capital so that's the reason why.

The Hon. Christine Scipio –

Can I ask for clarity from the Financial Secretary if painting falls under capital expenditure?

The Hon. Dax Richards –

So, if it's something that can be capitalized, so remember SHG is capitalizing anything to the value of £5,000, but any activities that can be capitalized to form part of an asset going forward we tend to capitalize at £5,000 rate and as you know we've been criticised in the past for not recognising a capital expenditure at the outset when we were preparing the Budget Book, but partway through the year as part of the Supplementary Appropriation process we then reclassify that nearer the time into capital expenditure so this year we're trying to be as?.....as we possibly can working with the Department, ANRD, to classify what expenditure is we've been calling capital. Obviously if something changes throughout the year then we will have to readdress that as part of the year processes as a Supplementary Appropriation.

The Hon. Christine Scipio –

Just an observation, Mr Chairman, I just heard that the Directorate has had conversation with the Director of Education to ensure that painting was a priority within the schools.

The Chairman –

Any other Member wishes to speak?

Head 27 – Infrastructure and Transport - £75,000.

Question put and agreed to.

The Chairman –

I'll put the question that the total Capital Expenditure standing in the amount of £255,000 do stand part of the Bill.

Question put and agreed to.

The Chairman –

Thank you, Honourable Members. Now we move over to the Clauses, sorry. Honourable Members, I put the question that the Title, Enacting Clause and Clause 1 do stand part of the Bill. Anyone wishes to speak? Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Chair, this title outlines what the Bill is for and also?.....

Title, Enacting Clause and Clause 1.

Question put and agreed to.

The Chairman –

I put the question now that Clause 2 do stand part of the Bill.

The Hon. Dax Richards –

Again, Mr Chair, this verifies what we discussed in Schedule I and Schedule II in the Ordinance and you will see that the Recurrent and Capital Expenditures?.....Schedules I and II ...?.....£41,767,000.

The Chairman –

Any Honourable Member wishes to speak to Clause 2?

Clause 2.

Question put and agreed to.

Council Resumed.

The Hon. Dax Richards –

Mr Speaker, I beg to report that the Appropriation Bill, 2019, passed Committee with no amendments and move that this House approves the said Bill and recommends to the Governor that it should be enacted.

The Speaker –

Thank you very much. It's not necessary to have a seconder for this Motion.

_____?_____

It says it's necessary.

The Speaker –

Okay, go ahead, do we have a seconder, please?

The Hon. Susan O'Bey –

Mr Speaker, I beg to second.

The Speaker –

Thank you very much. I put the question that the Appropriation (2019/2020) Bill.....

The Hon. Dax Richards –

Thank you, Mr Speaker. Mr Speaker, I would like to thank the Honourable Members for their support for this budget. As we have heard today, there are still a number of areas that could do with further investment, but I know the one thing that everyone agrees on is that we need to provide certainty. Certainty for the business community and certainty for our people. This budget ensures that continuing to provide certainty in the central part of the services for another financial year for the year 2019/20. As I outlined in the budget speech, 2019/20 is a critical year for the island; we are hopeful that during the year we will see the survey ship on the horizon in preparation for the laying of the arrival of the fibre cable; we also look forward to concluding the contract with PASH Global and securing stability with the price of energy for years to come. The time we should expect to see that happen and the social benefits from both of these energy and digital strategies. We also look forward to building on the new relationship

with HMG over the next year. With the imminent announcement of the multi-year and capital investment programme linked to the principles of the comeback between the two Governments, it is certainly in the interests of both Governments and will afford the island autonomy with ...?... decision making. One of our key objectives for next year should be that a multi-year settlement for financial aid from HMG to provide greater certainty. This seems achievable and is one of those areas where elected members are keen to push as we have all heard today. We are also hopefully going to understand more about the implications for St Helena arising from Brexit, particularly around trading and the movement of our people. We will watch this space with much anticipation.

Mr Speaker, again, I would like to reiterate my thanks to all those involved in bringing this budget, the process here today and look forward to a positive year ahead. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Mover. Honourable Members, I now put the question that this Council approves the Appropriation (2019/2020) Bill, 2019 and recommends to the Governor that it should be enacted.

Question put and agreed to.

The Speaker –

Honourable Members, I believe the presentation by the Honourable Financial Secretary is welcome and that debate at the Committee stage was most informative, so my congratulations to all who contributed to that and that includes Councillors, Directorates, Committees, officials and staff of all the Directorates and more particularly the staff of the Corporate Finance Directorate. Thank you all and the next item of business, please.

The Chairman –

Motion No. 2 - The Honourable Dr Corinda Essex

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Mr Speaker, I beg to move that this Honourable House resolves that urgent action be taken in order to ensure that appropriate strategies are put in place to boost passenger numbers during the fast approaching off peak season for flights to and from St Helena.

The Speaker –

Thank you very much. Is there a seconder, please?

The Hon. Lawson Henry –

Mr Speaker, I beg to second.

The Speaker –

Thank you, Honourable Member. Honourable Mover, you may speak to the Motion.

The Hon Dr Corinda Essex –

Thank you. Mr Speaker, again I declare my interest as President of the St Helena Chamber of Commerce.

Massive investment has been made in providing air access to St Helena and it is now the responsibility of all stakeholders to ensure that the associated benefits to the island are maximized. One of the greatest benefits that perhaps can stimulate sustainable economic growth is that of new money entering our economy, not only from tourists, but from our own St Helenians returning to visit their loved ones. For me, apart from life-saving medical evacuations, the best thing about having air access is that it has enabled families and friends to be reunited, in some cases after very many years. Statistical data indicates that the total spend from visiting St Helenians and tourists amounted to between four and five million of additional money over the last year. Had all the flights been full this amount would have been far greater, so such additional money is what St Helena needs desperately in order to progress, to prevent collapse of the private sector, gradually improve standards of living and reduce aid dependence. Experience from last year revealed that flight bookings were low during what are summer months in the northern hemisphere and the indications are that this will be the same this year unless radical action is taken without delay aimed to boost passenger numbers. The reduced companion fares and special packages offered last year were announced far too late and were reactive rather than proactive. As a result, their effectiveness was undermined and their impact was greatly reduced. It has been stated that the response to the package deals by some local accommodation providers was also disappointing. This is hardly surprising given the very limited time provided for discussions, let alone negotiations and informed decision making. It is imperative that the local tourism sector is fully involved from the outset in any new initiatives that are being planned and that it has the opportunity to propose and assist in shaping solutions. Mr Speaker, please let us move away from last minute, knee jerk reactions and instead draw up coherent and well-designed strategies developed in consultation with all key stakeholders to minimize the reduction of passenger numbers during the lean period. I have flagged the need for this as high level, involving key players, over a year ago, but sadly it appears that no definitive action has yet been taken. The clock is ticking and if appropriate strategies are not rolled out now, once again, they will come too late to be fully effective. St Helena cannot keep losing out because of fear of making decisions, procrastination or identification of problems rather than solutions. Sometimes I think we're better at finding reasons for not doing things than finding reasons for doing them. We must all pull together to break this mould once and for all or the island will never be able to realize the full benefits of past investment. The northern summer is the period for long school holidays which is an ideal time for St Helenians with children to visit home. Why not offer some discounted fares for school age travellers which would make the trip more affordable for St Helenians and would also make travel costs more competitive for tourists looking for a safe family holiday destination? This is just one option. Another could be to offer a few seats on selected flights at really slashed prices that would be almost certain to sell, especially if supported by targeted marketing to those living in the northern hemisphere. I may be incorrect, and I apologise in advance if I am, but there seems to be a reluctance in some quarters for all parties to get together, discuss all the options and take appropriate action which at the end of the day would be in the best interests of all. We need to move swiftly before the opportunity to make a difference is lost.

Mr Speaker, I beg to move.

The Speaker –

Thank you very much, Honourable Member. Honourable Members, the Motion is that this Honourable House resolves that urgent action be taken in order to ensure that appropriate strategies are put in place to boost passenger numbers during the fast approaching off peak season for flights to and from St Helena. The Motion is now open for debate. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker. Mr Speaker, Honourable Members, I rise in support of this Motion and commend my learned colleague for raising?.....?.....?.....?..... I seconded this Motion because as Chair of the Economic Development Committee I share my colleague's concerns. A few weeks ago, in this Honourable House I raised three key issues about our air service, one being a cancelled flight, the other, the time it took to load information on the building system for our next big seasons and I questioned what are SHG's long-term plans for increasing tourist numbers. I raise it here again today as this is relevant to my colleague's Motion in that planning in advance with a long lead time is critical to the success of an air travel schedule. If there is the one thing the public needs that is certainty. Today's Motion asks the House to resolve that urgent action be taken in order to ensure that appropriate strategies are put in place to boost passenger numbers during the fast approaching off peak season for flights to and from St Helena. No such plan has been published as to what SHG has planned for this low season in an attempt to increase tourist numbers during this period. Tour operators constantly remind us that in order for them to sell the tour they need a long lead-in time, therefore, critical to this plan that is agreed and published in advance. Only SHG can change this and I did request this be done in advance and published. If the island has to reap the benefit from the new service then plans for the year ahead need to be discussed, agreed and published yet the low season for 2019 is almost upon us and SHG have not published any concessions they propose to give during this period. The industry is not going to wait around, instead travellers will look elsewhere and the ultimate losers are the very people who took the brave decision to invest in tourist accommodation encouraged by their Government and yet we are over one year into a commercial service and we seem not to understand some fundamental points about air travel is that customers want certainty and tour operators require long lead-in times to sell a destination. This seems very simple so where is the plan for the low season for 2019 and beyond? I would urge the Government to take urgent action to address this matter and publish a plan urgently and that in going forward if we are to make the best use of our air service then Government must publish in advance a plan containing what actions they propose to take to boost numbers in off peak seasons, that flights are loaded and on sale for the same advance period for the peak season and more importantly a long-term strategy of how the Government propose to graduate from the current service that will bring in a higher number of tourists year on year. Mr Speaker, Honourable Members, from what I can see this can only happen if SHG review the current setup where you have an Airport Directorate responsible for regulation, the St Helena Airport Limited who operates the airport and Enterprise St Helena, ESH, responsible for tourists. In addition, there are various groups that all talk about airport issues, but no single group or person or group primarily responsible and with authority to simply plan in advance what we need to do to attract more business to our island. This needs to change if we are going to attract more business. Critical to this, as I have said, is the long-term plan published in advance year on year. SHG should now be thinking how we can graduate from the current service to one that is better located and will attract business from Europe where, in fact, statistically the majority of our current business travel from. We not only owe this to those in accommodation sector, we owe it to our people and most importantly to the British taxpayer who funded the airport. The very least we can now do is to make the best use of it. I am not convinced we are doing enough in this critical year. I do not think it is sufficient to say we are in the early stages of air access. How long is the early stages? We need to be planning now for the future and be much more proactive. Mr Speaker, Honourable Members, I support this Motion and I thank my Honourable Colleague for raising it today. I beg to move.

The Speaker –

Thank you very much, Honourable Member. The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr President. Mr Speaker, I rise in support of the Motion raised by my Honourable Colleague to my right here, Dr Essex, and I thank Councillor Henry for his exposition. We all know this is a very hot topic. Mr Speaker, I can think of many ways to develop the strategy in an attempt to raise the numbers on our inbound flights. The lowering of price of tickets is one of the larger ones, Mr Speaker. Package deals, already alluded to by Councillor Essex, amongst tour operators should have been the norm in compiling a marketing strategy. There's also package deals which can be arranged on a local level with existing accommodation providers knowing that the prices are perhaps a little out of reach for, shall we say, middle market tourists. The hub, Mr Speaker, is also under debate, whether or not Johannesburg isn't the correct destination we should be flying to. We still await negotiations between FCO and Namibian officials which are commercial and very sensitive issues surrounding Fifth Freedom Rights to allow passengers to be able to transfer between flights coming out of Windhoek. Using these hubs, Mr Speaker, will expand our reach. If we transit from Windhoek it will enable us to perhaps create a link with Frankfurt in Germany and allow further access into Europe. Direct flights from the UK cannot be ruled out as an option on the table. There are a hundred things we can do, Mr Speaker. Which one is the right one? Can we do them all? I would suggest we explore all of these options, Mr Speaker, to coincide with the open-air policy we do currently have at St Helena Airport. Insurance on delayed flights, which Councillor Henry alluded to, tourists need security. Can we not provide provisions, can we not provide cover locally, Mr Speaker, through Solomons Insurance Agency, and if not, can we seek external insurance coverage? Are we asking the right questions, Mr Speaker? Are we trying hard enough or are we trying too hard? Mr Speaker, although our airport is operating and at a profit, I might add, it has still not officially been opened. The jetty has not been fully discharged; the Haul Road has not yet been officially opened. Mr Speaker, St Helena is also like a flower not yet open, but we will do in our own sweet time, but still, better late than never. Thank you, Mr Speaker, I support the Motion.

The Speaker –

Thank you, Honourable Member. Any other Honourable Member wish to speak, please? The Honourable Russell Yon?

The Hon. Russell Yon –

Mr Speaker, I rise in support of this Motion and would like to take this opportunity to thank my fellow member across the table for initiating this Motion. First of all, I will state that I am not cantankerous about the current operations in place to provide St Helena with an air service. Can it be done better, yes, but given the limited opportunities that this Government and DfID had to put in place a service that would operate most efficiently to support St Helena then I do believe that we are not far from the ideal situation. The one thing that bugs me, and I would say many of us, not only here on the island but across the world also, is the hub that was chosen. Believe me, I have no qualms about using Jo'burg International Airport, but then again when you have travelled through international airports long become used to their size, their outlay, their procedures. However, for most of our Saints and our tourists, using Jo'burg can be rather daunting. This is where I believe we have failed in choosing the hub. Through no fault of our own we wanted to get the service up and running and like everything else we do there will always be complaints. However, these complaints surrounding the hub in Jo'burg must not fall on deaf ears. We should use this to our advantage and work with the service provider to seek alternatives. A connecting flight from Europe to an airport a lot closer to home would have added more security to our travellers, perhaps a flight through Walvis Bay or Windhoek,

Namibia would be more comforting, but we all know what the problems are there at the present time. Better still, a flight through Ascension, our sister island, just 700 miles away from here and some 4,480 miles away from the UK with a stopover either in Cape Verde islands or perhaps Freetown, Sierra Leone in Western Africa. Again, we all know what issues lie around using these alternatives, but should not be ruled out. At the present time, until the problems surrounding Wideawake Airport at Ascension is resolved we can only imagine the possibilities. Cape Town would be the preference of most, but then again there are operating issues that would be at stake by using this airport as a hub also. However, we will be able to gain better information from this alternative when the service provider will provide a service from here later this year, but that should not be the end of us pursuing other alternatives to make the best of what we already have and that is why I believe Dr Essex has alluded to the time is now that we should be ensuring that we have the best appropriate strategies in place to capitalise on the scenarios that we have. Mr Speaker, our economy is strapline and looking for a huge uplift, many, including SHG, have invested heavily in providing a service to accommodate the influx of tourists, which, to date, haven't reached our shores and are now finding it difficult to keep their doors open. It is difficult to do so in the peak season then what will happen in the off-peak season. Those who have invested have bills to pay, they cannot afford to close their doors and are trying to make ends meet, but most are struggling. They cannot revert back to some organisation or the government to continuously provide financial uplifts. It is at this time that they too need to be given the support they fully deserve. We need to address the main topic, boosting the passenger numbers and, more importantly, during the off-peak season. Mr Speaker, to start it might be best negotiating with Airlink, our Service Provider, to consider reducing ticket prices during this period then it would be better to have more bums on seats at reduced fees than to have a flight arriving with then passengers who have paid the full fare. Maybe we can suggest a package deal to include our hotel operators to provide accommodation and bed and breakfast at a reduced price. We need to (vehemently?) encourage people to come here, to get the message out and advertise ourselves, to put it more bluntly, we need to be standing on the corner of almost every street and selling what we have to offer. I understand that we don't have the everyday tourist as St Helena categorically falls within the niche market, but we mustn't solely rely on that title either. Our marketing of St Helena needs to be increased and although a lot has been done through the Tourist Office, connections with DMCs and Tourist Groups simple adverts placed in frequently used areas by people of all walks of life would assist in getting the message out. The London Underground, for instance, used by thousands daily, is where we should be placing billboards. We should be taking advantage of the opportunities. Are we getting the support from the Groups who should be marketing St Helena for us? Besides a simple page in the magazine is Airlink selling St Helena as a new destination? What more can Mantis do for having their name blazoned across SHG owned hotel, better known as Mantis St Helena? A few months ago, I suggested that our students in the UK could be a great vehicle in selling St Helena, but that opportunity has not been seized upon. Simply put, this is a business for St Helena and to get the best out of it and allow St Helena to become the tourist destination that it should become, we all have to change. The simple strategy in my mind is change. Mr Speaker, I beg to move.

The Speaker –

Thank you very much, Honourable Member. Any other Honourable Member wishes to speak? Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. First of all, I declare my interest, I'm in the accommodation business rental, but I have a responsibility to represent the island as a whole.

Mr Speaker, I rise in support of the Motion and thank the Honourable Member, Dr Corinda Essex, for bringing this important issue to the forefront for attention which clearly requires priority action now. We will expect to see during the off peak season passenger numbers on our flights which will be very little for our economy and once again we will see businesses, especially in accommodation and hospitality sectors, struggling. We need to seriously address this issue and work towards putting into place appropriate strategies and a plan which will boost passenger numbers as the Motion is asking for. Mr Speaker.

The Speaker –

Thank you very much. The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Thank you, Sir. I say you must aspire to utilise aspects of our air service. If we want to have the tourist driven economy, we collectively need to do more, but we need to have solutions, not add to more problems. Sir, I support the Motion.

The Speaker –

Thank you very much. The Honourable Brian Isaac?

The Hon. Brian Isaac –

Thank you, Mr President, I rise in support of the Motion and thank my colleague for tabling the Motion at a very appropriate time. I support the expositions of members around the table, the expositions that made us do the same decision that my colleague has said in her exposition and I wish the Motion safe passage through the House. Thank you, Mr Speaker.

The Speaker –

Thank you very much. The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you, Mr President, I rise in support of this Motion. I think one of the, I'm sure somebody is going to respond to this after, but I'm sure one of the key responsibilities has already been mentioned this morning and that is the accountability for all these matters and I would suggest that if it's not raised is that really we need to actually make sure, very urgently, where political responsibility lies, it probably would have to be a consultation with Her Excellency who is responsible for external affairs on Ascension under the Constitution, but I think whatever needs to be done it needs to be done urgently, there needs to be accountability and there needs to be people to drive it and I think there has to be some political involvement.

The Speaker –

Thank you very much, Honourable Member. The Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I rise in support of the Motion and as we've discussed this morning and also in the budget speech, there is a group that has been established, on the back also of the Motion that Councillor Henry brought up a few weeks ago which includes Dr Essex's coming forward we are planning to have our first scheduled meeting to discuss these issues tomorrow as a starting point and I fully agree with all the sentiments that have been expressed around the table around long-term planning and long-term commitment, but we must be mindful of all the ...?.....things, especially around the risks associated with this, so?.....St Helena has taken?.....its own?.....in order to invest it on the island, but we need to bring all of our

partners alongside of us, as you know, this service is also underwritten at the moment by DfID so we need to get everybody on-board so that we're all singing on the same sheet and just as Councillor Essex has alluded to. Just on a point of information, I'd like to just make clarification for what Councillor Buckley brought up, in the FCO's discussions on Namibia, it's actually the British High Commissioner who has been in discussions with the Namibian FAA about giving Namibia?....., but from our perspective we?.....

The Speaker –

Thank you very much, Honourable Financial Secretary. Any other Honourable Member wishes to speak? Then does the Honourable Mover wish to respond to the debate?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Mr Speaker, I would like to thank my colleagues who have spoken and expressed their support for this Motion. On a point of clarification, I think some of the members that have moved on to areas like change of hub and so on, which are relevant and are important, but are not the immediate aim of this actual Motion. The immediate aim of this Motion is to get the potential, I don't want to sound dramatic, but I will say, crisis that's facing us now with regard to trying to maximise occupancy during the upcoming off peak season as current projected figures do not look very healthy and if we don't do something significant now we are going to fall into the same trap that we did last year and it is not in our best interests to allow ourselves to do that. I particularly welcome the very robust response of my seconder and he emphasised the role that SHG needs to play in the process going forward, but I would like to emphasise it is not just SHG, it is the other key stakeholders as well and that's why I made a plea for everyone getting around the same table and trying to thrash these issues out. The Honourable Financial Secretary alluded to the fact that I'm a member of the group that is tasked to work towards this end and, indeed, that was the group that I was referring to when I said that I'd flagged this matter over a month ago and I can give this Honourable House an assurance that I will do all in my power to move this matter forward. I think the issues raised by the Honourable Tony Green are very important as well regarding political responsibility and accountability and where in fact those begin and end and to whom those are devolved or actually lie. At the moment, those tend to be grey areas and sometimes it depends on to whom you're speaking as to what answer you get and I think going forward we need absolute clarity. The Honourable Russell Yon emphasised the need for better marketing and I think that is absolutely crucial, I know that Enterprise St Helena is developing a new tourism strategy and is giving more emphasis to ongoing marketing initiatives and it's very much hoped that those will bear fruit, but, again, a lot of that is downstream and that's my concern, it may help to alleviate the situation by the end of this calendar year and through the next financial year and beyond that, but it is not going to make a significant input for the next six months and it is within this next six months that we are going to be facing this problem of low occupancy on most flights. At the moment, over the past year the air service actually delivered a small profit, we don't want to see that situation change, we want to see that situation improving, but to be blunt about it, if we don't get our act together, by that I mean all the stakeholders. and we don't start looking for positive solutions and ways forward, not disregarding the risks and so on that the Honourable Financial Secretary alluded to, we are not going to be successful and St Helena will be the loser and that is what I do not want to see. Thank you.

The Speaker –

Thank you, Honourable Mover. Honourable Members, the Motion is that this Honourable House resolves that urgent action be taken in order to ensure that appropriate strategies are put

in place to boost passenger numbers during the fast approaching off peak season for flights to and from St Helena.

Question on Motion, put and agreed to.

The Motion is carried.

The Speaker –

Honourable Members, before we move into the Adjournment Debate, SAMS Media has asked if they could take some photographs during the Adjournment Debate, does any member have any objections to that? No? Okay, Andrew. Thank you.

5. **ADJOURNMENT DEBATE**

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

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

The Speaker –

Thank you. Do we have a seconder, please?

The Hon. Dax Richards –

Mr Speaker, I beg to second.

The Speaker –

Thank you. The Motion is that this House do now adjourn sine die. The Motion is now open to debate. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker. Mr Speaker, Honourable Members, I rise in support of this Adjournment Debate and would first like to congratulate our Deputy Speaker on her appointment and to welcome her to this Honourable House.

The House will be aware that just over a week ago we had the visit of senior officials from FCO and DfID. A number of high-level discussions took place with elected members and we welcome these discussions and the attempts made to renew our partnership with HMG. I also welcome the outcome of the new budget settlement and the?.....of expenditure and account taken of inflation. This is, as has been mentioned, against a backdrop of some very challenging times in Britain, in particular on Brexit. I would also, as the Chair of Enterprise St Helena Board of Directors, welcome the uplift on the subsidy awarded to ESH from SHG.

Turning now to the island’s air service again. I would ask the Government again what planning they have or discussions they are likely to have on vamping up efforts to attract more visitors to the island, and, in particular, what plans do they have for exploring the market to see whether we can get direct flights from Europe. I request that the Government carry out an independent assessment of the Airbus A318 with a view to looking at this aircraft for flights from Europe. As the largest commercial aircraft certified to land at steeper than usual gradients, it is ideal for operations at such constrained airports such as St Helena, translating to significant cost and time saving for business travellers. Since 2009, British Airways has been operating the A318s

with steep approach capability from the enclosed city of London airport to New York's JFK international airport. The city of London airport have a runway length of 1,500 metres, St Helena's airport runway length is 1,150 metres. The aircraft, A318, has a range of 5,700 kilometres and the passenger carrying capacity is up to 107 but she can carry 132. As I have mentioned countless times, unless SHG go to the market, no-one else is going to do it for us and we owe this to the people of St Helena to take the air service to the next level. I do not see this happening with the current air service, therefore, I am pressing the Government to carry out this assessment as this particular aircraft has the characteristics to suit Category C aerodromes, such as St Helena and London City airport. Mr Speaker, Honourable Members, I support this Adjournment Debate and 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 to draw attention to a key issue that is already causing hardship on St Helena at this time and has already been mentioned in this Honourable House today. I'm not suggesting that this is the only problem that we are facing, but it has a huge impact. This issue is the cost of freight. This affects every single person living on St Helena and therefore is the most important of all the factors that are currently infringing on our economy. I am aware that the sea freight provider is trying to find other sources of revenue to help stabilise costs and if successful this should help, but I believe that this is not enough, particularly given the likely kickback in the Brexit outcome. If the Great Britain pound crashes this could seriously affect the currency adjustment factor and the cost of goods imported from overseas. If there were to be a sudden steep increase in freight charges this would not be able to be absorbed by importers and so would have to be passed on to the customers with extremely negative impact on their standard of living. The St Helena Government safety net for the most vulnerable would have to be upped substantially and the cost of project-related items, when we do get a capital programme, will escalate, limiting what can be achieved with the funding available. Cargo volumes would be likely to drop and this could have a serious impact upon revenues and therefore also increase aid dependency. Furthermore, most types of investment would be stifled and as usual the people of St Helena will be left holding the bag. I am aware that investigations are taking place regarding the possibility of sourcing cheaper goods from elsewhere and what the Honourable Derek Thomas|.....

(Break in recording – link between SAMS and Council Chamber lost)

Resumed

The Speaker –

Thank you, Honourable Member. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Thank you, Mr Speaker. You will recall that the elected members of Legislative Council submitted written evidence to the Foreign Affairs Committee for consideration in its work on **Global Britain and the British Overseas Territories: Resetting the Relationship**. The results of that work along with conclusions and recommendations, were published on 21stFebruary2019. One of the Committee's recommendations to the Foreign & Commonwealth Office is to separate the current bonds that make up the territory of Ascension, St Helena and Tristan da Cunha. If such a recommendation is adopted by the FCO, it will have

detrimental consequences for the potential possibilities and development of both the economy of Ascension and the economy of St Helena. The short geographical distance between Ascension and St Helena calls for closer joint initiatives from both islands with the advent of air access in St Helena. This is not the time for creating divisions within the territory.

The unique but different, aspects both islands have to offer for the rest of the world to experience must be explored for progress and local benefit. It will be a travesty if the United Kingdom seeks to further satisfy dominating strategic interests in the South Atlantic at the expense of joint economic development by the residents of the territory. Such a decision will be in direct contradiction of the following statement from the United Kingdom: 'It is for the Territory to shape the future of its own community.'

The three local governments reserve the right to make the use and development of the land of the territory work in the best interests of the residents of the territory.

Mr Speaker, on 25 June, 1956 an agreement was made between the United Kingdom and the United States of America 'Concerning the Extension of the Bahamas Long Range Proving Ground by the Establishment of Additional Sites in Ascension Island'. The words 'Government of St Helena' are mentioned no less than 21 times in the 1956 Bahamas Agreement in relation to the activities and the land used by the United States on Ascension Island. It will be interesting to know if the Government of St Helena, which includes our Executive Council, is ever consulted on matters pertaining to that agreement.

The United States has 48 facilities on Ascension Island and they occupy some 3,856 acres of land. Tax legislation was passed on Ascension in April, 2001. Therefore, it will also be interesting to know if the wealthiest and most powerful nation on the planet now contributes to the local economy and thereby the civilian community on Ascension through taxes for the use of the land in the territory.

In addition to the use of land, making the fish resources of the territory sustainably serve the best interests of the residents of the territory is crucial to development.

You will know that in the past St Helena encouraged commercial fishing and most of the permitted foreign vessels fished in the 200-mile Exclusive Economic Zone (EEZ) of Ascension; this confirms the high value of that fishing area. The future of the St Helena fishery depends also on the option of fishing in the EEZ around Ascension, even if the fish caught is solely for local consumption.

St Helena is in the process of seeking to have a more viable fishery; in the next 50 or 100 years who knows what the business will look like or the capability of its fishing vessels or what the needs of the residents of the territory will be. We will have failed future generations if, for some reason, some of the richest fishing grounds in the territory are put out of bounds to St Helena by the United Kingdom.

More details will be obtained on the Marine Protected Area (MPA) in the waters around Ascension. If Non-Governmental Organisations (NGOs) and the UK government are determined to influence and secure a full or partial MPA at Ascension that excludes the option for St Helena to fish there, then we should remind ourselves of the following.

Fishing had a high-profile role in the build up to the referendum on Brexit with the overwhelming majority of the UK's commercial fishing industry favouring leaving the European Union in order to put the control of Britain's fishing ground back in the hands of the United Kingdom.

Therefore, the United Kingdom should not apply double standards when it comes to what is in the best interests of the UK and what is in the best interests of the territory.

If the population of St Helena is to increase along with the projected year-on-year increase in tourists, then consequently this will increase the demands on the fish resources of the territory. Therefore, critical to the ongoing development of St Helena will be the option of sustainable

fishing in the EEZ of Ascension Island, of course with the support of Saint Helenians currently resident on Ascension and the approval of the Ascension Island Council. Mr Speaker, I beg to move.

The Speaker –

Thank you very much, Honourable Member. The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Speaker, I rise in support of the Adjournment Debate.

Mr Speaker, another financial year is looming and St Helena is in a transition towards something bigger. However, we need to pull all St Helenians together, including those abroad, and encourage them to be a part of this momentous change the island is about to undertake. Mr Speaker, I feel if we are to grow, we have to increase our population, as alluded to by the Honourable Financial Secretary during earlier discussions. No amount of funding is going to compensate for capacity, knowledge and ingenuity, the airport is a case in point.

Mr Speaker, it saddens me to accept the reasons why Saints leave to go abroad as most times it is out of necessity. The cost of building a home on island is out of reach for many Saints and it's also difficult to acquire a loan at a level high enough to complete a home. Mr Speaker, building a home is the natural thing for a St Helenian, we are amongst the highest percentages of home ownership in the world. If this Government is serious about retaining labour and skills then we need to identify affordable land, suitable banking and loan arrangements and adequate, sustainable rented accommodation. This is not rocket science, Mr Speaker, our workforce, whether they be returning Saints, immigrants or private investors, all require long-term accommodation. This Government needs to prioritise these needs and perhaps then we can open our doors to outside expertise and gain an influx of skills and labour.

Mr Speaker, we don't really know what Brexit will mean for St Helena just yet, but I will take this opportunity to thank our friends in the European Union for all the support they have shown St Helena over the years (*Hear Hear*) and hopefully we can build on that infrastructure and with the cable being imminent, develop a solid base for digitisation. I for one am extremely excited.

As for the gap to be filled by HMG, whilst we have a commitment the help we need to protect 30% of the biodiversity in the Overseas Territories is going to come at a cost. However, balanced against St Helena's pristine marine environment and?..... there is full justification. Mr Speaker, with St Helena's crumbling heritage I struggle to see an allocation large enough to restore and preserve our ancient buildings, especially in Jamestown. We need more recognition within HMG to facilitate access to other funding bodies who specialise in world heritage, although there is effort being made in these areas.

Mr Speaker, as the Sports Champion, I feel now is the right time for this Government to prioritise investment into sports and sporting activities. Although there is support through funding given to various NGOs, including New Horizons and the National Amateur Sports Association of St Helena, our sporting infrastructure needs upgrading, which will require capital investment. When last did this Government provide capital expenditure for sports and sporting activities? Mr Speaker, we all know sports is such an important outlet for our youth, it's integral to society and is a pillar for social interaction. It also has various health benefits. This Government needs to resolve and apportion a level of funding that is reflective of the importance of sports and the benefits of leading a healthy lifestyle. This investment should deliver tangible assets which the community can embrace and to take ownership of and to utilise for sporting activities to enable them to compete at international events. There's also the possibility, if these facilities are of a high level, to host international sporting events. We need to invest capital expenditure into social development.

Mr Speaker, if I may, can I finish by expressing my gratitude to our officials during the budget process this year. I admire your commitment to performing what I think is very demanding roles and I feel that both the Chief Secretary, the Financial Secretary and the Assistant Financial Secretary deserve credit where credit is due. Thank you.

The Speaker –

Thank you. Any other Honourable Member wishes to speak? The Honourable Derek Thomas?

The Hon. Derek Thomas –

Mr Speaker, I rise in support of the Adjournment Debate and like my colleague, Councillor Henry, I'd like to congratulate Mrs Maureen Thompson as Deputy Speaker and look forward to working with her. I would also like to officially congratulate Mrs Wendy Benjamin on her promotion as Director of Education and wish her very well and all the best in her new role and it goes to show that we are developing local people, you see. Now, this morning in my budget speech I made a mention about succession planning and the importance and the need for Technical Cooperation Officers. That is a necessary requirement, but we see how our local people are progressing, but I think one of the things that needs to be looked at where the public have certain concerns, and we are aware of that through public meetings, about the various packages TC officers get and I'm not talking about their salaries, you know, those international salaries and they need to have that, but I do feel that perhaps that should be looked at various types of packages and that what, you know, general members of the public are grieved about, but I do hope that that can be looked into.

The Financial Secretary in his speech alluded to the fact that, in his budget speech, his response to the budget speech, that we need to increase our population and this is rightly so, we need to increase our population, but you see, I keep harping on this, we are driving people away, you see, because I'm the first to recognise that we need specialist Technical Cooperation Officers, but I go back to the fact that in most job requirements why is it necessary recognised qualification in Maths? Maths in many jobs are not a requirement to the job, so why put barriers in place when it not necessary and you see as a result of that I am aware that we're turning lot of our local people away because of this and I will ask that this be seriously addressed because we have an issue here now and it's growing where there's a lack of job opportunities, there's a lack of job opportunities, I will ask that that be given some serious priority and be addressed. Another issue during my lunch break, when I was at Jane's Place in the restaurant there in the Gardens and there's a tourist ship, you see, and their licensing hours to serve alcohol is 11am so we had tourists showing up, nine, ten o'clock not able to purchase alcohol because of the restrictions, you see, the restriction of licensing hours for restaurants are the same as Clubs and Pubs, so that needs urgent attention and I will be addressing that through the Committee, Social Community Development Committee, it is a barrier that is totally unnecessary the way I see it. Mr Speaker, we talk about the partnership working with Her Majesty's Government and we certainly improvements in those areas and need to build upon that, but a lot is in our hands too, because what we need to be addressing is a matter of urgency, it is Constitutional change for a ministerial type government. That would give the elected members more power at high profile levels and even local levels here, it would give more. . . . we need to seriously address this now, because we're near to two years completing of our tenure and if nothing is done about this it will be another election and we be six, seven years and still sitting the same place where we are now. The Constitution needs to be reviewed, it needs to be given urgent attention and, again, this is in our hands, it is very much in our hands, it is seen as a priority and we need to push it, you see, and I think there is public support there as well, because if you look at our meeting with the Unified Saints a couple of weeks ago they themselves raised the issue of Constitutional change, so where as you need public buy in to this, I think the time now is right

for Constitutional change and I will ask that my colleagues we address this as a matter of priority.

Mr Speaker, I will leave it as that and I support the Adjournment Debate. Thank you.

The Speaker –

Thank you very much, Honourable Member. The Honourable Russell Yon?

The Hon. Russell Yon –

Mr Speaker, I rise in support of the Adjournment Debate. As Chairman of the Environmental and Natural Resources Directorate or so be it for a few more days, I would like to touch on some of the issues that has come to the fore over the recent weeks. Questions have been raised and remarks made that the staff within the Directorate has not been performing and there are outstanding works that should be undertaken by the Departments within the Directorate. The ongoing issue around the open public space known as Longwood Green has not yet been resolved and even though that the budget was approved today no additional funds could be added to the Maintenance to Open Spaces to accommodate this. The Directorate is constantly looking at making efficiency savings within their budget to either implement a new contract with a private individual or undertake the work with the current employees within the A&NRD Section. Members will be well aware that the Longwood Green maintenance was under the control of ENRD, then ESH Tourism decided to take over the maintenance and then they too lost the funding last year, but no-one questioned what impact that loss would have on their ongoing works. This year, ESH will be reinstated with the funds to their budget and no-one questions how this additional funds will be spent either, but if nothing is done about Longwood Green then the ENR&T will be answerable. A suggestion to recoup some funds recently was made. As you all recall, Waste Management is now charging a small sum for the commercial businesses to collect their waste and it was suggested that these funds be used to employ one additional person to be added to the Waste Management team and then they would make that their responsibility. The Honourable Financial Secretary is still confirmed if that would be possible. The Director is doing all in his powers to address this.

The Field Centre at Blue Hill became a hot topic also and my colleagues from the ENR Committee will know that I was not in favour of this decision, likewise they too were not comfortable that those responsible within the Directorate did not bring it to the Committee for advice. The decision to submit planning permission for a conversion into a five-bedroom house was an operational one and was following the due process in openness and transparency the public then had the opportunity to object in which, I believe, there were numerous objections. In fact, I myself gave advice to several of the constituents in Blue Hill and across the island that the way forward was to submit their objections to Planning Authority. I do understand that the Directorate will now be advertising for expressions of interest from organisations to operate Field Centre.

Mr Speaker, this all comes at a cost, as you all know that we have a growing list of people wanting to be supported within government for Landlord housing; there is approximately 80 plus people's names on that list, St Helena Government has not built any houses since 2013 and then it was only three. There has not been a programme to design and build Government Landlord houses for numerous years. To hamper the assignment of Government Landlord houses on the waiting list, the Housing and Property Department within ENRD has been requested through the Safeguarding Directorate to supply some homes for families returning from the UK, families who are going through Safeguarding issues here on the island, and in some instances they are now being asked to support individuals who will be released from H M Prison. The ENR Committee has requested on numerous occasions for the Head of Property to move programmes forward to construct Government Landlord housing and I can add now

that some progress has been made to develop the Bottom Woods CDA which will allow for twenty homes to be built there initially due to the sewage constraints. It is envisaged to build either six to eight Government Landlord housing to release several plots to first time home builders and the remaining plots made available to others. Again, like everything else, we've now hit a snag, something which could have been avoided, but now that the site has been defined and it has been brought to the attention of the Directorate that an EIA will be required for simply excavating a road through the site, talk about shooting yourself in your own foot. It seems that nothing is done without trouble on the island and St Helena Government is becoming its worst enemy.

Mr Speaker, coupled with the problems and issues with works being undertaken by the Directorate, there are some good news stories and like I alluded to earlier in my budget speech, the Directorate will be splitting into two Directorates at the beginning of April. Works will be carried on as normal, but the Directorates struggle to keep to a programme for retaining a higher maintenance profile due to the fact that the funding and the resources are not being available. There is so much the Directorate would like to achieve and because this is not possible it trickles down to some of the workforce who have become disheartened by the fact that they are only papering over the cracks. It is amongst the angst that there's some unexpected works being undertaken, like the repairs to the flagpole at Signal House, the construction of the buttress wall to support a dangerous rock outcrop, our Roads Section will start some minor slurry repairs soon which will enable them to assess the quality of the material used in a few months' time to help them make recommendations for future works. The Environmental, Marine and Terrestrial Conservation Sections have also surpassed and it should be worth mentioning that we now have some six hundred Bastard Gumwood trees growing; this tree was thought to be extinct some several years ago. These are good news stories, together with our employees who have excelled in this field of work over the past few years.

Mr Speaker, in moving away from the issues I have addressed, I would like to take this opportunity to reassure the constituents of this island that members of this Legislative Council are doing their utmost to get the best of what they are and what they should deserve. It is not easy and cannot be achieved overnight, we are listening and applying pressure on Government so that we can achieve a better place for us all to live. Funding the island from taxpayer's money is not an easy task and until we can bring in new money to this island to boost our budget and economy then we will continuously be dependent on taxpayer's money. The Tax reforms approved in this House this week will hopefully incentivise many to take advantage of the opportunities presented to them, it is time to knuckle down and go the extra mile to achieve and I have no doubt that this Council will achieve that.

Mr Speaker, in closing, I would just like to say that I hope we can develop and grow a lot more in the coming year. This year, the economy almost came to a standstill, so hopefully with increased revenue the futuristic capital programme, if funds will be approved, we will see some changes for the better and put some minds at ease. There will be some additional challenges which we all hope we can overcome. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. The Honourable Clint Beard?

The Hon Clint Beard –

Mr Speaker, I rise in support of this Adjournment Debate, it is the time I can bring forward concerns that constituents have and some of the progress they see us making.

We have just gone through the budget process, but the areas?.....?.....has been coming on in the background and will have some bearing on the budget, but some are just in general.

I will start with ongoing positives. We had the second flight come in from Johannesburg, we now have flights into Cape Town as from December 2019, there has been a few medical evacuation flights that has needed to be despatched to allow patients to be treated. Health that is done on island with orthopaedic surgery has saved funds, but also was able to see lots of patients that if referred would still be ongoing now and some would still be waiting for operations, so I hope those that have had procedures are recovering well. Referrals are now being sent to Pretoria and I would think are going smoothly and I hope issues that arise are being dealt with.

We have had a great number of visitors over December to February period, even in March returning Saints mainly living with families and again spending in the economy. We will soon have those leaving for the sporting activities in athletics and swimming. We will also have the football team to compete overseas, good luck in the tournament.

The proposed renewable energy for the island seems to be still on track although a long process to get better ...?... The submarine cable that will be coming and we have received the first funding. There has been studying undertaken by Nurses doing their diploma and others taking courses to upskill themselves and become ready for what is in store for St Helena. We are again having tourist ships visiting and adding some extra revenue. We have had another successful conference on St Helena and this time we have had livestreaming so we had listeners all over the world. It seems to be are having better discussions with DfID and FCO and this relationship needs to keep going on that level as we will all need each other to make things work. We do not have a rollover budget so the start of a new financial year cannot go with all in place. There has been roads experimentation to start looking at the best possible way of getting roads surface repaired with longer life expectancy hopefully. We still have some areas that needs attention. When will the capital programme be finalised and confirmation given? We need to value our employees and make sure we allow all to have the same benefits and remuneration of staff. Freight is still detrimental to our economy and is it now time to subsidise freight to the island? Will that improve and ease the burden of increases that the community faces as food prices escalate? What do we need to do? Taxes that are looking at increasing revenue is being implemented, but these are also affecting those just above the poverty line and it seems those ...?... have nowhere to turn but to deal with it as best they can. How are we planning to deal with so many families now relocating for better opportunities and salaries to deal with cost of living? Are we starting to push locals away? Are we losing skilled labour, professionals, basically taxpayers? The private sector is holding on, are we creating a level playing field or should we do more and support all businesses out there, give to all or give to none? The unemployment rate is still increasing and it seems the three-day scheme will not be implemented soon. We're still transporting containers from Ruperts, half a million pounds, when will Ruperts be operational so the half a million pounds can be used in other areas of the budget? When we look at airfares and how we might have to reduce fares to attract more bums on seats, is the objective not to attract more people to visit St Helena? Are we looking further than Johannesburg for a hub, are we exploring other hubs in Europe or Cape Town or are we just looking to be stuck with Johannesburg? We have flights from Cape Town in December, but are we marketing the route, we need to attract numbers or are we not just wasting a second flight? We have airfares and taxes charged on the ticket, there's a St Helena infrastructure tax of £100 per ticket, but is this being useful? It seems that it is going into a trading account for the BFI. We have a BFI that is state of the art, but when will it become fully operational? It is worrying to hear the Police continually looking for assistance in solving cases, is the social impacts and slow economy affecting the island and thus the reason for increased thefts and other crimes which in turn causes losses to businesses, households and just creates a negative atmosphere. I look at maintenance of our buildings, but I have just heard that those will be looked at so that's a good thing. We need to build Government houses and it was also

mentioned before. Without funding we are battling in all sectors. Just a question, that has also been asked before, has St Helena Airport been officially opened? We also need to assure safe travels for people that leave the island as what is happening now is that they have to carry large sums of cash when they travel ...?... I know the Bank's working with this, but I think we need to speed things up now. We cannot solve our problems with the same thinking we used when we created them. Mr Speaker, I know things look like low cloud, but remember, every cloud has a silver lining and how it will be prosperity, better lives for all on island working collectively to achieve this is for St Helena, we need to adopt the objectives altogether out there, altogether better for children and young people, altogether wealthier, altogether safer, altogether greener. Thank you, Mr Speaker.

The Speaker –

The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you very much, Mr President, I will just start off on a lighter note, but nonetheless it's not unimportant, it's very important and I think my two colleagues on my right, Councillor Buckley and Councillor Beard have touched on them. I want to start really about sports because I understand very soon there's a football team that will be leaving here and I really wish on everybody's behalf to wish them well, because sports teams are ambassadors, they actually promote the island, they will be part of what we want to try economic development. We know that cricketers recently been off island and competed and did exceptionally well, so sports ensures that people everywhere can channel their energy into something. Everyone, believe it or not, even around this table, have talent, it instils self-discipline, anyone with a bit of talent, a belief in themselves and dedication can succeed, but nothing can be achieved without hard work. Our shooters have also done us proud. It's simply amazing that the raw talent we actually have amongst four and a half thousand people.

I turn now to our youth because I think it's always important to remind ourselves that we must invest in our young people. I don't have a particular issue to raise about this, but I think it's always worth a mention to remind ourselves and to really encourage everyone to make sure that we do as much as possible for our young people.

I turn to voluntary organisations, which I did mention very, very briefly in my budget response this morning, because I think it's worth a mention. The voluntary organisations, civil society, play a very key role in our society and have done for many years and make a very big contribution, including financial contributions to our society. For a very small population, percentage wise, for our small population, we must be up there with the best in the world. To everyone involved, now and in past years, I'd like to say thank you.

I turn to St Helena today. I suspect that never before in our history has such a massive change hit the island. Change is never without its problems and we've had a fair share of that. The recent list of achievements mentioned earlier in this meeting is one thing, but there are many issues that remain to be tackled. No one person or body of people can do that on their own. I sincerely hope we have reached a turning point towards building a brighter future. Issues we face need to be identified and solutions need to be sought through the cooperation of all. History gives us a good reputation for leading the way in embracing diversity, I trust long may this continue.

Finally, Mr Speaker, I want to warmly congratulate yourself on your recent appointment, also our Deputy Speaker and also, as I heard this morning, Mrs Wendy Benjamin, who, I thought was here earlier, but I would like to put that on record. Thank you very much, Mr Speaker, Mr President, I support the adjournment.

The Speaker –

Thank you very much. Any other Member wishes to speak? Honourable Mover, do you wish to respond to the debate?

The Hon. Mrs Susan O’Bey –

I’d like to take the opportunity to thank everybody for their contributions to this debate this afternoon. I’m not going to repeat what’s been said here today, I think there’s a lot that’s been said today, in fact, today and Monday have been both particularly useful sessions and I think it’s the level of debate and the level of discussion has been really helpful.

The Budget Session traditionally signals the end of the working year for SHG and I suppose the end of the year is also a good time to think about what has to come next and we don’t get a chance to take a few weeks off and for the Financial Secretary to be able to go and spend a couple of weeks playing golf because, of course, planning for the next budget round starts almost immediately. What has been reassuring this afternoon though is to hear that already we have a number of priorities that have been identified which will form perhaps the strategic direction for us for the next three years. This Budget Session has been really useful, the MTEC process has been reinstated, there is still some work to be done, but I feel confident that we now have the building blocks in place that will help us to improve the way we make our case going forward, but more importantly, to understand what direction we want for St Helena. We’ve already seen that by improving the way we collaborate some work together we can achieve more. One of our priorities for this coming year is to have, or to be able to have in place a multi-year budget, multi-year settlement that will provide a level of certainty that we need going forward. There is quite a lot of work that will need to be done in order to ensure that we can achieve this. We need to develop and pin down strategic direction to inform the plans and the budgets to trigger these settlements. We need to ensure that we focus more on outputs, we tend to focus a lot on what we want, on what we need in order to be able to deliver, but I don’t hear the same level of potential, if you like, or focus, being placed on what is going to be achieved as a result of that investment. I would hope that this year we start to pin down and have a clearer picture of what that will look like.

Some of the priorities that have been mentioned today I hope will form the policy priority agenda for elected members going forward, because a lot of what has been said today, a lot of the desires that have been voiced today, actually are within our g..?.. and they are things that we can do things about, so laying the ground work so that we are able to take advantage of the cable, we’ve seen work starting on that. Other priorities include determining next steps to be applied for future air service provision. This includes all of the points made in this House today, including both immediate steps to address the off-peak season, as Councillor Essex highlighted, but also the longer-term ideas and views to inform what the service will look like in the future. All of you are correct, we can’t sit on our laurels, we can’t wait, we need to take action and I believe that the formation now of a Strategic Multi Stakeholder Group, as outlined by my Honourable Friend on my right, is the way to go. What we need to do now is to pin down clear terms of reference for this group that addresses all of the concerns that have been raised today and I would hope that that can be done soon and shared with all members.

It was pointed out today about recognising remittances from our offshore St Helenians who leave the island to go and work elsewhere. I think we all fully agree that we need to do more to attract and retain our local workforce. Remittances from offshore Saints needs to be looked at in the context of a shrinking workforce, so the money that’s coming in from people working offshore has to be looked at in the context that this means that our workforce has shrunk but drastically over the last few years, it needs to be looked at in the context of a shrinking tax base and needs to be looked at in the context of an increased Technical Cooperation to compensate for that. A lot has been said today about the need to retain our staff and I believe in the last

few weeks we have shared plans that we have in place in order to be able to do this, such as our succession planning, our workforce plan is going to be signed in the next few weeks and also work to look at incentives in order to be able to retain our staff, but I think what concerns me also is the lack of understanding of the need for TC and I am aware that members around this table fully understand and appreciate that we will always need to have some form of Technical Cooperation Programme to support our workforce and to support the ...?.... of our services. With a population of just over four and a half thousand people, and, as I highlighted before, a very small workforce, we're never ever going to be able to furnish all of our needs and I would like to take opportunity today to pay tribute to our entire workforce, including our local and our TC Officers who work long hours and put in the effort to ensure that we are able to make the progress that we have made this past year as highlighted by the Financial Secretary in his Budget Speech.

We need to consider a policy to attract people to return to the island, our Saint diaspora, but also new people coming in with new skills. We are moving into a twenty-first century island and as such there will be new areas of business that the cable will open up, new opportunities, we don't necessarily have all of the skills and the expertise existing on the island and we need to make sure that we have modules and that we learn from other people, other territories, in terms of how they have managed this transition.

It was pleasing to hear that members are keen to consider or to reconsider how we support the development of sports on the island. Having come late into this myself can fully appreciate the benefits, the health benefits that sports has to offer for the entire population and I do believe that sometimes it's easy when we have a short, or a tight budget for some things to fall off the agenda, but I hope that this is an opportunity now for yourselves to consider how you want to invest in services going forward. This is an opportunity to reconsider whether we want to continue working in the same ways, whether we want to have business as usual or whether we want to take the bold step of being able to say this year we are focusing on sport, we are investing in this particular area of work and I believe that a multi-year programme will give us, or a multi-year ...?ing programme will give us the flexibility to be able to make those kind of bold decisions.

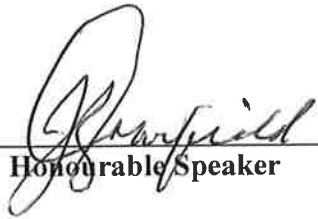
Mr Speaker, as I said, I don't want to prolong the session today, it's been a long session and I know that it's also hot, but I would like to take this opportunity to say some thank yous. I'd like to say a very big thank you to the Financial Secretary and his team and the Deputy Financial Secretary, all of the Directors and all of you sitting around this table. I think today has been an excellent opportunity of collaborative working and challenge and hope for the future. I am confident that we have the right building blocks in place and I would like to say that this time next year I would hope that we will be able to focus on even more successes, but also have much more clarity about our capital programme, where we're going to be going with our air service, I hope next year we're going to be able to be able to say we tackled some of these issues and these are the outcomes, so, Mr Speaker, I'd like to thank you very much for the opportunity to be able to respond to this adjournment debate. Mr Speaker, I beg to move.

The Speaker –

Thank you very much. Honourable Members, that concludes our business for this session, it has been an interesting session and thank you all for passing the budget to allow Directorates to improve efficiencies and better use of SHG resources. I now put the question that this Council do adjourn sine die.

Question that Council do adjourn sine die, put and agreed to.

Council adjourned sine die.



Honorable Speaker



Date