

Minutes of the Meeting of Executive Council held on Tuesday, 7<sup>th</sup> July 2020 at 9.38am in the Council Chamber

Present: His Excellency the Governor (Dr Philip Rushbrook)  
The Hon Chief Secretary (Mrs S O'Bey)  
The Hon Financial Secretary (Mr D L Richards)  
The Hon Attorney General (Mr A T Cansick)  
The Hon C R Beard  
The Hon C G Buckley  
The Hon A A Green  
The Hon L A Henry  
The Hon D F Thomas

In attendance: Clerk of Councils (Mrs C C Johnson)  
Head of Corporate Support (Mrs C A George)  
Head of News (Mrs K Yon)  
Head of Governor's Office (Mr Greg Gibson)  
Senior Press Officer (Mr Liam Yon)

**OPEN SESSION**

80.1 Welcome

The Governor welcomed all to the meeting.

80.2 Medium Term Expenditure Framework (MTEF) – 2021/22 to 2023/24 (ExCo Memo 47/2020)

The Chief Secretary introduced the Memorandum asking Council to consider and advise whether the Strategic Objectives and Policy Priorities that were approved in June 2019 to inform and direct the strategic planning and budgeting process for the three-year period 2021/21 to 2022/23, should continue to be used for the next three-year planning and budgeting round commencing 1 April 2021.

The Chief Secretary advised that these objectives were exactly the same as discussed last year and they were basically just rolling forward the work plan.

Members were happy to give their support to the Strategic Objectives and Policy Priorities but expressed frustration regarding the lack of a partnership approach from HMG and highlighted the inefficiencies experienced with the budget preparation and the constant changes of the

goal posts from one year to the next which were not in line with the partnership approach as set out in the Constitution.

It was noted that DFID were fully aware of the SHG priorities set out in the 10-year Plan 2017-2027 and the Sustainable Economic Development Plan but they did not get involved in agreeing the political strategy. It was further noted that it was unlikely that a three-year budget settlement would be agreed by HMG for 2021-2024 due to the forthcoming spending review towards the end of this calendar year.

Following discussion, Council advised and the Governor agreed, that the Strategic Objectives and Policy Priorities that were approved in June 2019 to inform and direct the strategic planning and budgeting process for the three-year period 2020-21 to 2022-23, should continue to be used for the next three-year planning and budgeting round commencing 1<sup>st</sup> April 2021.

**(Action: Hon Chief Secretary/Clerk of Councils)**

#### 80.3 Audit Engagement Letter – SHG Financial Statements 2019/20 (ExCo Memo 48/2020)

The Financial Secretary introduced the Memorandum asking Council to consider and advise whether to endorse the terms contained within the Engagement Letter issued by the Chief Auditor in respect of the statutory audit of the SHG Financial Statements for 2019/20.

The Financial Secretary said this follows the normal process but going forward this would sit with the re-instated Finance Committee. It was noted that the Financial Statements would be ready for submission at the end of July 2020.

Members were content to give their support to this statutory requirement.

Following discussion, Council advised and the Governor agreed, that the Engagement Letter issued by the Chief Auditor in respect of the statutory audit of the SHG Financial Statements for 2019/20 be endorsed.

**(Action: Hon Financial Secretary/Clerk of Councils)**

#### 80.4 Business Support Package for Local Businesses to mitigate the impacts of Covid-19 (ExCo Memo 49/2020)

As an accommodation provider, Councillor Derek Thomas declared his interest and stated that he would not be applying for support from this scheme. The Financial Secretary also declared an interest.

The Deputy Financial Secretary, Mr Nicholas Yon, Chief Economist, Mrs Nicole Shamier and Senior Economist Mrs Amanda Curry Brown were in attendance for this item of business.

The Financial Secretary introduced the Memorandum asking Council to consider and advise whether the Business Support Package established to support local tourism, hospitality or related businesses in keeping their employees employed resulting from the impacts of the Covid-19 pandemic should continue beyond June 2020.

The Financial Secretary elaborated on the various Options set out in the Memorandum. The Financial Secretary advised that forty six businesses and more than one hundred employees were supported by the scheme to date at a cost of £144,352. The Financial Secretary spoke about the post note that was issued and said they had requested that all Business Support be taken from ESH project funds but this was not supported by DFID who advised that all Covid-19 expenditures should be funded from the additional funding made available for Covid-19 related matters and added that he was having dialogue with DFID about other aspects of Covid-19 support. In response to a question as to whether business proprietors who were not on-island would qualify for a one-off payment, the Financial Secretary explained that the business would qualify but not the individual. Members were pleased that feedback given on the current system of support packages had been taken into account. It was also important to ensure that those businesses who were genuinely in need of this support received it.

The Financial Secretary said that based on feedback SHG proposed adapting the previous ESH scheme to make available support for utilities (including rent) of up to £500 per quarter on a reimbursement basis to all businesses within the eligible sectors as follows:

- Tourist accommodation providers
- Tour operators, including both land and marine-based
- Eateries, but not for take away food businesses.

The Financial Secretary concluded that if approved, the continuation of business support would be reviewed in three months.

Following discussion, Council advised and the Governor agreed, that the Business Support Package, as set out in Option C in the Memorandum, established to support local tourism, hospitality or related businesses in keeping their employees employed resulting from the impacts of the Covid-19 pandemic should continue beyond June 2020. Further, the support should be backdated to 1<sup>st</sup> July 2020 and continue to the end of September, with a review in early September to coincide with the review of the closure of the Mantis Hotel.

**(Action: Hon Financial Secretary/Clerk of Councils)**

The Governor thanked the Chief Economist, Mrs Nicole Shamier and Senior Economist, Mrs Amanda Curry Brown for their input and at this point they left the meeting.

#### 80.5 Fees and Charges Revision 2020 (ExCo Memo 50/2020)

The Deputy Financial Secretary, Mr Nicholas Yon, was in attendance for this item of business.

The Financial Secretary introduced the Memorandum asking Council to consider and advise whether the following fees and charges should be increased, in line with inflation as part of the MTEF process and the Regulations should be made and come into force on publication as follows:-

- a. Companies (Fees) (Amendment) Regulations, 2020;
- b. Charities (Amendment) Regulations, 2020;
- c. Gaming Machines (Amendment) Regulations, 2020;
- d. Liquor (Amendment) Regulations, 2020; and
- e. Trade Marks (Registration) (Amendment) Rules, 2020.

Following discussion, Council advised and the Governor agreed, that the fees and charges for Companies (Fees) (Amendment) Regulations, 2020, Charities (Amendment) Regulations, 2020, Gaming Machines (Amendment) Regulations, 2020, Liquor (Amendment) Regulations, 2020 and Trade Marks (Registration) (Amendment) Rules, 2020, be approved and come into force on the date of publication.

**(Action: Hon Financial Secretary/Clerk of Councils)**

#### 80.6 SHG Subsidies Policy 2020 (ExCo Memo 51/2020)

The Deputy Financial Secretary, Mr Nicholas Yon, was in attendance for this item of business.

The Financial Secretary introduced the Memorandum asking Council to consider and advise whether the SHG Subsidies Policy 2020 should be approved to come into effect from 1 August 2020.

The Financial Secretary explained the background of the Policy in detail to Members and said that the rationale for intervening in the market in the case of a government subsidy was for one of the following Principles which were:-

- Missing or incomplete markets
- Negative externalities
- Monopoly power and
- Unstable markets.

The Financial Secretary thanked the Deputy Financial Secretary for all his input putting together such a comprehensive policy.

The Deputy Financial Secretary advised that when caucusing with Members earlier that morning they requested more clarity on section 2.6 in particular under unstable markets and they requested more explanations and an example relevant to St Helena and under section 3.3 'Subsidy Requirements' they suggested a longer timeframe. A Member said that there was a typographical error on page 8 in the last but one line, needing to delete 'a'.

Members were supportive of the policy and the fact that it included an 'exit' strategy; they were also of the view that a similar policy should be developed for Grants; the Financial Secretary undertook to develop a Grants policy. Members noted also that the Social Policy Planner would review the policy and assess the impact on customers. .

**(Action: Hon Financial Secretary/Clerk of Councils)**

Following discussion, Council advised and the Governor agreed, the SHG Subsidies Policy 2020 should be approved to come into effect from 1 August 2020.

**(Action: Hon Financial Secretary/Clerk of Councils)**

The Governor thanked the Deputy Financial Secretary and his colleagues for all their assistance and at this point the Deputy Financial Secretary left the meeting.

80.7 Public Health (Prevention of Formidable Diseases (Coronavirus)) (Amendment) Regulations, 2020 and Immigration (Prohibited and Controlled Entry) (Amendment) Regulations, 2020

The Attorney General advised that these Regulations had been agreed electronically by Executive Council Members on the 2<sup>nd</sup> July 2020 and was enacted on the 3<sup>rd</sup> July 2020 (Legal Notice 18 and 19 refers).

The Hon Lawson Henry suggested that going forward the Executive Council open meeting announcement should clarify for the public that matters such as these which have been agreed outside of the formal meeting forum, are on the Agenda for record and confirmation purposes only.

**(Action: Clerk of Councils)**

80.8 Confirmation of Open Session Minutes of 19 May 2020

The minutes of the open session of the 19<sup>th</sup> May 2020 were confirmed.

80.9 Matters Arising from the Open Session Minutes

80.9.1 (77.3.1) (76.5.1) (73.2) Small Island Developing State Status (ExCo Memo 26/2020)

The Chief Secretary advised that she would ask the Senior Economist to give Members an update on Monday 13<sup>th</sup> July.

80.10 Any Other Business

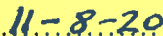
The Governor advised that the report of the inquiry around the leaking of Executive Council confidential information had been received and he would be communicating with the Speaker and officials thanking them for cooperating with the investigation. No individual issue had been found with any Councillor or official but it had been pointed out that there was a general laxness in the handling of confidential documents so he would be pursuing some improvements and writing to inform everyone that various procedures would be tightened up.



Clerk of Councils  
11.08.20



Governor



Date