



# **St Helena Government**

## **BUDGET EXECUTION REPORT**

**FOR PERIOD 9 (DECEMBER 2019) OF  
FINANCIAL YEAR ENDING 31 MARCH 2020**

## OVERVIEW OF BUDGET AND PERFORMANCE

### Current stage of the budget monitoring process

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

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

The annual forecasting process commenced in September 19 for the appropriation period 2019/20

Forecasts are updated on a monthly basis up to the year end with actuals for prior month revenues and expenditure. Any predicted (overspends) / underspends of expenditure / revenue is managed by the Directorate by making cost savings elsewhere if possible. If no cost saving is achievable then the Directorate can apply to the government for supplementary appropriation.

### Outline of Approved budget

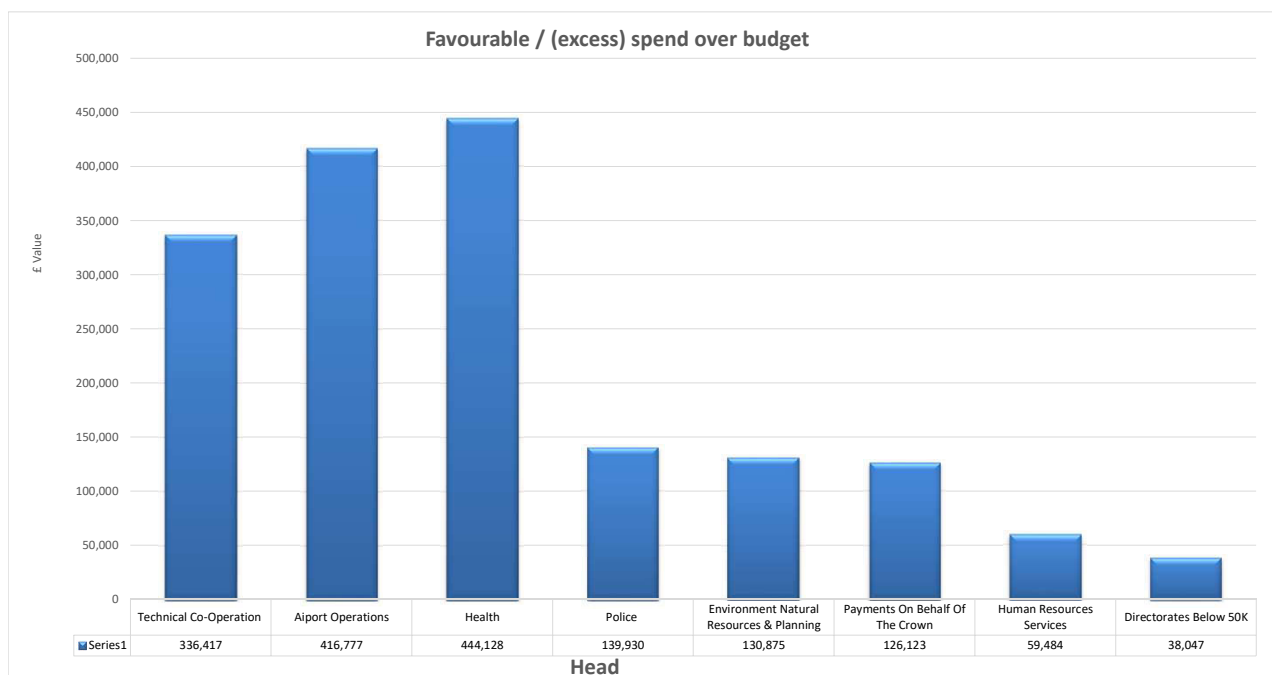
The total Original Approved Budget for the year is as follows:	Actuals: Year to Date £'000	Budgeted: Year to Date £'000	Actual Vs Budget £'000	%	Forecast to Year End £'000	Approved Budget £'000
<b>Total Recurrent Income:</b>	<b>33,386</b>	<b>34,158</b>	<b>(772)</b>	<b>-2%</b>	<b>44,116</b>	<b>46,056</b>
<b>Total Expenditure:</b>	<b>(31,939)</b>	<b>(33,631)</b>	<b>(1,692)</b>	<b>5%</b>	<b>(45,658)</b>	<b>(46,056)</b>
Recurrent Expenditure:	(31,859)	(33,568)	(1,709)	5%	(45,186)	(45,801)
Capital Expenditure	(80)	(62)	17	100%	(472)	(255)
<b>Total budget Surplus/(Deficit)</b>	<b>1,447</b>	<b>527</b>	<b>919</b>	<b>174%</b>	<b>(1,543)</b>	<b>0</b>

### Revenue

Revenue had an adverse variance of (£772k) -2% for the period April - December 2019.

### Expenditure

A favourable variance of £1692k (5%) was achieved for the period April - December 2019. The diagram below shows the heads of appropriation with variances above £50k. Detailed review of the variances can be found on pages 5 - 8.



### Performance Against Budget

To date a surplus of £1,447k has been recorded being 174% higher than the budgeted surplus of £527k. The high surplus has been mainly due to significant underspends in the Health Directorate, Airport Operations, Technical Co-operation, Police, Human Resources, Payments on Behalf of the Crown and Environment, Natural Resources and Planning.

The Budget Execution Report on page 3 shows the performance against revenue and expenditure budgets by Head of Appropriation and significant sub component budgets. The performance is further illustrated by the Consolidated Fund Variance Summary Reports on pages 5 and 6. Detailed explanations for the budget variances are included on the Variance Explanation report on pages 7 - 8.



## BUDGET EXECUTION REPORT PERIOD 9 (DECEMBER 2019)

	YEAR TO DATE				FULL YEAR			
	Actual £	Approved Budget £	(1) Variance A - AB £	A / AB %	Forecast £	Approved Budget £	(2) Variance F-AB £	AB -A £
<b>REVENUE</b>								
CORPORATE SUPPORT, POLICY & PLANNING	213,076	215,605	(2,529)	99%	289,259	291,000	(1,741)	77,924
POLICE	275,164	278,420	(3,256)	99%	367,364	377,000	(9,636)	101,836
CORPORATE FINANCE	8,280,119	8,536,549	(256,430)	97%	10,866,691	11,543,000	(676,309)	3,262,881
PAYMENTS ON BEHALF OF THE CROWN	20,684,275	21,315,303	(631,028)	97%	27,355,150	28,742,000	(1,386,850)	8,057,725
AIRPORT OPERATIONS	2,624,999	2,622,200	2,799	100%	3,500,000	3,500,000	0	875,001
EDUCATION	160,858	168,400	(7,542)	96%	210,299	227,000	(16,701)	66,142
HEALTH	468,779	426,739	42,040	110%	612,582	569,000	43,582	100,221
ENVIRONMENT, NATURAL RESOURCES & PLANNING	111,931	80,403	31,528	139%	138,377	113,000	25,377	1,069
INFRASTRUCTURE & TRANSPORT	384,627	358,373	26,254	107%	525,043	486,000	39,043	101,373
CHILDREN & ADULTS SOCIAL CARE	181,783	155,999	25,784	117%	250,751	208,000	42,751	26,217
<b>Sub-Total</b>	<b>33,385,611</b>	<b>34,157,991</b>	<b>(772,380)</b>	<b>98%</b>	<b>44,115,516</b>	<b>46,056,000</b>	<b>(1,940,484)</b>	<b>12,670,389</b>

### RECURRENT EXPENDITURE

CORPORATE SUPPORT, POLICY & PLANNING	1,166,013	1,164,872	(1,141)	100%	1,629,381	1,537,000	(92,381)	370,987
HUMAN RESOURCES SERVICES	394,876	454,360	59,484	87%	559,861	536,000	(23,861)	141,124
TECHNICAL CO-OPERATION	6,226,300	6,562,717	336,417	95%	8,527,127	8,623,000	95,873	2,396,700
POLICE	1,276,268	1,416,198	139,930	90%	1,812,490	1,848,000	35,510	571,732
CORPORATE FINANCE	992,413	986,596	(5,817)	101%	1,350,015	1,328,000	(22,015)	335,587
PAYMENTS ON BEHALF OF THE CROWN	4,072,823	4,198,946	126,123	97%	6,257,992	7,162,000	904,008	3,089,177
ECONOMIC DEVELOPMENT	697,500	697,500	0	100%	946,470	930,000	(16,470)	232,500
PENSIONS	1,004,832	999,804	(5,028)	101%	1,323,410	1,290,000	(33,410)	285,168
BASIC ISLAND PENSION	1,878,418	1,844,457	(33,961)	102%	2,523,529	2,448,000	(75,529)	569,582
INCOME RELATED BENEFITS	473,849	435,540	(38,309)	109%	644,223	551,000	(93,223)	77,151
ACCESS	493,749	529,981	36,232	93%	711,923	712,000	77	218,251
AIRPORT OPERATIONS	2,208,223	2,625,000	416,777	84%	3,500,000	3,500,000	0	1,291,777
EDUCATION	2,526,839	2,531,146	4,307	100%	3,417,122	3,350,000	(67,122)	823,161
HEALTH	2,516,945	2,961,073	444,128	85%	3,657,653	3,886,000	228,347	1,369,055
OVERSEAS MEDICAL TREATMENT	1,090,841	1,125,000	34,159	97%	1,614,367	1,500,000	(114,367)	409,159
MEDICAL EVACUATION	134,203	180,000	45,797	75%	224,203	200,000	(24,203)	65,797
ENVIRONMENT, NATURAL RESOURCES & PLANNING	1,281,003	1,411,878	130,875	91%	1,873,365	1,867,000	(6,365)	585,997
INFRASTRUCTURE & TRANSPORT	1,162,098	1,145,764	(16,334)	101%	1,569,708	1,530,000	(39,708)	367,902
CHILDREN & ADULTS SOCIAL CARE	2,261,905	2,297,357	35,452	98%	3,043,427	3,003,000	(40,427)	741,095
<b>Sub-Total</b>	<b>31,859,098</b>	<b>33,568,189</b>	<b>1,709,091</b>	<b>95%</b>	<b>45,186,265</b>	<b>45,801,000</b>	<b>614,735</b>	<b>13,941,902</b>

### CAPITAL EXPENDITURE

POLICE	0	0	0	0%	65,512	30,000	(35,512)	30,000
CORPORATE FINANCE	19,138	19,138	0	100%	19,153	50,000	30,847	30,862
EDUCATION	17,311	0	17,311	0%	17,311	0	(17,311)	(17,311)
HEALTH	0	0	0	0%	159,563	0	(159,563)	0
INFRASTRUCTURE & TRANSPORT	43,238	43,238	0	100%	171,420	175,000	3,580	131,762
CHILDREN & ADULTS SOCIAL CARE	0	0	0	0%	39,000	0	(39,000)	0
<b>Sub-Total</b>	<b>79,687</b>	<b>62,377</b>	<b>17,311</b>	<b>128%</b>	<b>471,959</b>	<b>255,000</b>	<b>(216,959)</b>	<b>175,313</b>

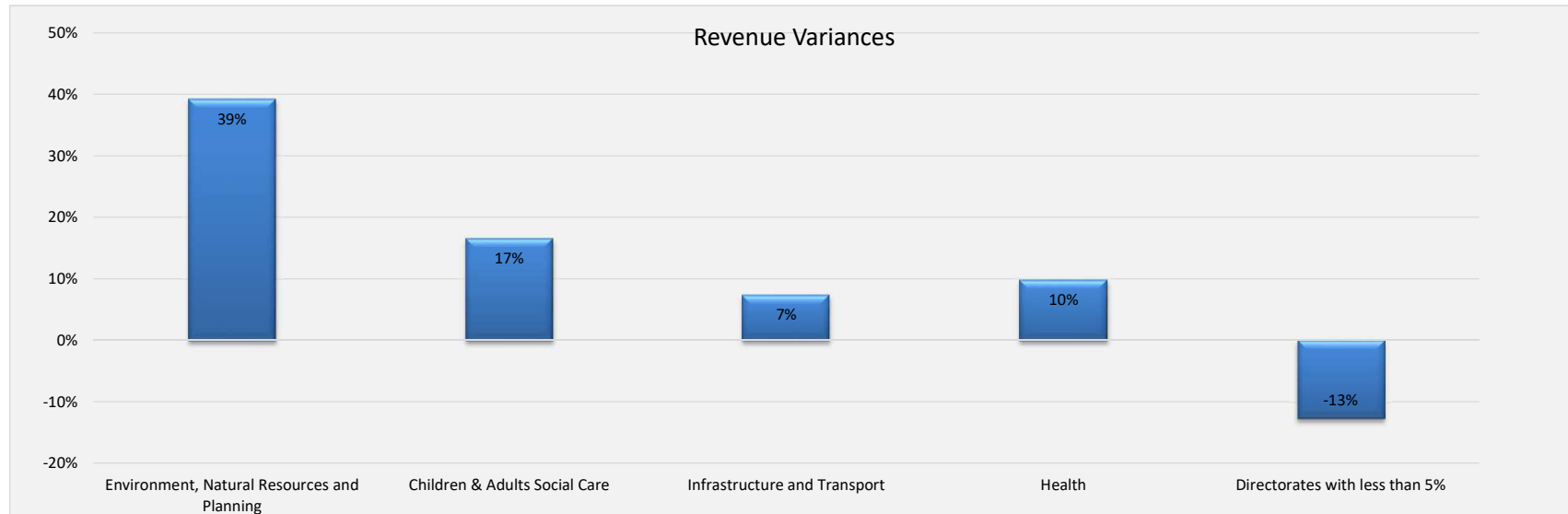
### SURPLUS/(DEFICIT)

CORPORATE SUPPORT, POLICY & PLANNING	(952,937)	(949,267)	(3,670)	100%	(1,340,122)	(1,246,000)	(94,122)	(293,063)
HUMAN RESOURCES SERVICES	(394,876)	(454,360)	59,484	87%	(559,861)	(536,000)	(23,861)	(141,124)
TECHNICAL CO-OPERATION	(6,226,300)	(6,562,717)	336,417	95%	(8,527,127)	(8,623,000)	95,873	(2,396,700)
POLICE	(1,001,104)	(1,137,778)	136,674	88%	(1,510,638)	(1,501,000)	(9,638)	(499,896)
CORPORATE FINANCE	7,268,568	7,530,815	(262,246)	97%	9,497,523	10,165,000	(667,477)	2,896,432
PAYMENTS ON BEHALF OF THE CROWN	16,611,452	17,116,357	(504,905)	97%	21,097,158	21,580,000	(482,842)	4,968,548
ECONOMIC DEVELOPMENT	(697,500)	(697,500)	0	100%	(946,470)	(930,000)	(16,470)	(232,500)
PENSIONS	(1,004,832)	(999,804)	(5,028)	101%	(1,323,410)	(1,290,000)	(33,410)	(285,168)
BASIC ISLAND PENSION	(1,878,418)	(1,844,457)	(33,961)	102%	(2,523,529)	(2,448,000)	(75,529)	(569,582)
INCOME RELATED BENEFITS	(473,849)	(435,540)	(38,309)	109%	(644,223)	(551,000)	(93,223)	(77,151)
ACCESS	(493,749)	(529,981)	36,232	93%	(711,923)	(712,000)	77	(218,251)
AIRPORT OPERATIONS	416,776	(2,800)	419,576	-14885%	0	0	0	(416,776)
EDUCATION	(2,383,292)	(2,362,746)	(20,546)	101%	(3,224,134)	(3,123,000)	(101,134)	(739,708)
HEALTH	(2,048,165)	(2,534,334)	486,169	81%	(3,204,634)	(3,317,000)	112,366	(1,268,835)
OVERSEAS MEDICAL TREATMENT	(1,090,841)	(1,125,000)	34,159	97%	(1,614,367)	(1,500,000)	(114,367)	(409,159)
MEDICAL EVACUATION	(134,203)	(180,000)	45,797	75%	(224,203)	(200,000)	(24,203)	(65,797)
ENVIRONMENT, NATURAL RESOURCES & PLANNING	(1,169,072)	(1,331,475)	162,403	88%	(1,734,988)	(1,754,000)	19,012	(584,928)
INFRASTRUCTURE & TRANSPORT	(820,710)	(830,629)	9,919	99%	(1,216,085)	(1,219,000)	2,915	(398,290)
CHILDREN & ADULTS SOCIAL CARE	(2,080,121)	(2,141,358)	61,237	97%	(2,831,676)	(2,795,000)	(36,676)	(714,879)
<b>Total</b>	<b>1,446,826</b>	<b>527,425</b>	<b>919,400</b>	<b>274%</b>	<b>(1,542,708)</b>	<b>0</b>	<b>(1,542,708)</b>	<b>(1,446,826)</b>



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Government

## VARIANCE SUMMARY REPORT PERIOD 9 (DECEMBER 2019)



### REVENUE:

Overall revenue for the 9 months period ending December 2019 reflected an under collection of £772k .

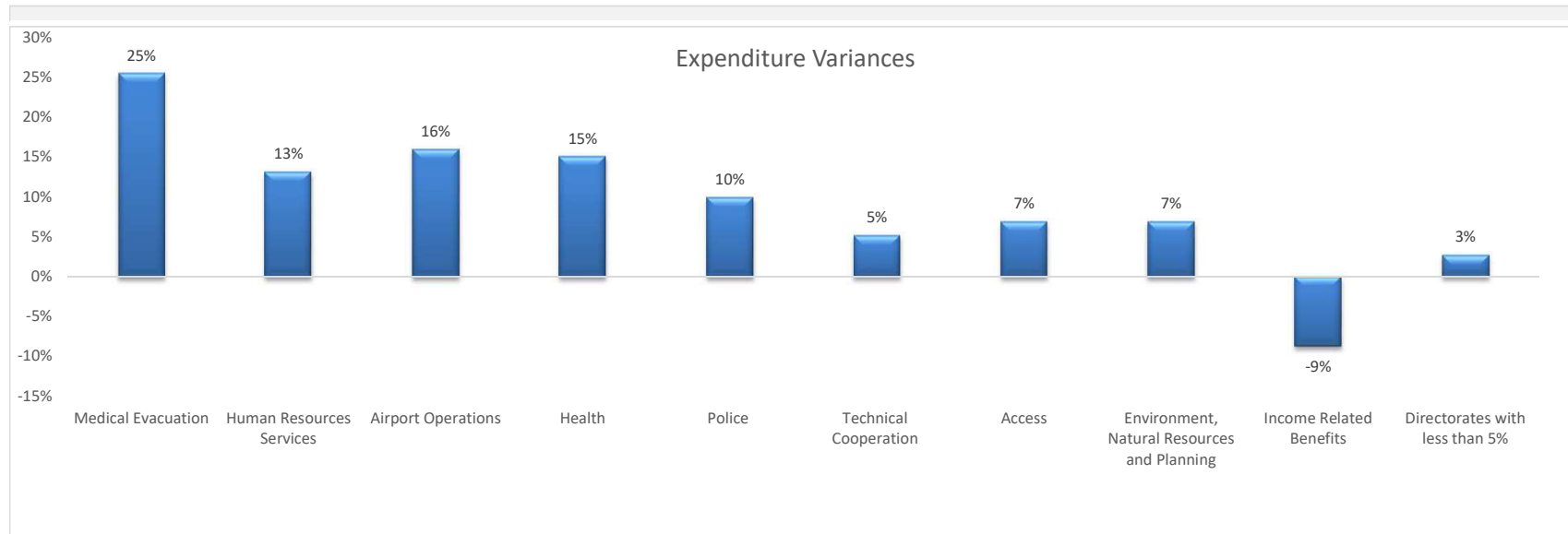
Total collections above budget were £128k reported in four directorates namely ENRP, CASC, I&T, Health, and Airport Operations. The position is however reduced by a net under collection of £901k due to aid grant claims for compensation not being made as no claims are currently due and under budget customs collection for alcohol.

Please refer to the variance explanation report for further details.



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## VARIANCE SUMMARY REPORT PERIOD 9 (DECEMBER 2019)



### EXPENDITURE:

Overall expenditure for the 9 months period ending December 2019, reflected an under spend by 5 percent (£1,691,781).

The reasons behind the underspend are largely a result of timing differences between budgeted expenditure and actual costs as a result of delayed overseas procurement. There are also significant salary savings on vacant posts. The major underspends were noted in the Health Directorate, Airport Operations, Technical Co-operation, Police, Environment, Natural Resources and Planning, Payments on Behalf of the Crown and Human Resources Services.

Refer to the variance explanation report for further details.



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## VARIANCE EXPLANATION REPORT PERIOD 9 (DECEMBER 2019)

**Head**

Corporate Support, Policy & Planning  
Police  
Corporate Finance  
Payments on behalf of the Crown  
Airport Operations  
Education

Health

Environment, Natural Resources and Planning

Infrastructure and Transport

Children & Adults Social Care

**TOTAL RECURRENT INCOME**

REVENUE					
YEAR TO DATE					
Actual	Approved Budget	Variance A - AB Favourable / (Adverse)	Variance AB - A Favourable / (Adverse)		
£	£	£	£	%	Explanations of variances >5%
213,076	215,605	(2,529)		(1%)	N/A
275,164	278,420	(3,256)		(1%)	N/A
8,280,119	8,536,549	(256,430)		(3%)	N/A
20,684,275	21,315,303	(631,028)		(3%)	N/A
2,624,999	2,622,200	2,799		0%	N/A
160,858	168,400	(7,542)		(4%)	N/A
468,779	426,739	42,040		10%	Medical, dental and hospital fees were £21k higher than budgeted this is a result of more people requiring medical attention than anticipated. In addition there was more than expected revenue from water testing of £15k.
111,931	80,403	31,528		39%	Reimbursement for VMS from Argos vessels paid earlier than expected amounting to £13k. The increase was also due to a £15k miscellaneous revenue collected that was not budgeted for.
384,627	358,373	26,254		7%	The increase in income was mainly from leased property/land, £35k more than anticipated possibly due to an under budget on house plots. Roads performed additional work for private clients which was previously not budgeted for resulting in a excess revenue of £26k. Recharge revenue on works for other government departments was under budget by £28k.
181,783	155,999	25,784		17%	The over collection is due to the actual revenue being higher than budgeted at the Princess Royal Community Care Centre, the budgeted average Board and lodging fees was £45 compared to an actual of £60 per week.
<b>33,385,611</b>	<b>34,157,991</b>	<b>(772,380)</b>		<b>(2%)</b>	

## VARIANCE EXPLANATION REPORT PERIOD 9 (DECEMBER 2019)

EXPENDITURE						
YEAR TO DATE						
Actual	Approved Budget	Variance Favourable / (Adverse)	AB - A	Variance Favourable / (Adverse)	AB - A	
£	£		£		%	Explanations of variances >5%
Corporate Support, Policy & Planning	1,166,013	1,164,872	(1,141)		(0%)	N/A
Human Resources Services	394,876	454,360	59,484		13%	The underspend is a result of various staff trainings (on-site and distance learning) that did not happen at the time initially planned. The courses are expected to take place in the remaining months of this financial year.
Technical Cooperation	6,226,300	6,562,717	336,417		5%	The underspend is due to vacant TC posts and a timing difference on consultancy fees to be spent in the last quarter of the year (£435k and £165k respectively). This is off-set in part by higher than budgeted expenses for advertising vacant posts (£45k), unbudgeted legal fees (£60k) and additional travel costs for Locums (£90k)
Police	1,276,268	1,416,198	139,930		10%	The underspend is due to vacancy savings £66k and training mix changes resulting in timing differences of £38k. Supplies and services had an under spend due to timing of procurement and changes in training requirements by £48k (including customs duty).
Corporate finance	992,413	986,596	(5,817)		(1%)	N/A
Payments on behalf of the Crown	4,072,823	4,198,946	126,123		3%	N/A
Economic Development	697,500	697,500	0		0%	N/A
Pensions	1,004,832	999,804	(5,028)		(1%)	N/A
Basic Island Pension	1,878,418	1,844,457	(33,961)		(2%)	N/A
Income Related Benefits	473,849	435,540	(38,309)		(9%)	The actual cost is demand led. The overspend is the result of demand and MIS uplift payments in excess of budget provision.
Access	493,749	529,981	36,232		7%	Savings were made on the Rupert's to Jamestown barge costs, these are dependant on volume of goods transported. The average monthly cost amounted to £37k compared to a budgeted cost of £42k per month resulting in an underspend of £41k.
Airport Operations	2,208,223	2,625,000	416,777		16%	The difference is due to the Airport Operations budget being equally phased over 12 months while actual costs are expected to increase towards the end of the year to cover insurance and other planned capital expenditure.
Education	2,526,839	2,531,146	4,307		0%	N/A
Health	2,516,945	2,961,073	444,128		15%	The underspend is largely due to vacancy savings amounting to £76k and a £84k saving on the Chronic Disease Management programme budget. Other savings relate to hospital equipment and medical supplies (including customs duty) of £200k that have been ordered but yet to arrive on the Island. Other significant savings are on transport recharges £20k and licence fees for the medical information system £35k.
Overseas Medical Treatment	1,090,841	1,125,000	34,159		3%	N/A
Medical Evacuation	134,203	180,000	45,797		25%	Four medical evacuations were budgeted for the 9 months to December, however only 3 were activated hence the saving.
Environment, Natural Resources and Planning	1,281,003	1,411,878	130,875		9%	The underspend is mostly due to employee and related costs due to vacancies totalling £42k. There is a timing difference between budgeted contract work (£30k) and procurement (£33k) not being completed and billed as forecasted. £23k relates to Vet drugs purchased but still in stock.
Infrastructure and Transport	1,162,098	1,145,764	(16,334)		(1%)	N/A
Children & Adults Social Care	2,261,905	2,297,357	35,452		2%	N/A
<b>TOTAL RECURRENT EXPENDITURE</b>	<b>31,859,098</b>	<b>33,568,189</b>	<b>1,709,091</b>		<b>5%</b>	



## VARIANCE EXPLANATION REPORT PERIOD 9 (DECEMBER 2019)

Head

CORPORATE FINANCE

EDUCATION

HEALTH

INFRASTRUCTURE & TRANSPORT

**TOTAL CAPITAL EXPENDITURE**

**TOTAL EXPENDITURE**

CAPITAL EXPENDITURE				
YEAR TO DATE				
Actual	Approved Budget	Variance AB - A Favourable / (Adverse)	Variance AB - A Favourable / (Adverse)	
£	£	£	£	%
				<b>Explanations of variances &gt;5%</b>
19,138	19,138	0	0%	N/A
17,311	0	(17,311)	0%	The overspend related to the replacement of a server to be funded from the re-current budget.
0	0	0	0%	The overspend is a result of the purchase of an Aneasthetic Machine it will be funded by the saving registered on the re-current budget.
43,238	43,238	0	0%	N/A
<b>79,687</b>	<b>62,377</b>	<b>(17,311)</b>	<b>(28%)</b>	
<b>31,938,785</b>	<b>33,630,566</b>	<b>1,691,781</b>		

PERFORMANCE MEASURES

Local Revenue as a Percentage of total expenditure:

Total Local revenue

Total Expenditure

Percentage

Annual Approved Budget	Actual to Period 9 (31/12/19)	Budget to Period 9 (31/12/19)
12,750,000	10,076,337	10,220,488
46,056,000	31,938,785	33,630,566
<b>28%</b>	<b>32%</b>	<b>30%</b>