



**St Helena  
Government**

**ST HELENA GOVERNMENT**

**ST HELENA GOVERNMENT'S RESPONSE  
TO THE PUBLIC ACCOUNTS COMMITTEE  
REPORT AND RECOMMENDATIONS IN  
SP 38/2020 – 30 NOVEMBER 2020**

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

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

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

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

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

| No | Date Reported to Legco by PAC | Body/Name of Report   | Recommendation  | Responsibility      | Response  | Management's Recommendation |
|----|-------------------------------|---|---|---------------------|---|-----------------------------|
| 1  | SP 38/20                      | St Helena Government (SHG) Financial Statements for 2018/19 and Audit Management Letter | SHG review the process around impairing and writing off assets to ensure sufficient time is allowed for the necessary approval from the Secretary of State, as prescribed by the Public Finance Ordinance.                                | Financial Secretary | <i>Response November 2020 - Agreed. The process and timelines will be reviewed.</i> | Accepted.                   |
| 2  | SP 38/20                      | St Helena Government (SHG) Financial Statements for 2018/19 and Audit Management Letter | SHG conclude the process on investigating and identifying those cases where funds can be recovered from medical malpractice insurance policies, in those cases where settled litigation expenditure related to medical malpractice suits. | Financial Secretary | <i>Response November 2020 - Agreed.</i>   | Accepted.                   |

| No | Date Reported to Legco by PAC | Body/Name of Report   | Recommendation  | Responsibility      | Response  | Management's Recommendation |
|----|-------------------------------|---|---|---------------------|---|-----------------------------|
| 3  | SP 38/20                      | St Helena Government (SHG) Financial Statements for 2018/19 and Audit Management Letter | SHG conclude their negotiations with the supplier of the GBAS navigation system to enable the recovery of such funds as are due in terms of the original contract.  | Financial Secretary | <i>Response November 2020 - SHG continues to pursue this matter in conjunction with the management of St Helena Airport Limited.</i>  | Accepted.                   |
| 4  | SP 38/20                      | St Helena Government (SHG) Financial Statements for 2018/19 and Audit Management Letter | SHG review their debtors and record the last communication with debtors around non-performing loans, following which SHG debt collection procedures should be applied to these loans, which may include further communication in writing, clearly stating the risk that debtors properties may be dispossessed. | Financial Secretary | <i>Response November 2020 - SHG continuously reviews the debt position. Correspondence with debtors for non-performing loans will clearly state the implications of defaulting on the agreed repayment terms.</i> | Accepted.                   |

| No | Date Reported to Legco by PAC | Body/Name of Report   | Recommendation   | Responsibility            | Response  | Management's Recommendation |
|----|-------------------------------|---|--|---------------------------|---|-----------------------------|
| 5  | SP 38/20                      | St Helena Government (SHG) Financial Statements for 2018/19 and Audit Management Letter | SHG prepare an asset management plan, for all directorates, that address the strategic assets replacement and maintenance scheduling needs of the Island.  | Financial Secretary       | <i>Response November 2020 - Agreed. A corporate asset management plan will be formulated to encompass all strategic assets.</i>   | Accepted.                   |
| 6  | SP 38/20                      | St Helena Currency Fund Financial Statements for 2018/19                                | The Commissioners review Section 18(1) of the Currency Fund Ordinance with regards its definition of "moneys" and "employed" against the backdrop of the Chief Auditors emphasis of matter in his latest audit report. | Commissioners of Currency | <i>Response November 2020 - The Commissioners are content with the definitions as stated in the Currency Fund Ordinance. However, consideration will be given to further clarify these definitions.</i> | Accepted.                   |

| No | Date Reported to Legco by PAC | Body/Name of Report                                      | Recommendation  | Responsibility            | Response   | Management's Recommendation |
|----|-------------------------------|--|---|---------------------------|--|-----------------------------|
| 7  | SP 38/20                      | St Helena Currency Fund Financial Statements for 2018/19 | The report on the review on whether Pound Sterling is implemented be published. Although SHG stated the report has been completed it is yet to be published. PAC recommendations 126 and 72 refers. | Commissioners of Currency | Response November 2020 - The report in question addressed matters of concern that were raised at the time and was not intended to evaluate whether the Pound Sterling should be used as a circulation currency on Saint Helena. As agreed during the formal meeting of the Public Account Committee on 3 August 2020, a copy of the report can be made available to the members of the Public Accounts Committee to clarify the context in which the report was written. | Accepted.                   |

