



**St Helena
Government**

ST HELENA GOVERNMENT

**ST HELENA GOVERNMENT RESPONSE
TO RECOMMENDATIONS ON THE
PUBLIC ACCOUNTS COMMITTEE
RECOMMENDATIONS AND
PROGRESS REGISTER
AS AT 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.

This report provides an update on previous recommendations in Sessional Papers.

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.

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

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
2	07/10/2014	ESH	ESH will need to develop management information systems to capture timely and accurate information for internal management and external performance reporting to stakeholders.	Chief Executive for Economic Development	<p>Updated response October 2019 - ESH is continually ensuring that the most effective method of collecting and storage of data is maintained.</p> <p><i>Updated response November 2020 – No longer applicable. Arrangements are being made to wind up ESH.</i></p>	Accepted – In progress
29	29/04/2015	St Helena Fisheries Corporation	Internal management capacity remains a concern and the appointment of a counterpart General Manager will be required if the Corporation is to continue going forward.	SHFC Management Board	<p>Partial implementation.</p> <p>Update July 2018 - SHFC Board continues to monitor this and action will be taken when necessary to maintain management capacity at SHFC.</p> <p>Updated response October 2019 – no further update received from SHFC.</p> <p><i>Updated response November 2020 – No longer applicable. SHFC is undergoing administration.</i></p>	Accepted – in progress, remains open

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
33	29/04/2015	St Helena National Trust	The Trust reviews requirements for reporting on individual donor funded projects, to ensure that specific conditions are met in respect of any project completion audits, required by donors, in addition to the Trust financial statements.	Trust Director	<p>In progress.</p> <p>The requirements for reporting on individual donor funded projects are reviewed to identify specific conditions that may not be met by the annual financial statement audit.</p> <p>Updated response July 2018 – no further update.</p> <p>Updated response February 2019 - Complete. The Trust has a good handle on reporting to individual donor funded projects as demonstrated by a score of A+ from Darwin Plus on our most recently closed project. The Trust will continue to maintain a close view of all project funder requirements and endeavour to meet or exceed stipulated requirements of these funds.</p> <p>Updated response March 2020 - ongoing, as detailed above.</p> <p><i>Updated response November 2020 - ongoing, as detailed above.</i></p>	In progress – remains open
37	29/04/2015	SHG	The Chief Secretary provides a written statement of progress against recommendations and the Chief Auditor performs a substantive follow-up review on the progress made, in six-nine months and reports his	Chief Secretary	<p>Chief Secretary to provide a written statement.</p> <p>Updated response December 2017 - Superseded by SHAS. Follow Up on previously issued Value for Money/Performance Audit Recommendations, November 2016 SP 12/16.</p> <p>Updated response January 2018 – No further update.</p> <p>Updated response February 2019 – Management is currently in the process of finalising a three year strategy which will sit under the 10 year plan and will set out SHG's planned implementation of the 10 year plan, the Sustainable Economic Development Plan and the Capital Programme. This strategy is underpinned by the Strategic Priorities</p>	Accepted – remain open

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			findings to PAC in due course.		<p>identified by Elected Members and will guide Directorate Strategic Planning and Budgeting. As a part of this work, SHG's Performance Management Framework is being revamped including reviewing the KPIs to ensure that they better reflect the outcomes determined in the three year strategy, the PM Framework will also include the tracking of all PAC recommendations and these will be reported against on a regular basis with effect from April 2019.</p> <p>The MTEF process is maintained although it is recognised that there has been some deviation over the last few years due to having a rollover budget which has impacted on the start of the planning and budget process. SHG does produce a 3 year financial budget however it is recognised that the two outer years are not fully developed. As stated earlier management is currently in the process of finalising a three year strategy which is underpinned by the Strategic Priorities identified by Elected Members and will guide Directorate Strategic Planning and Budgeting. It is anticipated that for the period beginning April 2021 SHG will have a three year financial budget in place underpinned by three year Directorate plans which are consistent with SHG's Strategy</p> <p><i>Updated response November 2020 - ongoing, as detailed above.</i></p>	
38	11/11/2015	SHG	Consistent with the report recommendations Earned Value (EV) calculations on the airport project are commissioned by SHG for the years ended 31 March 2015 and 31	Financial Secretary	<p><i>Updated Response October 2019</i> - Following discussions with a Crown Commercial Services UK Government Framework supplier the requirements of SHG were discussed and the supplier is in the process of developing a proposal which should be presented in the last quarter of 2019/20.</p> <p><i>Updated response November 2020 – A valuation has been obtained for inclusion in the 2019/20 annual financial statements.</i></p>	Accepted – remain open

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			March 2016 so as to ensure that the valuation is available for the SHG annual financial statements.			
39	11/11/2015	SHG	SHG must ensure that a risk management strategy is developed for the Airport Project Phase 2 and it must conform to risk management standards and best practice. The red risks (major risks) on the Airport Project should be tracked and mitigated to ensure that it do not affect the achievement of goals/objectives of the project.	Financial Secretary	<p>SP 10/17: This is in progress. Aspects of Phase 1 of the Airport Project (construction phase) are continuing alongside Phase 2 works (Airport Operations). St Helena Airport is not currently dealing with the volume of traffic anticipated due to the delay in commencement of scheduled air services to St Helena. In this interim period, the same risk management methodology is being applied to both Phase 1 and Phase 2. At operational level, separate reports are generated for the Construction and Operations aspects of the Airport Project but the escalation feeds into the same reporting structure (i.e. the same overarching Risks and Issues Registers). This is because both areas are under the same management responsibility at present (i.e. within the Airport Directorate and under the oversight of the Airport Project Board).</p> <p>As Phase 2 becomes more established, the two will be delinked and a separate risk management strategy will be devised for Phase 2. A review will be scheduled in late 2017.</p> <p>Updated Response December 2017 - Aspects of Phase 1 of the Airport Project (construction phase) are continuing alongside Phase 2 works. The same risk management approach is being applied to both but risks that are purely operational (Phase 2) are identified for the eventual delinking of the two.</p>	Accepted – remains open

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					<p>Target deadline is end June 2018 (to tie in with the projected conclusion of Phase 1)</p> <p>Updated response March 2018 – No further update.</p> <p>Updated response February 2019 - On 15 June 2018 Basil Read the contractor for the Airport Project announced it was going into Business Rescue. On the 2nd October 2018 St Helena Government terminated the contract with Basil Read and St Helena Airport Limited (SHAL) was created to ensure the smooth transition of Airport Operations. The construction elements were absorbed by the Airport Directorate. This response was the result of risk management and contingency planning.</p> <p>SHAL has a Board of Directors and have continued to meet the demands of the Airport Operations. The transition was seamless and accepted by all the regulators including ASSI. A further Airline Audit was successfully completed in January 2019.</p> <p>Under the St Helena Airport Construction governance arrangements are in progress with the first Project Board meeting being scheduled for March 2019. The constructed systems are currently under review to ensure that a full status of works is clear. In addition an independent review has been called for Project Assurance.</p> <p><i>Updated Response November 2020 – no further update.</i></p>	
51	04/02/2016	SHG	SHG maintain active interest in the FCO sponsored governance review and take	Chief Secretary	<p>Can confirm this to be the case.</p> <p>Updated response February 2019 - This continues to be a priority for SHG.</p>	Accepted

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			all necessary steps to apply the model framework proposed for the Overseas Territories to strengthen financial governance, audit and parliamentary scrutiny in St Helena.		<p>Updated response October 2019 - Work on governance reform has started with the visit of Professor Jeremy Sarkin in September 2019.</p> <p><i>Updated Response November 2020 – A motion was tabled at the formal Legislative Council meeting in October 2020 to consider the report on the public's response regarding the public consultation on the two alternative systems of Governance and that if the threshold of public interest is considered satisfactory, resolve to establish a Progress Committee. A Progress Committee has been established to progress this matter and it is anticipated that a further motion in this regard will be tabled at the formal Legislative Council meeting in December 2020.</i></p>	
53	18/07/2016	ESH	ESH must start to objectively report on its contribution to the economic growth using indicators with the hope of measuring the impact on the Gross Domestic Product (GDP) in future years.	Chief Executive for Economic Development	<p>Constraints relating to availability of a robust methodology and necessary data have prevented SHG from providing accurate calculations of GDP. As a result ESH has been using "Annual Private Sector Expenditure" (as quantified in National Accounts methodology) as a proxy measure for GDP.</p> <p>Going forward it will be easier to determine relevant and meaningful indicators as SHG is now addressing this issue.</p> <p>Updated response March 2018 – No further update.</p> <p>Update – Part of our log frame targets on Phase 2 with DFID and SHG is to increase the sustainable economic development of St Helena. Our first indicator is to state the total annual SHG revenue collected from private sector sources (£) which is obtained from the SHG Corporate Finance Budget book. Our second indicator is to establish the average (median) employee income from employment (£) which is also taken from St Helena National Statistical Yearbook.</p>	Accepted

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					<p>Updated response February 2019 - As previously mentioned in our updates is the same which is part of our log frame targets on Phase 2 with DFID and SHG is to increase the sustainable economic development of St Helena. Our first indicator is to state the total annual SHG revenue collected from private sector sources (£) which is obtained from the SHG Corporate Finance Budget Book.</p> <p>Our second indicator is establish the average (median) employee income from employment (£) which is also taken from St Helena National Statistical Yearbook. When figures are available, these are captured and reported on in our Log frame and Annual Report.</p> <p>As a part of the 2018 Business Survey, undertaken by SHG and supported by ESH, questions to assist in the generation of a measurable GDP for the island have been included. Until such time as we have an up to date baseline for GDP it is difficult to measure ESH's impact to GDP (if we don't know what the GDP is) however ESH is utilising the measures available to the organisation.</p> <p>Updated response October 2019 - As a part of the 2019 DfID Annual Review, a number of new indicators were proposed which seek to provide greater clarity regarding the impact of the ESH Project Programme. These indicators were accepted by DfID and will be included in monthly monitoring reports from October 2019 onwards.</p> <p>Updated response March 2020 – ESH has agreed with DFID a number of indicators which are designed to show impact of the project programme. These are included in our updated LogFrame “Support to Enterprise St Helena 2017/18 to 2020/21”. ESH will continue to work with the measures</p>	

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					<p>available to measure economic growth and hence PAC should consider closing out this recommendation.</p> <p><i>Updated response November 2020 – No longer applicable. Arrangements are being made to wind up ESH.</i></p>	
61	18/07/2016	St Helena National Trust	SHG needs to make a decision how the heritage assets are managed, decide which properties should be transferred or leased to SHNT.	SHG/SHNT	<p>Updated response October 2019 - The latest iteration of the lease for HKF was supplied to the Trust by SHG Head of Property, on 25 September 2019; this will be reviewed shortly by the incoming Director and Trust Council. The Head of Property has supplied a draft lease for the Marine Centre and this is currently under review with the support of pro bono legal counsel. The Trust has also been in discussion with the Property Division of ENRD about a lease for a property in Lemon Valley.</p> <p>Updated response March 2020 - the Director met with the Chief Secretary and agreed that a MoU would be helpful to provide strategic direction to the Trust's working relationship with SHG. This will be taken forward in the new financial year as the Trust refines its Strategy.</p> <p><i>Updated response November 2020 - ongoing, as detailed above.</i></p>	Accepted
63	18/07/2016	St Helena Hotel Development Ltd	SHG should document how it intends to manage the capital risk associated with the public investment in the hotel venture through SHHDL.	Directors	<p>SHG will document this in due course.</p> <p>Updated response December 2017 - This is in progress, to be finalised before the end of the current Financial Year.</p> <p>Updated response July 2018 – The Financial Secretary has been tasked by EXCO to put forward an options paper to address the funding needs of the hotel.</p> <p>Updated response February 2019 - A paper outlining the options for raising funds including the capital risk to SHG</p>	Accepted

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					<p>were presented to EXCO in August 2018. It was agreed that SHHD should explore options to raise additional finance to reduce the capital risk to SHG and to improve the gearing of the company. BDO has been contracted to review the current and future prospects for the hotel including providing an independent view on raising funds to reduce SHG's capital risk which will ultimately form part of the exit strategy.</p> <p>Updated response October 2019 - In January 2019, consultancy firm BDO LLP conducted an operational review and market demand study for the SHG owned Mantis St Helena hotel. Whilst the full report on the outcome of the review is confidential to SHG and contains sensitive commercial information, a summary of the main findings has been published.</p> <p>Updated response March 2020 - The Hotel continues to improve, with the new Mantis General Manager and his regional support team at the helm. To recap, between 2016 and 2018, SHG committed £5.4m of public money, being £2.6m in equity and £2.8m in loans, to design, build and operate the Hotel. In February 2020, Directors of SHHDL were pleased to accept SHGs' offer, to purchase an additional 500,000 equity shares at £1 each, in exchange £0.5m. The monies will be used to repay a loan of £0.5m, which was secured against a letter of intent from the Governors' office in March 2018. Repayment of this loan is due in full in March 2020. Upon settlement of this loan, SHHDL's outstanding loans will amount to £2.3m, with capital repayments due to commence in April 2020. The Hotel does not have any prospect of meeting these repayments out of its operations. SHG has indicated to SHHDL that it intends to refinance the loans of £2.3m within the next six months. In the meantime it</p>	

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					<p>has suggested to SHHDL that the Company request BoSH to amend the terms of these loans to 'interest only'.</p> <p>Upon the purchase of an additional 500,000 shares, SHGs' consolidated equity investment in SHHDL will stand at £3.1m.</p> <p><i>Updated response November 2020 - ongoing, as detailed above.</i></p>	
64	18/07/2016	St Helena Hotel Development Ltd	SHG develop a time bound exit strategy for disposal of the public investment in SHHDL.	Directors	<p>This will be developed in due course.</p> <p>Updated response July 2018 – The Financial Secretary has been tasked by EXCO to put forward an options paper to address the funding needs of the hotel and this will encompass a proposal to kick start the exit strategy.</p> <p>Updated response February 2019 - See 63 above</p> <p>Updated response March 2020 - As signalled from the outset, SHG remains committed to releasing the Hotel to the private sector at the earliest opportunity. It was included in the Islands' Investor Prospectus in November, in response to which there is some interest. SHG intends to 'step-up' its marketing, to put the Hotel into the hands of the private sector.</p> <p><i>Updated response November 2020 - ongoing, as detailed above.</i></p>	Accepted
73	18/07/2016	Currency Fund	Commissioners assess the different options regarding the issuing of commemorative coins, and	Financial Secretary	<p><i>Updated response October 2019 - Considerations are ongoing and due consideration is given at the time of each coin approval.</i></p> <p><i>Updated response November 2020 - ongoing, as detailed above</i></p>	Accepted – remains open

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			specifically whether these should be deemed as legal tender.			
77	18/07/2016	Bank of St Helena Ltd	SHG determine its future strategy with respect to the SHG shareholding in the Bank and explore options for disposal or dilution of shareholding through an independent public offering.	Financial Secretary	<p>This will be considered by SHG in due course.</p> <p>Updated response February 2019 – This will be considered with the arrival of the Finance Business Manager who will lead along with the FS in recommending a future exit strategy from those SCE's where it is deemed appropriate to do so.</p> <p><i>Updated response November 2020 - ongoing, as detailed above.</i></p>	Accepted
81	09/12/2016	SHG 2013/14 and 2014/15 AFS and ML	SHG maintain a register of all audit recommendations , action plans and timelines to ensure that all qualifications are resolved by 31 March 2018.	Financial Secretary	<p><i>Updated response October 2019 - SHG remains committed to addressing the qualification issues and reducing them year on year and it is anticipated that the majority of recommendations will be cleared in 2019/20.</i></p> <p><i>Updated response November 2020 – One qualification issue remained to be resolved following the audit of the 2018/19 annual financial statements. This matter has been addressed and it is anticipated that the qualification will be cleared following the 2019/20 annual financial statements audit.</i></p>	Accepted – remain open
85	09/12/2016	SHG - Managing Grants and Subsidies Value for	SHG ensure that a Grants & Subsidies policy is developed and implemented as	Financial Secretary	Updated response October 2019 – a Subsidies Policy has re-drafted and will be submitted to Executive Council in December 2019 for approval. The drafting of a Grants Policy will take place shortly after and presented for approval.	Accepted – in progress – remains open.

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		Money report	recommended by the Chief Auditor as a matter of priority to provide a proper framework for decision making and management in these awards.		<i>Updated response November 2020 – The Subsidies Policy and the Public Service provision policy has been approved and is now being implemented. The first draft of the Grants Policy has drafted and will be taken through the normal policy development process.</i>	
86	09/12/2016	SHG - Managing Grants and Subsidies Value for Money report	SHG ensure that all grant and subsidy receiving entities/organisations sign Service Level Agreements (SLA) with SMART targets and deliverables. (SMART – Specific, Measurable, Attainable, Realistic and Time bound).	Financial Secretary	<p>Updated response October 2019 – with the drafting of the Subsidies Policy and eventually the Grants Policy the process for setting SLAs will also be clarified. The new regime will be implemented once the policy are improved.</p> <p><i>Updated response November 2020 – SLA's will drafted where applicable in accordance with the policies agreed.</i></p>	Accepted – in progress – remains open.
87	09/12/2016	SHG - Managing Grants and Subsidies Value for Money report	SHG ensure that there is alignment of the Strategic Objectives to targets/key performance indicators in the SLA of grants/subsidy	Financial Secretary	<p>Updated response October 2019 – with the drafting of the Subsidies Policy and eventually the Grants Policy the process for setting SLAs will also be clarified. The new regime will be implemented once the policy are improved.</p> <p><i>Updated response November 2020 - ongoing, this will be addressed in conjunction with development of SLAs.</i></p>	Accepted – in progress – remains open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
			receiving organisations/entities and their business plans.			
88	09/12/2016	SHG - Managing Grants and Subsidies Value for Money report	SHG ensures that performance reports are independently and objectively validated before they are published for stakeholders.	Financial Secretary	Updated response October 2019 – Performance reports are being scrutinised before issuing, however consideration will be given to whether further independent validation is necessary. <i>Updated response November 2020 – ongoing.</i>	Accepted – in progress – remains open.
89	09/12/2016	SHG - Managing Grants and Subsidies Value for Money report	SHG provide updated implementation timelines for recommendations in the Managing Grants and Subsidies report.	Financial Secretary	See updates provided in 85-88 above.	Accepted
107	01/05/2017 (SP 30/17)	ESH Ltd 2015/16 Audited Annual Financial Statements	ESH during its strategic planning phase sets KPIs that are based on outputs and/ or outcomes rather than the inputs or activities. Progress against these output/ outcome based KPIs are then expected to be	Chief Executive for Economic Development	The ESH Annual Report 2016/17 reports on KPIs. Update - All KPI'S will be reported on in the Annual Report as well as progress against them. Updated response February 2019 – See response to recommendation 1. <i>Updated response November 2020 – No longer applicable. Arrangements are being made to wind up ESH.</i>	In progress – remains open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
			reported in the Annual Report.			
113	01/05/2017 (SP 30/17)	Bank of St Helena Ltd 2015/16 Audited Annual Financial Statements	SHG as shareholder set financial performance expectations in terms of profitability, growth and dividend policy.	Financial Secretary	<p>To be implemented for the 2018/19 financial year.</p> <p>Update July 2018: No further update at this stage.</p> <p>Updated response February 2019 - The Financial Secretary in his role as Shareholder Representative on the Board of Directors for the Bank of Saint Helena, agreed key performance indicators for 2018/19. Dividend policy is under consideration and will likely come into effect from 2019/20 financial year.</p> <p><i>Updated response November 2020 – This is an ongoing routine process facilitated through the Finance Business Manager.</i></p>	Accepted – in progress – remains open.
116	01/05/2017 (SP 30/17)	St Helena Fisheries Corporation 2015/16 Audited Annual Financial Statements	PAC notes with concern, the high freight charges for moving fish for export and encourages SHFC and AWSL to consider negotiating an export rate to encourage sustainable business.	General Manager, SHFC	<p>No formal attempt was made by SHFC to AWSL to consider the negotiating the export rate for containers. Informal enquires would suggest that this is not an option. This recommendation will be presented to the SHFC improvement plan working group and formally explored as an option by February 2018.</p> <p>Updated response February 2019 - The cost of both sea and air freight are constantly monitored, the airfreight costs are still high but will reduce as volumes increase, the volume of sea freight is expected to decrease as more focus is placed on sales to the local market and Airfreighting of Premium Tuna. There are discussions planned with Airlink to negotiate lower rates. A reduced rate has already been agreed with AWSML for sea freight between St Helena and Cape Town, AWSML do not have any control over transshipment rates.</p> <p>Updated response October 2019 – future operating model for the SHFC is currently under review by a Fisheries Task</p>	Accepted – remain open

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
					<p>Group commissioned by Executive Council to identify an alternative operating model.</p> <p><i>Updated response November 2020 – No longer applicable to SHFC. SHFC is undergoing administration.</i></p>	
122	01/05/2017 (SP 30/17)	Bulk Fuel Installation 2015/16 Audited Annual Financial Statements	SHG quantifies the decommissioning costs of the old BFI and clarifies from where these costs are to be funded.	Financial Secretary	<p>Updated response October 2019 - Decommissioning options have been considered and an outline scope of works has been costed. Discussions continue and will be concluded before the estimated decommissioning date. The Financial Secretary gave an explanation to the PAC when discussing the 2016/17 financial statements where it was made clear that no provision was made in the DBOH contract for the decommissioning of the exiting BFI, however discussions are ongoing with DFID about the options to finance the to be agreed solution.</p> <p><i>Updated response November 2020 – No further update at this stage as this is dependent on the outcome of the discussions on fuel management review.</i></p>	Accepted – in progress – remain open
132	July 18 (SP 38/18)	SHG - Expenditure in Excess 2016/17	Corporate Finance implements Focal Point into Access Dimensions to ensure that there are automated controls in place to eliminate issues that are causing expenditure in excess. Training must be provided	Deputy Financial Secretary	<p>In progress. Arrangements are being made to secure funding for the implementation of focal point. The specification is being developed alongside of the service provider, subject to available sources it is planned to have the service provider on Island early in 2020 to deliver the necessary training and development.</p> <p>Target Date: 31 March 2020. <i>Updated response November 2020 – Ongoing. Implementation has been delayed due to travel restrictions imposed as a result of Covid 19 preventative measures.</i></p>	Accepted – in progress – remain open

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			to all finance personnel to ensure that they are adequate for practical operating purposes.			
134	July 18 (SP 38/18)	SHG - Expenditure in Excess 2016/17	Corporate Finance develops a roadmap for the implementation of accruals based budgeting to ensure that all stakeholders are covered and ensures that all necessary stakeholders receive the necessary training with regards to accruals budgeting.	Financial Secretary	<p>A review is being conducted. The initial step is to determine the legislative requirements for budgeting to consider the best method of budgeting that SHG should adopt; one that meets legislative requirements and the needs of decision makers. The review will consider the benefits and challenges of cash based, modified cash based and accruals based budgeting and make a recommendation to Executive Council on the best course of action. The review will also recommend the legislative and policy changes required to implement the recommended course of action.</p> <p>Updated response October 2019 - The review is ongoing.</p> <p><i>Updated response November 2020 – This matter continues to be reviewed.</i></p>	Accepted – in progress – remain open
144	July 18 (SP 38/18)	SHG - Expenditure in Excess 2016/17	SHG should consider setting up ENRD Technical Services as a trading account especially when rechargeable works are being provided.	Director of Environment and Natural Resources	<p>In progress.</p> <p>The Environment & Natural Resources Directorate was restructured into two Directorates from 1 April 2019. The two new Directorates are the Environment, Natural Resources & Planning Directorate and the Infrastructure & Transport Directorate.</p> <p>Technical Service provision will be part of the Infrastructure & Transport Directorate, which will also include Buildings and</p>	Accepted – in progress – remain open

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					<p>Grounds Maintenance, Land Registry, Roads, Street lightening, Geographical Information Systems and Housing. Assessments are being carried out 'in house' as part of the planning process, to determine ways of making the Directorate more efficient and provide better value for money. This includes looking at rechargeable works such as Technical Services, with a view to a trading account potentially being set up to accommodate various components of the services provided by the I&T. These plans are still in the development stage at the moment but if they are deemed viable could potentially ensure that the cost of providing these services are recovered though recharging users of these services, which, in turn will help create more resources and a better use of resources, to enable us to meet our strategic goals and objectives. We would of course need to ensure that all of the costs of operating the services as a trading account would be recovered though the recharges.</p> <p><i>Updated response November 2020 – The viability of this recommendation will continue to be reviewed.</i></p>	
147	26/10/2018 (SP 45)	SHG 2016/17 Audited Annual Financial Statements and Management Letter	The Financial Secretary should maintain effort on clearance of the matters causing continued qualification of the SHG financial statements.	Financial Secretary	See response under 81 above.	Accepted – in progress – remain open.
148	26/10/2018 (SP 45)	SHG 2016/17 Audited Annual Financial	EDF programme governance, management and monitoring arrangements,	Financial Secretary	Response February 2019 – This has been addressed, a project board and a delivery group called St Helena connected has been established to monitor the milestones needed for all tranches of the EDF 11 programme. The St	Accepted

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		Statements and Management Letter	should be improved to ensure that required variable project indicators are met and timely returns are made to the European Commission to ensure that committed EDF funds are realised to the benefit of St Helena.		<p>Helena connected group is chaired by a member of executive council.</p> <p>Updated response October 2019 – no further response can be given at this stage.</p> <p><i>Updated response November 2020 – no further update.</i></p>	
149	26/10/2018 (SP 45)	SHG 2016/17 Audited Annual Financial Statements and Management Letter	The Chief Auditor is invited to examine the root cause of the waste and inefficiency identified by this Committee (including the unreadiness of the Ruperts Wharf for cargo operations, the Fire Engines which are not fit for purpose, and the write-off of the Water solutions project) and make recommendations	PAC	Response February 2019 – This is considered to be within the current remit of the Public Accounts Committee.	

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			to Government to prevent these failings going forward.			
152	26/10/2018 (SP 45)	St Helena Hotel Development Ltd (SHHDL) 2016/17 Audited Annual Financial Statements	PAC underlines recommendations 63 and 64 made in July 2016 that SHG documents how it will manage the capital risk associated with public investment in this project and develop a time bound exit strategy, which may include an initial public offering of shares.	Chief Secretary	Response February 2019 - Please refer to responses for recommendations 63 and 64.	In progress – remain open.
158	26/10/2018 (SP 45)	Enterprise St Helena (ESH) - 2016/17 Audited Annual Financial Statements	ESH Board take ownership of the PAC recommendations addressed to ESH and focus on clearing those long outstanding items.	Chief Executive for Economic Development	<p>Response February 2019 - ESH Board is aware of the recommendations and is working to resolve them.</p> <p>Updated response October 2019 - All the recommendations were taken to the Board in January 2019 and they agreed the management responses. To date ESH has not received any new recommendations.</p> <p>Updated response March 2020 – Recommendations will be taken to the next available Board meeting which in this case is scheduled for end of March 2020. PAC should consider closing out this recommendation.</p>	Accepted – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
					<i>Updated response November 2020 – No longer applicable. Arrangements are being made to wind up ESH.</i>	
159	26/10/2018 (SP 45)	Enterprise St Helena (ESH) - 2016/17 Audited Annual Financial Statements	ESH should appoint independent non-executive directors on the Board of Bertrand's Cottage Ltd and avoid any conflicts of interest.	Chief Executive for Economic Development	<p>Response February 2019 – ESH Board of Directors agreed at their Board meeting held in July that independent directors will be appointed to the Bertrands Cottage Board of Directors. The current Bertrands Board and the CEED had updated the Terms of Reference which will focus on the resources which is lacking on the board (i.e. Marketing) and this post is currently being advertised.</p> <p>Updated response October 2019 - A new independent Board member was appointed and other members were been sought. However due to the Exit Strategy been agreed by ESH Board no further members are sought currently.</p> <p>Updated response March 2020 – This recommendation needs to be closed due to the fact that ESH Board decided to close the business effective 31 January 2020 and no board members would be now required.</p> <p><i>Updated response November 2020 – No longer applicable. Arrangements are being made to wind up ESH.</i></p>	Accepted – remain open.
161	26/10/2018 (SP 45)	Bank of St Helena Ltd (BOSH) - 2016/17 Audited Annual Financial Statements	BOSH Board removes the link between the pay bonus and the audit report and looks instead at alternative performance measures.	Manager, BOSH	<p>Response February 2019 - This is a Board and Management issue and will be considered accordingly.</p> <p>Updated response October 2019 - As reported above this is a Board and Management issue and will be reviewed accordingly.</p> <p>Updated response March 2020 - Nothing further to report other than to again advised that this is a Board and management issue which is reviewed accordingly.</p>	Accepted – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
					<i>Updated response November 2020 – Nothing further to report.</i>	
163	26/10/2018 (SP 45)	Bank of St Helena Ltd (BOSH) - 2016/17 Audited Annual Financial Statements	BOSH look to introduce the international pre-paid card as soon as possible to alleviate the practical difficulties of exchanging local currency for travel overseas.	Manager, BOSH	<p>Response February 2019 - As advised at the PAC in May 2018, the bank is making progress in this area.</p> <p>Updated response October 2019 - The Bank continues to make progress in this area and is hopeful that an international pre-paid debit card is introduced before the end of the Financial Year 2019/20</p> <p>Updated response March 2020 - As stated above the Bank continues to make good progress in this area and we are very hopeful that an international pre-paid debit card is introduced within the first quarter of the new financial year.</p> <p><i>Updated response November 2020 – This matter continue to be progressed.</i></p>	Accepted
164	26/10/2018 (SP 45)	Bank of St Helena Ltd (BOSH) - 2016/17 Audited Annual Financial Statements	SHG articulates strategic direction and performance expectations for the Bank and determines distribution of retained earnings as dividend.	Manager, BOSH	<p>Response February 2019 – see response to recommendation 113.</p> <p>Updated response October 2019 - No further update at this stage.</p> <p>Updated response March 2020 - No further updates at this time, other than it is still being reviewed by the Bank's Board.</p> <p><i>Updated response November 2020 – Please refer to response to recommendation 113.</i></p>	Accepted
173	SP 05/19	Corporate Governance of SHG Group	The TORs for the Finance Business Manager should be amended to	Financial Secretary	Response October 2019 – management is in disagreement with this recommendation as it currently stands.	Disputed

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Entities Performance Audit	require the appointee to perform the role of Board level Executive Finance Director for each of the SHG Group Entities.			
175	SP 05/19	Corporate Governance of SHG Group Entities Performance Audit	SHG should consult on the composition and mandate of an oversight body to be established for the group entities. The oversight body should have a clear line of accountability to Executive Council through the Chair, and include political representation, independent appointees, and relevant officials.	Financial Secretary	Response October 2019 – this matter is still under consideration by management. <i>Updated response November 2020 – As per previous update, this matter is under consideration.</i>	Under consideration – remain open.
179	SP 05/19	Bulk Fuel Installation (BFI) 2016/17 Audited Annual	SHG institute an economic analysis study on how the capital and running costs will be reflected in	Financial Secretary	Response October 2019 – the commissioning of the new BFI is delayed and the final operating model has yet to be confirmed. DFID has commissioned a review and the outcome of this review and the recommendations for the future operating model for the BFI has not yet been finalised.	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Financial Statements	the fuel pricing and how the transition to renewable energy will impact the fuel pricing model.		When there is greater certainty and clarity on these critical factors this exercise will be undertaken. <i>Updated response November 2020 – No further update</i>	
180	SP 05/19	Bulk Fuel Installation (BFI) 2016/17 Audited Annual Financial Statements	SHG explore the opportunity for making optimal use of the storage capacity to maximise the benefits of the public investment in the Bulk Fuel Installation.	Financial Secretary	Response October 2019 –DFID has commissioned a review and the outcome of this review and the recommendations for the future operating model for the BFI has not yet been finalised. <i>Updated response November 2020 – No further update.</i>	In progress – remain open.
181	SP 05/19	St Helena National Trust (SHNT) 2015/16 & 2016/17 Audited Annual Financial Statements	SHNT should continue to engage with SHG to progress the four outstanding PAC recommendations from prior periods No. 31, 33, 60 and 61 refers.	SHG/SHNT	Response October 2019 - The Trust is working with the respective departments of SHG with recommendations 31 and 60 having been implemented and substantial progress made on recommendations 33 and 61. <i>Updated response November 2020 – Refer to updates for recommendations 33 and 61.</i>	In progress – remain open.
182	SP 05/19	St Helena Fisheries Corporation (SHFC) 2016/17	SHFC renegotiates its rates for frozen fish export given the increase in	General Manager, SHFC	Response October 2019 – the future operating model for the SHFC is currently under review by a Fisheries Task Group commissioned by Executive Council to review the current model and to identify an alternative operating model.	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Audited Annual Financial Statements	freight since the decommissioning of the RMS St Helena and start of the MV Helena (PAC recommendation 116 refers). Going forward SHFC negotiates its frozen fish sales FOB (free on board) so that they are not exposed to the freight increase risk.		<i>Updated response November 2020 – No longer applicable. SHFC is undergoing administration.</i>	
183	SP 05/19	St Helena Fisheries Corporation (SHFC) 2016/17 Audited Annual Financial Statements	SHFC must develop corporate policies and procedures for all of the Corporation's processes to assist in its effective running. A business process re-engineering must be considered to optimise the operations whilst prioritising efficiencies.	General Manager, SHFC	Response October 2019 – the future operating model for the SHFC is currently under review by a Fisheries Task Group commissioned by Executive Council to review the current model and to identify an alternative operating model. <i>Updated response November 2020 – No longer applicable. SHFC is undergoing administration.</i>	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
184	SP 05/19	St Helena Fisheries Corporation (SHFC) 2016/17 Audited Annual Financial Statements	SHFC develops and implements a risk management framework so as to mitigate the operating risks and so that management and the Board are reminded of actions that need to be taken for Corporation to be successful.	General Manager, SHFC	<p>Response October 2019 – the future operating model for the SHFC is currently under review by a Fisheries Task Group commissioned by Executive Council to review the current model and to identify an alternative operating model.</p> <p><i>Updated response November 2020 – No longer applicable. SHFC is undergoing administration.</i></p>	In progress – remain open.
186	SP 41/19	St Helena National Trust (SHNT) 2017/18 Audited Annual Financial Statements	In recognising the finite life of the LEMP project, SHNT should plan to ensure remaining works are completed, including Rupert's Valley and Pipe Ridge areas	Trust Director	<p>Response March 2020 - the LEMP project is on budget and target for delivering it's outcomes by closure March 2021. The Director raised concern about the legacy of the project with ENRC in January 2020 and will discuss further with SHG Director of ENRP.</p> <p><i>Updated response November 2020 – No further update.</i></p>	In progress – remain open.
187	SP 41/19	St Helena National Trust (SHNT) 2017/18 Audited Annual Financial Statements	The new Director of SHNT should continue to engage with SHG and work on progressing outstanding PAC recommendation No. 60, in maintaining the long term life of	Trust Director	<p>Response March 2020 - the Director met with the Chief Secretary and agreed that a MoU would be helpful to provide strategic direction to the Trust's working relationship with SHG. This will be taken forward in the new financial year as the Trust refines its Strategy.</p> <p><i>Updated response November 2020 – No further action required. Recommendation 60 has been closed.</i></p>	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
			the Island's heritage buildings			
188	SP 41/19	St Helena National Trust (SHNT) 2017/18 Audited Annual Financial Statements	SHNT identify their role and responsibilities with regards to public heritage sites and structures, including who is responsible for monitoring and auctioning works; PAC recommendation No. 61 refers	Trust Director	Response March 2020 - the Director met with the Chief Secretary and agreed that a MoU would be helpful to provide strategic direction to the Trust's working relationship with SHG. This will be taken forward in the new financial year as the Trust refines its Strategy. <i>Updated response November 2020 – Refer to response for recommendation 61.</i>	In progress – remain open.
189	SP 41/19	St Helena Government (SHG) 2017/18 Audited Annual Financial Statements and Management Letter	SHG should ensure the Government Landlord Housing capital funds are utilised as a matter of priority, to help resolve the present housing crisis	Financial Secretary	Response March 2020 – the Director met with the chief Secretary and agreed that a MoU would be helpful to provide strategic direction to the Trust's working relationship with SHG. This will be taken forward in the new financial year as the Trust refines it's Strategy. <i>Updated response November 2020 – Recommendation has been implemented. Works are progressing at the Comprehensive Development Area in Bottom Woods.</i>	In progress – remain open.
190	SP 41/19	St Helena Government (SHG) 2017/18 Audited Annual Financial	SHG should make a decision at the earliest opportunity as to whether the GBAS will be used or whether it	Financial Secretary	Response March 2020 - an independent assessment has been commissioned to assess future requirements for Nav Aids. The final report with recommendations is awaited which will assist SHG in determining next steps including whether or not the GBAS will be commissioned.	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Statements and Management Letter	should be returned to the supplier		<i>Updated response November 2020 – SHG continues to pursue this matter in conjunction with the management of St Helena Airport Limited.</i>	
191	SP 41/19	St Helena Government (SHG) 2017/18 Audited Annual Financial Statements and Management Letter	The Airport Special Fund Trading Account should capture all airport related costs to give a proper account of airport related expenditure	Financial Secretary	Response March 2020 – agreed to include MET forecasting services costs under the trading account. This will be implemented from the new financial year. <i>Updated response November 2020 – To be implemented in the 2021/22 financial year.</i>	In progress – remain open.
192	SP 41/19	St Helena Government (SHG) 2017/18 Audited Annual Financial Statements and Management Letter	SHG should pursue an effective and reduced expenditure of SHAL by exploring opportunities for a combined fire service, to include the Sea Rescue service	Financial Secretary	Response March 2020 – these considerations will be explored as part of the MTEF process during 2020/21 financial year. <i>Updated response November 2020 – these consideration are continuing to be explored.</i>	In progress – remain open.
193	SP 41/19	St Helena Government (SHG) 2017/18 Audited Annual Financial	SHG should recognise the importance of concluding negotiations to enable the valuation of	Financial Secretary	Response March 2020 -SHG recognises the importance of the work but the ability to get this work done is dependent on affordability and prioritisation of SHG's limited resources. SHG is currently in advanced negotiations with a potential valuer and it is anticipated that this work will be conducted in the first quarter of the new financial year pending approval of the budget.	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Statements and Management Letter	infrastructure to be undertaken		<i>Updated response November 2020 – Implemented. The valuation of properties has been completed.</i>	
194	SP 41/19	St Helena Government (SHG) 2017/18 Audited Annual Financial Statements and Management Letter	The Financial Secretary should prioritise for action the twenty recommendations, old and new, from the 2017/18 year	Financial Secretary	Response March 2020 - an action plan is in place. In some cases this will depend on the prioritisation and allocation of funding. <i>Updated response November 2020 – Recommendation implementation continues to be prioritised. 50% of these recommendations were cleared following the 2018/19 financial statement audit.</i>	In progress – remain open.
198	SP 41/19	St Helena Currency Fund 2017/18 Audited Annual Financial Statements	Through SHG influence on the BoSH Board, the Bank should be encouraged to implement the international prepaid card as soon as possible; PAC recommendation made in August 2018 refers	Financial Secretary and Manager, BoSH	Response March 2020 - the Bank continues to make good progress in this area and are very hopeful that an international pre-paid debit card is introduced within the first quarter of the new financial year. <i>Updated response November 2020 – Refer to response to recommendation 163.</i>	In progress – remain open.
199	SP 41/19	St Helena Currency Fund 2017/18 Audited Annual	The review on the St Helena Pound versus the Sterling Pound be published as a priority, before	Financial Secretary	Response March 2020 – a substantive response is under consideration. <i>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</i>	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Financial Statements	further costs are incurred in printing notes and coins; PAC recommendation in August 2018 refers		<i>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.</i>	
200	SP 41/19	Enterprise St Helena (ESH) – 2017/18 Audited Annual Financial Statements	Further effort needs to be applied on measuring the success of attendance at Trade Fairs	Chief Executive for Economic Development	<p>Response March 2020 – Review was held between ESH with their UK PR Agency on how destinations are measuring the success of Trade Fairs. All destinations that are on the UK PR Agency's portfolio measures their success through;</p> <ul style="list-style-type: none"> -Number of visitors to the stand (engaged with the Destination) – St Helena Tourism already provides this measure -Nature of visitors to the stand (building profile) – St Helena Tourism already collated this data but additional categories such as age range and group definition can be added -Profile of all tour operators engaged with – St Helena Tourism already provides this -If attending a consumer show, compare statistics with tour operators to see who have registered their interest on particular packages – St Helena Tourism to implement if attending consumer shows. <p><i>Updated response November 2020 – No longer applicable. Arrangements are being made to wind up ESH.</i></p>	In progress – remain open.
201	SP 41/19	Enterprise St Helena (ESH) – 2017/18 Audited Annual	Based on evidence heard, ESH in collaboration with SHG needs to carry out further work on	Chief Executive for Economic Development	<p>Response March 2020 – An Air Service Review was sourced to review the current air service and what and what St Helena can do to improve future air travel. Report is currently being finalised.</p> <p><i>Updated response November 2020 – This matter continues to be reviewed.</i></p>	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Financial Statements	optimising the routing of flights and improving timings for international connections			
202	SP 41/19	Enterprise St Helena (ESH) – 2017/18 Audited Annual Financial Statements	Consideration needs to be given as to how skills in the hospitality sector are going to be met in the future	Chief Executive for Economic Development	<p>Response March 2020 – Responsibility for the delivery of training is now vested with the Community College. ESH is continuing to support aspects of Hospitality Training where it is practicable to do so, for example, the Community College has established that there is sufficient local demand for NVQ based training in Hospitality to achieve accreditation through City & Guilds.</p> <p><i>Updated response November 2020 – Completed. Responsibility for the delivery of training is now vested with the Community College.</i></p>	In progress – remain open.
203	SP 41/19	Enterprise St Helena (ESH) – 2017/18 Audited Annual Financial Statements	<p>PAC underlines the following previous recommendations :</p> <p>i. No 53 (reported 18/07/2016) – ESH must start to objectively report on its contribution to the economic growth using indicators with the hope of measuring the impact on the Gross Domestic</p>	Chief Executive for Economic Development	<p>Response March 2020 – No. 53 - See above for response. PAC should consider closing out this recommendation. No. 104 – See above for response. PAC should consider closing this recommendation. No. 107 – All KPI's are now reported based on outputs and/or outcomes. PAC should considered closing out this recommendation.</p> <p><i>Updated response November 2020 – No longer applicable. Arrangements are being made to wind up ESH.</i></p>	In progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
			<p>Product (GDP) in future years</p> <p>ii. No 104 (reported 01/05/2017 – ESH determines its future intentions with regards to its ownership in Bertrand's cottage as a training facility and standalone business and a medium term exit strategy should be developed within the next twelve months</p> <p>iii. No 107 (reported 01/05/2017) – ESH during its strategic planning phase set KPIs that are based on outputs and/or outcomes rather than the inputs or activities. Progress against these output/outcomes based KPIs are</p>			

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
			then expected to be reported in the Annual Report			
205	SP 41/19	Equality and Human Rights Commission (EHRC) 2015/16 and 2017/18 Audited Annual Financial Statements	EHRC should solve any tax issue with the Chief Executive Officer and settle the tax liability with the Income Tax Office, plus any overpayment of salary should be deducted from the employee	CEO, EHRC	Response March 2020 -Arrangements have been agreed for the repayment of the tax by the CEO. <i>Updated response November 2020 – No further update.</i>	In progress – remain open.
206	SP 41/19	Equality and Human Rights Commission (EHRC) 2015/16 and 2017/18 Audited Annual Financial Statements	EHRC should look to measure progress and report outcomes against the KPIs as set out in the Strategic Plan	CEO, EHRC	Response March 2020 - We do this and report to Elected Members and the public twice a year. The action plan matrix is updated monthly and shared with SCDC quarterly. To date this has been an informal arrangement but it will be formalised in the Framework Document which is due to come into effect on 1st April 2020. <i>Updated response November 2020 – Implemented.</i>	Implemented - recommend closed.
207	SP 41/19	Equality and Human Rights Commission (EHRC) 2015/16 and 2017/18	SHG should ensure that Service Level Agreements are implemented as speedily as possible for those	Financial Secretary/CEO , EHRC/Deputy Chief Secretary	Response March 2020 - A framework Document has been developed by the EHRC, the Deputy Chief Secretary and the Deputy Financial Secretary which is now with SCDC and will hopefully be agreed at the next formal LegCo. <i>Updated response November 2020 – Implemented.</i>	Implemented - recommend closed.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
		Audited Annual Financial Statements	entities that have not yet had them			
208	SP 41/19	Equality and Human Rights Commission (EHRC) 2015/16 and 2017/18 Audited Annual Financial Statements	EHRC should ensure accountability for the subsidy through the formality of a Service Level Agreement	CEO, EHRC	<p>Response March 2020 - A Framework Agreement between SHG and the EHRC has been drafted and will be presented to the Social and Community Development Committee on 18 March 2020 for endorsement. The Framework Agreement sets out the responsibilities of both SHG and the EHRC, including financial planning and reporting requirements with specific terms and conditions for the release of SHG funding for use by the EHRC</p> <p><i>Updated response November 2020 – Implemented.</i></p>	Implemented - recommend closed.
209	SP 41/19	Equality and Human Rights Commission (EHRC) 2015/16 and 2017/18 Audited Annual Financial Statements	Adequate and effective financial arrangements need to be in place by ensuring at least one member of the team has the relevant financial training and experience	CEO, EHRC	<p>Response March 2020 - We do have staff with experience and qualifications - what we need is training in local law and policy. This has been requested many times. The Tax situation would have been completely normal and legal in the UK which is why the CEO & Commissioners were unaware it was wrong. The Principle Accounting Officers responsible for funding in similar UK organisations have extensive training at the Treasury. However we have never had requests for funding for training accepted in any budget round since the EHRC was established.</p> <p><i>Updated response November 2020 – Implemented.</i></p>	Implemented - recommend closed.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
1PR	10/02/2014 Updated 7/10/14	SHG Financial Statements 2011/12	The Financial Secretary should improve the timeliness of accounts preparation. Legislative Council should amend the Public Finance Ordinance to require the Financial Secretary to present financial statements to the Chief Auditor for audit within 4 months of year end consistent with the PEFA report of February 2014.	Financial Secretary	<p>Response October 2019 – Corporate Finance continues to work towards an earlier submission date for the financial statements to audit within four months of the year end. Although the financial statements for 2018/19 did not meet this timeline, we plan to put measures in place that will help to meet the four month timeframe for the 2019/20 financial statements.</p> <p><i>Updated response November 2020 – Corporate Finance continues to work towards an earlier submission date for the financial statements to audit.</i></p>	Accepted – in progress – remain open.
2PR	10/02/2014	SHG Financial Statements 2011/12	The Financial Secretary should continue with plans to introduce accruals based budgeting in time for the 2016/17 budget process.	Financial Secretary	<p>Updated response October 2019 – Introduction date to be agreed as a part of the plan to strengthen the public finance function. Additional resource has been secured in the form of three qualified Management Accountants who will lead on this process. As agreed with Executive Council in June 2018, a review is required to determine the legislative requirements for budgeting and to consider the best method of budgeting that SHG should adopt that meets legislative requirements and the needs of decision makers.</p> <p>The review will consider the benefits and challenges of cash based, modified cash based and accruals based budgeting and make a recommendation to Executive Council on the</p>	Accepted – in progress – remain open.

No	Date Reported to Legco by PAC	Body/Name of Report	Recommendation	Responsibility	Response	Management's Recommendation
					<p>best course of action. Importantly the review will determine the recognition criteria of expenditure and revenue for budgeting purposes in accordance with the law for the recommended method. The review will also recommend the legislative and policy changes required to implement the recommended course of action.</p> <p>The review will continue through 2020/21.</p> <p><i>Updated response November 2020 – Refer to response to recommendation 134.</i></p>	<p>Accepted – in progress – remain open.</p>