

6.2 (Minute 4.2 of 2 February 2021) Q1 SHG Management Accounts 2020/21

The possibility of securing external finance through loans could be given further consideration once the financial aid settlement for the 2021/22 financial year was known.

(Action: Financial Secretary)

6.3 (Minute 4.3 of 2 February 2021) FSRA Action Plan

The Financial Secretary (FS) had not yet circulated a copy of the plan to Members but would do so.

(Action: Financial Secretary)

6.4 (Minute 4.4 of 2 February 2021) Sale of Chief Secretary Housing

The Financial Secretary informed Members that a paper had been prepared and had been considered by the Investment Enabling Group; an Executive Council memorandum would be prepared.

(Action: Financial Secretary)

6.5 (Minute 4.5 of 2 February 2021) Budget Execution Report P7 (October 2020)

The Deputy Financial Secretary (DFS) informed Members that he had been in touch with SHG Directorates asking them for information about the required review of fees and charges as part of the MTEF process and would circulate the information to Members once received. It was noted that charges for services provided by the St Helena Fire Service were being worked on and would be brought to the Social and Community Development Committee for consideration at the March 2021 meeting.

A Member re-iterated the view that part of the MTEF process should be for those overseeing the process to ensure that all Directors comply with the requirement to review fees and charges.

It was also suggested that consideration should be given to a staggered approach to introducing any increases, rather than all increases being effective from the beginning of the financial year.

(Action: Deputy Financial Secretary)

6.6 (Minute 5 of 2 February 2021) Budget Execution Reports P8 & P9 November and December 2020

The Deputy Financial Secretary reported that the Business Case template for the funding for the x-ray machine for the Veterinary Section of the Environment, Natural Resources and Planning Directorate had been sent and he had received the justification from the Health Directorate for the capital equipment needs;

submissions from other Directorates were awaited. He had also made Directors aware that going forward, Business Cases would be required before any requests for capital expenditure would be considered.

5. Budget Execution Report (P10 January 2021)

The Deputy Financial Secretary (DFS) presented the Budget Execution Report for period 10, January 2021. It was noted that an over collection of revenue to the year-end of £112k was forecast, which was mainly attributable to the COVID 19 budget and revenue collected from charter and repatriation flight ticket sales. An under collection in revenue for Customs Duties of £150k was forecast, as well as a small reduction in income tax revenue due to Companies and Self-Employed income tax collections being lower than anticipated.

Under expenditure of £91k in the Corporate Human Resources budget was due to overseas training not going ahead. A question was asked as to whether a breakdown of training funding allocated for each Directorate could be provided and the DFS undertook to provide this.

(Action: Deputy Financial Secretary)

The Police Directorate was forecasting under expenditure of £64k due to staff vacancies and the DFS explained that the underspend might increase due to some online training not going ahead before the end of March 2021. Payments on Behalf of the Crown was forecasting an underspend in Other Employee Costs, a reduction in ASSI fees, fuel risk sharing arrangement with Connect Saint Helena Limited having savings of £250k, as well as a saving on the fuel management contract due to changing the service provider. There was an underspend in the cost of moving cargo from Ruperts to Jamestown also.

Members noted that Basic Island Pension payments were higher than forecast at the beginning of the year but Income Related Benefits payments were lower than anticipated due to new measures not yet being in place. The Health Directorate was forecasting an underspend in overseas medical referral budget but an overspend on the cost of Medical Evacuation flights.

The Hon Derek Thomas asked whether it was correct that Casual employees of the Children and Adult Social Care Directorate received remuneration of £90 per day, as this was considered to be excessive. The DFS undertook to check this.

(Action: Deputy Financial Secretary)

Capital expenditure items were noted and there was concern that the Infrastructure and Transport Directorate appeared to have omitted to offset an amount of capital expenditure against its recurrent budget, which had resulted in additional funding being necessary.

Overall, it was anticipated that there would be an overall surplus of £530k in the 2020/21 budget at the year-end.

6. Second Supplementary Appropriation 2020/21 – Discussion Resumed

The Deputy Financial Secretary (DFS) explained the various requirements as set out in the Supplementary Estimates and the Bill. He explained that the requirement for capital funding for Corporate Finance was no longer necessary and would be removed from the Supplementary Estimates.

Members noted a requirement of £29k for IT Recharges for the Infrastructure and Transport Directorate and queried why this had become necessary. During discussion it was again highlighted that there appeared to be inconsistencies in the format of the financial information that was presented to the various Council Committees; it was explained that with effect from April 2021, a template would be used to present information to each Committee to ensure more consistency.

(Action: Deputy Financial Secretary)

Members also noted the intention for a Withdrawal Warrant to be issued by the Governor, which would ensure that Directorates which were forecasting underspends did not expend funds unnecessarily towards the end of the financial year.

Following discussion, Members agreed that the Second Supplementary Appropriation 2020/21 Bill, 2021 and the issuing of a Withdrawal Warrant by the Governor should be considered by Executive Council.

(Action: Deputy Financial Secretary)

Signed.....

Chairman

Date.....
31/03/2024