



St Helena  
Government

# Treasury, Infrastructure & Sustainable Development Portfolio

## Strategy and Delivery Plan April 2021 – March 2024

Version: [3.0]

Updated: [20/08/2021]

Prepared by Financial Secretary

## 1. Our Vision, Mission and Values:

Our Vision: Saint Helena, a great place to live, learn, work, visit and invest

Our Mission: Improve the lives of all within our community and help the island thrive

Our Values:

- **Fairness** We act as role models and have fair and consistent standards. We champion equality, inclusion and respect.
- **Integrity** We communicate openly and we are honest and accountable
- **Teamwork** We work together and we support each other

## 2. The role of the Treasury, Infrastructure & Sustainable Development Portfolio:

The role of the Treasury, Infrastructure and Sustainable Development Portfolio is to facilitate sustainable economic and social development to ensure everyone on St Helena are “altogether wealthier” by developing industry, promoting sustainable and green growth, increasing the skilled workforce through effective use of our Infrastructure and limited public finances.

Our role is underpinned by our core principle to facilitate, enable and make it easier for organisations to do business both locally and with international markets. The new portfolio will bring together a number of key functions in Finance, Economic Development and Infrastructure to ensure there is joined up thinking across these key underpinning areas of Government to support the delivery of the 10 year plan, SEDP, Infrastructure Plan and the Public Financial Management reform plan.

Our focus in the first year of this plan is to “**Enable, Enable, Enable**”.

The Portfolio is made up of 3 key teams, designed to deliver SHG’s existing and developing cross-cutting Strategies and Policies related to the sustainable economic and social development of the Island as set out below:

Function	Deliverable Strategies and Policies
Treasury team	Public Financial Management Reform Programme
	Investment Strategy, Investment Policy
	Procurement Strategy (under construction)
	Companies Registry policy
	Tax Policy

Sustainable Development team	Sustainable Economic Development Plan, Labour Market Strategy, Minimum Wage Policy
	Investment Strategy, Investment Policy
	Marketing plan (Currently under development)
	Digital Strategy, Communications Networks and Services Policy, Policy for the Licencing of Earth Stations
	Air Access, Route Development and Regulatory oversight
	Tourism Marketing Strategy and the Tourism COVID-19 Recovery Strategy
Infrastructure team	Sustainable Economic Development Plan,
	Property Disposal Policy
	Housing Strategy (Under review)
	Immigrant Land holding Policy (under development)
	Crown Estate maintenance policy and Strategy (under construction)

### 3. What we have achieved so far:

The Treasury, Infrastructure and Sustainable Development Portfolio brings together what was Corporate Finance, Infrastructure and the new Sustainable Development team, incorporating the functions of Economics, Digital and Aviation with other functions transferred from what was formerly Enterprise St Helena (ESH): marketing, tourism, and investment. The below highlights some key achievements of the Portfolio over 12 months April 2020 to March 2021:

- SHG achieved its first unqualified audit opinion on the 2019-20 financial statements prepared under the accruals accounting IPSAS framework.
- Successfully received the 3<sup>rd</sup> EDF 11 allocation of £5.65 million to support the delivery of the fibre optic cable project.
- Year 2 of the Economic Development Investment programme resulted in spending of just under £3.0 million, which saw the completion of the rock fall protection project in both Jamestown and Rupert's valleys.
- Through the Micro projects we were able to refurbish a two public toilets, construct a walk way in Longwood Avenue and completion of covered areas for St Pauls Primary school and the emergency service entrance at the hospital.

- Phase 1 of the Bottom Woods CDA has commenced with two new Government Land Houses have been completed, and we aim to make several residential plots available for sale to the public shortly.
- A total of 11,300m<sup>2</sup> of roads were repaired using the slurry method,
- 45 solar street lights were procured and installed in Jamestown, in addition the 21 heritage lights were also installed in lower Jamestown.
- Developed brand new enabling policy and procedures related to income and skills (Minimum Wage and Career Access St Helena), and new developing economic sectors (Company Registry and Earth Stations).
- Deliver an S&P credit rating of BBB- stable despite the pandemic
- Endorsement of The Licensing of Permanent Earth Stations and Receive Only Earth Stations <https://www.sainthelena.gov.sh/wp-content/uploads/2020/04/Annex-A-Policy-Licencing-Earth-Stations-2020.03.19.pdf>
- Establishment of the Modular Cable Landing Station (MCLS)
- Licenced 17 new earth stations, and worked towards outline planning permission for space park.
- Developed, consulted on, and endorsed the Communications Networks and Services Policy, allowing for the future of telecommunications to be enabled
- Successfully introduced and embedded a new Fuel Management Company (Puma) locking in cost savings and operational efficiencies.
- Negotiated and maintained regular Air Access (Titan Airways) despite complexity resulting from the COVID19 pandemic.
- Ensured that St Helena Airport Ltd (SHAL) met its obligations under its operating agreement with SHG & realigned its budget to reflect the adverse trading conditions experienced during FY21 along with a 'recast' budget for FY22 delivering ongoing forecasted operational cost savings.

#### **4. Where we want to be:**

As a new Portfolio within SHG, our first year of operations will be focused on building the foundations for success across the 3 service areas. The second year will build on a sound platform by focussing resources on the delivery of key policy priorities, strategies and programmes, and in the third year the island will have recovered to pre pandemic levels and developing export sectors to grow SHG revenue streams.

Year 1 - March 2022:

- We will have an efficient and effective process for enabling investment on St Helena, which bring together cross-governmental teams to ensure potential investors have access to the information they need to contribute to the developing the island. We will have appropriate safeguards in place to ensure all investment is sustainable and that the needs of all residents are taken into account.
- We will have a clear and efficient process to gain access to crown land through an improved property disposal policy.
- We will have introduced a comprehensive Government maintenance policy backed by a strategy and the introduction of an asset maintenance database.
- We will have updated our export priorities within the Sustainable Economic Development Plan taking into account the post-Covid economic climate to ensure we move forward to reduce the balance of trade deficit. We will have plans in place to develop and market those sectors, in particular focussing on the opportunities for developing a financial services sector.
- We will have a fibre optic cable landed in St Helena ultimately delivering faster, cheaper internet to residents and businesses.
- We will have delivered on the revised Economic Development Investment Programme 2021/22 with Rupert's Port facilities nearing completion.
- We will have introduced a centralised finance function focussing on both internal and external customer needs.

#### Year 2 - March 2023:

- We will have completed the major developments of Rupert's Valley, field road and side path to have a fully functioning and efficient port facility.
- We will have identified key sectors for development and diversification that will bring the greatest returns for St Helena, and will be focussed on delivery of strategies to show tangible benefits in those sectors.
- We will start to see tourism arrivals pick up to pre-Covid levels, and we will have a greater number of longer term visitors working on St Helena than before.
- The fibre optic cable will be delivering tangible benefits to the community, a new telecommunications license will have been issued to a successful service provider bringing reduced transaction costs to businesses, greater business opportunities through e-commerce, and improved access to training and education.
- Tangible improvements to the labour market shortages will be noticeable by government and businesses.

#### Year 3 – March 2024:

- SHG revenues have grown sustainably and the overall contribution to the budget from local revenue has increased from 30% to 36% of the budget.

- We will be delivering on plans for SEDP sector development, with noticeable impacts on economic development
- We will have eliminated the requirement for a subsidy for transporting cargo into Jamestown
- The fibre optic cable will be delivering faster, affordable connectivity fostering an environment where the digital sector is flourishing, satellite ground stations are operational and e-commerce has become a significant sector of the SEDP.
- We will be achieving 100% energy from renewable resources, transaction costs through lower energy costs will be benefiting all areas of the community.

## 5. How we will achieve this:

The Treasury, Infrastructure and Sustainable Development Portfolio has five Strategic Priorities which will support the delivery of our Strategic Goals and the achievement of our Strategic Objectives and Policy Priorities and meet the needs of the communities we serve. Each element of this Portfolio activity will be aligned to at least one of the Strategic Goals and all our activities will be underpinned by our values.

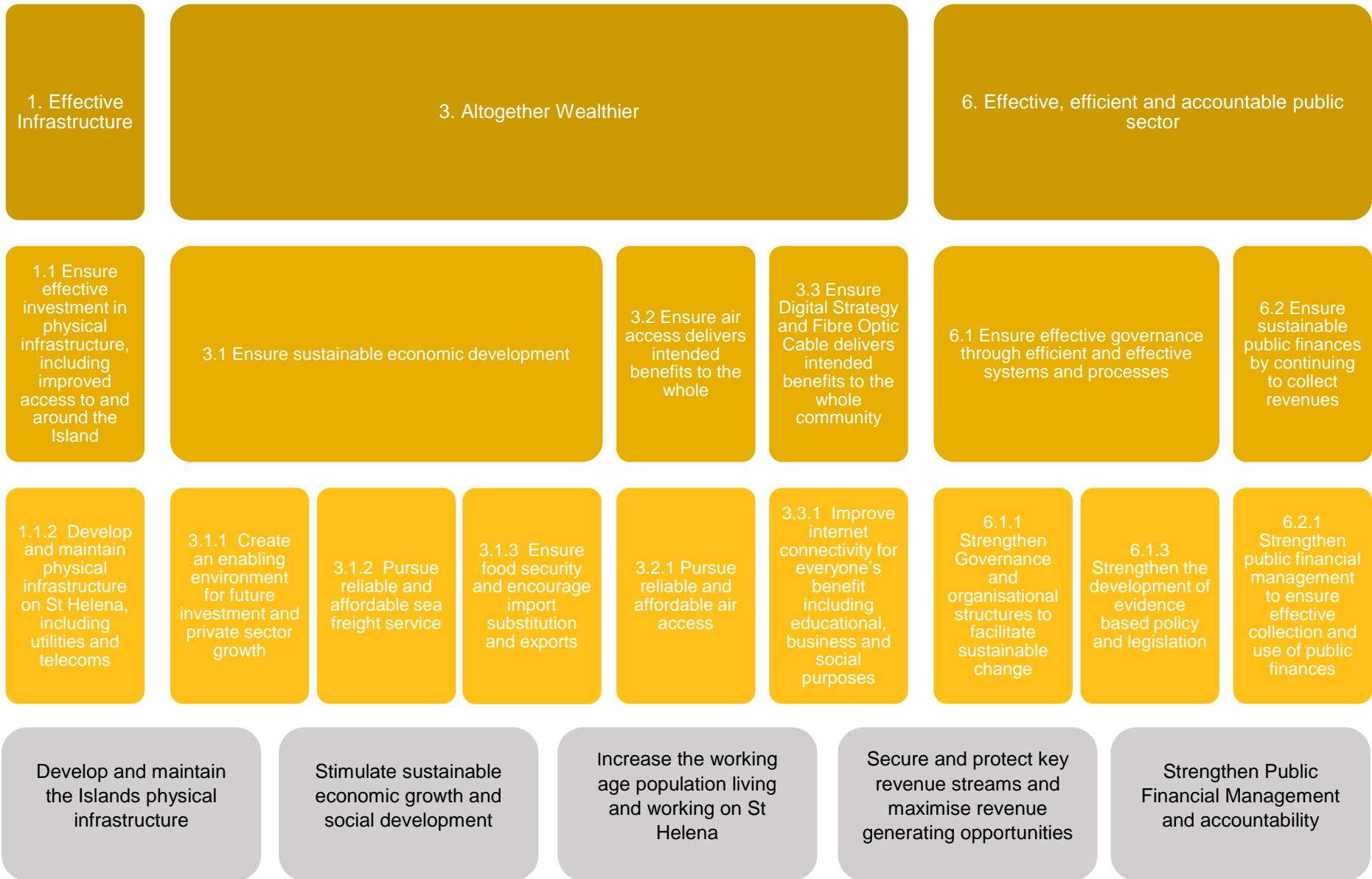
<p style="text-align: center;"><b>PORTFOLIO PRIORITY ONE</b></p> <p style="text-align: center;">Secure and protect key revenue streams and maximise revenue generating opportunities</p>	<p style="text-align: center;"><b>PORTFOLIO PRIORITY TWO</b></p> <p style="text-align: center;">Stimulate sustainable economic growth and social development</p>
<p style="text-align: center;"><b>PORTFOLIO PRIORITY THREE</b></p> <p style="text-align: center;">Develop and maintain the Islands physical infrastructure</p>	<p style="text-align: center;"><b>PORTFOLIO PRIORITY FOUR</b></p> <p style="text-align: center;">Increase the working age population living and working on St Helena</p>

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**PORTFOLIO PRIORITY FIVE**  
Strengthen Public Financial Management and  
Accountability

Each of these priorities covers a range of Portfolio activities which is set out in more detail in the Delivery Plan in Section 6 and for each service area. These priorities cut across each of the service areas in order to encourage a collaborative approach and joined-up thinking on the delivery of our objectives.

The diagram below shows how each Priority is linked to our Strategic Objectives and Strategic Goals (and to our Policy Priorities where applicable):





## 6. Treasury, Infrastructure & Sustainable Development Portfolio Delivery Plan

Portfolio Priority 1: Secure and protect key revenue streams and maximise revenue generating opportunities							
Action	Owner	Performance Indicator	Baseline		Target		
					2021/22	2022/23	2023/24
1.1 Increase SHG's contribution to the budget from local revenues	Deputy Financial Secretary	1) % contribution to the budget from local revenues	2020/21 - 30%		32%	34%	36%
1.2 Explore key sectors that will generate the greatest returns for St Helena Government.	Head of Sustainable Development	2) Value – added GDP sectors	<b>Sector</b>	<b>2018/19</b>	Work with statistics to review enable extraction of new SEDP sectors to calculate GDP value added	2% increase in SEDP sectors	2% increase in SEDP sectors
			GDP at basic current prices: Agriculture, Forestry, Fishing	282			
			GDP at basic current prices: Accommodation and Food Service Activities	343			
			GDP at basic current prices: Finance, Insurance, Information, Communication	5,021			
			GDP at basic current prices: Real Estate	1,549			
			GDP at basic current prices: Other Service Activities (excluding Government)	1,124			
1.3 Ensure successful recovery from the impacts of the COVID 19 pandemic	Head of Sustainable Development	3) Self- employed and corporation tax revenues	Pre COVID Tax Revenue (2019/20) Self-employed - £308,000 Corporation - £892,000  2020/21 levels to be finalised.		To be determined upon receipt of 20/21 data	TBD	TBD

Portfolio Priority 2: Stimulate sustainable economic growth and social development						
Action	Owner	Performance Indicator	Baseline		Target	
					2021/22	2022/23

2.1 Facilitate trade and business by improving systems, processes and timeliness of service delivery	Head of Sustainable Development, Deputy Financial Secretary, Head of Infrastructure	4) Number of investors with approved investor status	May 2021 6 investors	8	11	14
2.2 Improved access to Crown properties.	Head of Infrastructure, Head of Sustainable Development	5) % of transactions completed within the agreed time frame.	TBD	TBD	TBD	TBD
2.3 Develop policies to stimulate effective use of scarce land and building across the Island.	Head of Sustainable Development, Deputy Financial Secretary, Head of Infrastructure	6) Complete master planning exercise.	No Master plan	Master planning exercise started	Master plan endorsed by chief minister	n/a
		7) The number of empty properties	Empty property 2016 census – 465  Empty properties 2021 census – 665	665	2% reduction	5% reduction
2.4 Attract and maintain investment in St Helena by both local and international investors.	Head of Sustainable Development	8) Contribution to the economy from businesses with approved investor status	Capital investment generated (£) by Investors (FDI and local private sector only)  2015/16 £535,000	Establish system for collection	To be determined once initial data collected	To be determined once initial data collected
2.5 Reliable and affordable air access and sea freight services are in place	Financial Secretary	9) % increase in passenger and freight volumes, by mode of transport	2020/21 Air Passengers 787  Sea Freight 2020/21 753 TEU (Twenty Foot Equivalent Unit)	Air Passengers Target: 2851  Sea Freight Target: TBD	Air Passengers Target: 4577  Sea Freight Target: TBD	Air Passengers Target: 6957  Sea Freight Target: TBD

Directorate Priority 3: Develop and maintain the Island's physical infrastructure						
Action	Owner	Performance Indicator	Baseline	Target		
				2021/22	2022/23	2023/24
3.1. Manage and Maintain a sustainable Crown Estate	Head of Infrastructure	10) Milestones achieved in the Implementation of an Asset Management System	Limited Asset Management System in place	Asset Policy and Strategy approved and implemented. Asset management software purchased and implemented.	Asset Management software operational.	Asset Policy and Strategy reviewed.
3.2. Through successful delivery, maximise the benefits from project and programme funding.	Head of Infrastructure	11) % of SHG projects delivered on time and to budget.	X projects delivered on time and to budget in 2019/20	100%	100%	100%
3.3. Install and operationalize the fibre optic cable.	Head of Sustainable Development	12) EU Milestones	May 2020 – 9 out of 19 milestones complete	Milestones complete as per plan	Milestones complete as per plan	All milestones complete
3.4. Establish and operational port facility in Rupert's Valley.	Head of Infrastructure	13) Milestones met for the Rupert's Port facility	Works commencing August 2021	Complete concrete works for main CFS and CHF	Rupert's fully operational	

Portfolio Priority 4: Increase the working age population living and working on St Helena						
Action	Owner	Performance Indicator	Baseline	Target		
				2021/22	2022/23	2023/24
4.1 Create and implement policies that make St Helena an attractive place to live and work	Head of Sustainable Development	14) Increase in working age population	2,756 economically active people – 2021 census	2756	2800	2900
4.2 Improve investment in staff through up skilling,	Deputy Financial Secretary,	15) Improved metrics in Staff satisfaction survey	No staff satisfaction survey	Develop , with HR	TBD	TBD

better succession planning and recognition.	Head of Infrastructure, Head of Sustainable Development			, SSS and establish baseline		
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Portfolio Priority 5: Strengthen Public Financial Management and Accountability						
Action	Owner	Performance Indicator	Baseline	Target		
				2021/22	2022/23	2023/24
5.1 Strengthen Public Financial Management (PFM) and Accountability across the public service	Deputy Financial Secretary	16) Number of actions in PFM reform programme achieved	2020/21 18 of 28 actions completed	Develop a new PFM Reform Programme	TBD	TBD

## 7. Financial projections:

The table below shows the 3-year financial projections for the Treasury, Infrastructure & Sustainable Development Portfolio with a summary of outputs linked to budget submissions. Links are also made to Portfolio Priorities and Strategic Policy Priorities where relevant.

Outputs	Budget Cost Centre	2021/22 £'000	2022/23 £'000	2023/24 £'000	Portfolio Priority
Management of Social Security	1704	82,000	82,000	82,000	Stimulate sustainable economic growth and social development
Revenue Services	1701	91,000	91,000	91,000	Secure and protect key revenue streams and maximise revenue generating opportunities
Central Finance	1705	398,000	400,000	402,000	Strengthen Public Financial Management and Accountability
Post & Customer Services Centre	1711	176,000	182,000	182,000	Stimulate sustainable economic growth and social development
Corporate Procurement Services	1712	44,000	44,000	44,000	Strengthen Public Financial Management and Accountability
Management & Administration		254,000	249,000	249,000	Develop and maintain the Islands physical infrastructure
Provision & Maintenance of Roads		416,000	415,000	415,000	Develop and maintain the Islands physical infrastructure
Provision & Maintenance of Street lighting		27,000	42,000	42,000	Develop and maintain the Islands physical infrastructure

Rock Fall Protection		73,000	73,000	73,000	Develop and maintain the Islands physical infrastructure
Building Maintenance (Works)		562,000	563,000	562,000	Develop and maintain the Islands physical infrastructure
Technical Services		124,000	124,000	124,000	Develop and maintain the Islands physical infrastructure
Land Registration & Property Disposal		75,000	77,000	77,000	Develop and maintain the Islands physical infrastructure
National Geographic Information System		92,000	92,000	92,000	Develop and maintain the Islands physical infrastructure
Project Management		134,000	134,000	134,000	Develop and maintain the Islands physical infrastructure
Economic Development	1900	167,000	118,000	118,000	Stimulate sustainable economic growth and social development Increase the working age population living and working on St Helena
Visitor Information Service	19-1901	100,000	88,000	88,000	Stimulate sustainable economic growth and social development
Marketing	19-1903	271,000	226,000	226,000	Stimulate sustainable economic growth and social development Increase the working age population living and working on St Helena
Civil Aviation		3,781,000	1,568,000	1,558,000	Stimulate sustainable economic growth and social development
Airport Operations		2,812,000	2,881,000	3,022,000	Stimulate sustainable economic growth and social development
Shipping		500,000	500,000	500,000	Stimulate sustainable economic growth and social development
<b>Total Recurrent Allocation</b>		<b>13,515,000</b>	<b>11,789,000</b>	<b>11,946,000</b>	

## 8. Workforce plan:

The Treasury, Infrastructure and Sustainable Development Portfolio recognises that our success in delivering our strategic goals and achieving our Strategic Objectives and Policy priorities depends on having the right number of people with the right skills and experiences, and competencies in the right jobs at the right time

The Portfolio's 5-Year Workforce (Action) Plan is an internal document that underpins this Strategy and Delivery Plan.

## 9. Risk Management and Mitigation

The Treasury, Infrastructure and Sustainable Development Portfolio Risk Register is shown as an Appendix to this Directorate Strategy and Delivery Plan.