

EXECUTIVE COUNCIL TOP LINES – TUESDAY 22 MARCH 2022

Increased Agricultural Production on the SHG Estate Project was approved for implementation as part of the Year 4 (2022/23) Economic Development Investment Programme (EDIP)

At the meeting

- This item was presented by the Minister for Treasury, Infrastructure & Sustainable Development, Mark Brooks, but it was acknowledged that the implementation of this project falls under the Environment, Natural Resources and Planning Portfolio (ENRP)
- Ministers noted that this business case had come about under the Economic Development Committee of the previous Government, where Members had prioritised areas of the agricultural sector that would be able to improve agriculture on St Helena. The business case encompasses 11 individual projects to increase the outcome of agriculture on the Island
- Ministers agreed that this project contributed to the Vision of this Government particularly in relation to food security and self-sustainability for the community
- Ministers stressed the importance of strengthening leases and placing more responsibility on the licence holder – this would also involve more robust policing by the Agriculture & Natural Resources Division supported by Ministers
- It was also recognised that applicants should be putting forward more robust business cases to demonstrate how an investment would improve production and incomes
- With the strive towards becoming an enabling government, Ministers agreed that the Project provided a foundation for St Helena to make growing local cheaper and make the Island more viable for farmers to grow their product
- A programme of works will now be developed to implement this project
- A Governor in Council decision was made on the recommendation of the Ministers to support this venture recognising that work has to be done with amending the Agricultural Improvement Ordinance to enhance ENRP enforcement capacity.

Background

- Increased Agricultural Production on the St Helena Government (SHG) Estate Project was approved in 2020 as priority potential EDIP project and progressed through the necessary design stages, costings developed and a draft procurement route agreed
- High quality agriculture and agribusiness are envisioned as two of the drivers for growth of St Helena's economy. Wide availability of a diverse and affordable selection of agricultural products supports reduced dependency on imports, improved public health and increased food security

- Infrastructure upgrading and development within SHG's Estate is necessary if the estate is to be more productively utilised for agricultural activity and for the Island to maximise agricultural outputs both commercially and via small-holder delivery from the estates resources
- The project seeks to improve the infrastructure across key arable, livestock and poultry production sites. Success in improving agricultural sustainability on St Helena from this infrastructure investment will be through farmers generating increased incomes from their increased production and less need for imported agricultural products.

Proposed Changes to the Income Related Benefit (IRB) Regulations, 2010, Amended in 2021

- **Executive Council advised that the following elements relevant to the IRB Regulations, should be approved:**
 - **Removal of the Shared Household Deduction (SHD) and the application of a flat rate of £73.00/ week per adult on IRB;**
 - **Raising the asset disregard threshold from £3,000 to £4,000 below which the IRB rate of a person or a couple is not affected by assets or savings;**
 - **Disregarding child maintenance payments to a parent;**
 - **Disregarding property owned in part or in full, which was lived in by a client and their partner and which is in dispute through the breakdown of the relationship until such a time as the future situation with the property arrangement is clarified; and**
 - **Disregarding property owned in part or in full, which was lived in by a client prior to their move to supported accommodation until such a time as their future situation is clarified up to a maximum of six months, i.e. whether they will return to the property or not.**

At the meeting

- This paper was presented by the Minister for Treasury, Infrastructure & Sustainable Development, Mark Brooks
- Strategic and Social Policy Coordinator, Ann Muir, joined the meeting to support the Minister and answer any technical questions
- Thanks were extended to Ann and her team for all of the hard work that had been undertaken
- Ministers noted that the proposed changes would allow a much clearer process for individuals receiving IRB and those applying for the benefit as well as advise what is and what is not available
- About half of claimants will gain overall from the proposed changes
- Ministers noted other considerations which would also be welcomed:

- Disregarding child maintenance payments will protect the interests of the child;
- Disregarding property in dispute will give time to settle the situation for those who have lost property they have a financial share in; and
- Disregarding property left to take up supported accommodation will provide time (as agreed with the Benefits Office) to make the property habitable or dispose of it if in supported accommodation permanently
- A Governor in Council decision was made on the recommendation of the Ministers to approve the proposed changes.

Background

- The Social Security Ordinance of 2010 was amended and took effect on 1 October 2021
- The basic policy intention of IRB was not changed and it remained to protect vulnerable groups of people from living in poverty in St Helena
- The IRB rate sets an income rate whereby a family with less than that income (and subject to assets) may apply for financial support to meet that income rate
- On the whole the changes made to IRB in 2021 were successful and well received. There are 51 new families on the system as a result of the change from household to family as the recipient unit. Of these 26 are people with disabilities: single adults with a disability are now eligible in their own right, and not financially dependent on parents or others they are living with
- The Portfolio Advisory Group (PAG) and Benefits Office staff recommended the removal of the SHD to ease administration and the introduction of a flat rate for equal treatment of claimants.

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22 March 2022