

ST. HELENA
LEGISLATIVE COUNCIL

THE PRESIDENT

The Honourable John Gilbert Cranfield

EX-OFFICIO MEMBERS

The Honourable Chief Secretary	-	Mrs Susan O'Bey
The Honourable Financial Secretary	-	Mr Dax Richards
The Honourable Attorney General	-	Mr Allen Cansick

ELECTED MEMBERS

The Honourable Clint Richard Beard
The Honourable Cruyff Gerard Buckley
The Honourable Gavin George Ellick
The Honourable Jeffrey Robert Ellick
The Honourable Corinda Sebastiana Stuart Essex
The Honourable Anthony Arthur Green
The Honourable Lawson Arthur Henry
The Honourable Cyril Kenneth Leo
The Honourable Christine Lilian Scipio
The Honourable Derek Franklin Thomas
The Honourable Russell Keith Yon

The Honourable Brian William Isaac	-	On sick leave
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CLERK OF COUNCILS

Mrs Connie Johnson

PROCEEDINGS OF THE LEGISLATIVE COUNCIL

Friday, 26th March, 2021

The Council met at 10.00 am
in the Council Chamber, Jamestown

(The Honourable Speaker in the Chair)

ORDER OF THE DAY

1. FORMAL ENTRY OF THE PRESIDENT

2. PRAYERS
(The Rt Reverend Bishop Dale Bowers)

3. ADDRESS BY THE PRESIDENT

Good morning, Honourable Members, ladies and gentlemen, I bid you all a very warm welcome to the first sitting of the twenty-second meeting of Legislative Council.

First of all, I have apologies from the Honourable Brian Isaac who is currently in hospital and I've sent our best wishes to him for a speedy recovery. Thank you very much and I would like to extend my sincere thanks to Bishop Dale for giving us the benefit of prayer and I would also like to extend my sincere thanks to Mr Merlin George for his continued support as our Mace Bearer.

Honourable Members, I would like to reiterate that all Members are duty bound to uphold with respect the inner workings of Standing Orders and the Code of Conduct for members of Legislative Council while in session.

Honourable Members, we have quite a long Order Paper to deal with quite a lot of business today. For this session, we have ten Sessional Papers, four Questions and eight Motions, followed by the traditional Adjournment Debate, all of which will have a significant impact on good governance and, Honourable Members, I know it's very hot in this time of the year so you have my permission to remove your jackets if you so wish. Thank you.

So, Honourable Members, without further ado, I wish you all a successful session and I now call upon the Clerk of Council to announce the next item of business, please.

4. PAPERS

SP 9/2021 – The Honourable Financial Secretary

The Speaker –
The Honourable Financial Secretary?

The Hon. Dax Richards –
Thank you, Mr Speaker. Mr Speaker, I beg to present Sessional Paper 9/2021 entitled St Helena Government – Second Supplementary Appropriation (2020/21) Bill, 2021.

Ordered to lie on the table.

The Hon. Dax Richards –
Sorry, Mr Speaker, if I can also confirm that in accordance with Section 73 (2) (a) of the Constitution, I hereby have the authority of the Governor to proceed with this Bill.

The Speaker –
Thank you very much indeed.

Ordered to lie on the table.

SP 10/2021 – The Honourable Financial Secretary.

The Speaker –
The Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I beg to present Sessional Paper 10/21 entitled St Helena Government – Second Supplementary (2020/21) Estimates, 2021.

Ordered to lie on the table.

SP 11/2021 – The Honourable Financial Secretary.

The Speaker –
The Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I beg to present Sessional Paper 11/2021 entitled The St Helena Government Income Tax (Amendment) Bill, 2021. Mr Speaker, I also can confirm that in accordance with section 73 (2) (a) of the Constitution I hereby have the authority of the Governor to proceed with this Bill and also I have the Certificate of Urgency from the Governor given that we weren't able to give the standard ten working days' notice for the presentation and publishing of the Bill.

The Speaker –
Thank you very much.

Ordered to lie on the table.

SP 12/2021 – The Honourable Financial Secretary.

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I beg to present Sessional Paper 12/2021 entitled St Helena Government - St Helena Currency Fund Financial Statements 2019-20.

Ordered to lie on the table.

SP 13/2021 – The Honourable Jeffrey Ellick.

The Speaker –

The Honourable Jeffrey Ellick?

The Hon. Jeffrey Ellick –

Mr Speaker, I beg to present Sessional Paper 13/21 entitled St Helena Government – Public Accounts Committee – Report to Legislative Council on the formal session of the Public Accounts Committee held on 1st February 2021.

Ordered to lie on the table.

SP 14/2021 – The Honourable Dr Corinda Essex.

The Speaker –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Mr Speaker, I beg to present Sessional Paper 14/2021 entitled Audit St Helena – Strategy and Delivery Plan – April 2021 – March 2024 and I seek your permission to make a short explanatory statement?

As a member of the Public Accounts Committee, I present to this House the Sessional Paper in question. Audit St Helena supports the Chief Auditor in carrying out his statutory responsibilities under the Constitution and Public Finance Ordinance. The plan outlines four strategic priorities directly aligned to the national goal of an effective, efficient and accountable private sector. These are – audit of the financial statements of Government and other public bodies, audit of value for money in the use of public resources, provision of advice and assistance to the Public Accounts Committee and developing the professional practice of external audit. The budgetary estimates of the Audit Special Fund provide the resources necessary for the statutory audit function and the revenue earned from the provision of these services. The Special Fund estimates are not required to be appropriated, but will form part of the overall budgetary estimates of this Government for the year 2021/2022. By convention of this House and to preserve the independence of the Chief Auditor, the Plan and Estimates of Audit St Helena are scrutinised by the Public Accounts Committee. I am pleased to report the Public Accounts Committee has full endorsement of the strategy now published in the interest of openness and transparency. Thank you, Mr Speaker.

The Speaker –

Thank you very much indeed.

Ordered to lie on the table.

SP 15/2021 – The Honourable Financial Secretary.

The Speaker –
The Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I beg to present Sessional Paper 15/2021 entitled St Helena Government – Enterprise St Helena – Annual Report 2019 – 2020.

Ordered to lie on the table.

SP 16/2021 - The Honourable Financial Secretary.

The Speaker –
The Honourable Financial Secretary?

The Hon. Dax Richards –
Mr Speaker, I beg to present Sessional Paper 16/2021 entitled St Helena Government – Enterprise St Helena – Financial Statements for the year ended March 2020.

Ordered to lie on the table.

SP 17/2021 – The Honourable Chief Secretary.

The Speaker –
The Honourable Chief Secretary?

The Hon. Susan O’Bey –
Mr Speaker, I beg to present Sessional Paper 17/2021 – St Helena Government – Proceedings of the Legislative Council, Friday, 16th October 2020 – First Sitting of the Eighteenth Meeting.

Ordered to lie on the table.

Question that in accordance with Standing Order 2 (a) the draft record of the Proceedings of Legislative Council of 16th October 2020 be confirmed, put and agreed to.

The Hon. Allen Cansick (Attorney General) –
Mr Speaker, I beg to move that Legislative Council, pursuant to Standing Order 20, suspends Standing Order 7 that requires five days’ notice for papers to be presented at Legislative Council in regard to Sessional Paper 18/2021.

The Speaker –
Okay, thank you very much.

The Hon. Allen Cansick –
We will need a seconder for that Motion.

The Speaker –
We need a seconder, sorry.

The Hon. Dax Richards –

Mr Speaker, I beg to second.

The Speaker –
Thank you.

The Hon. Allen Cansick –

Mr Speaker, this request is made due to the urgency of the linked Motion to this in regard to Governance Reform that a Motion is urgent due to the matter to be considered by the Privy Council ideally before the dissolution of the current Legislative Council and negotiation with the UK Government for constitutional amendments cannot begin until the later Motion is moved and obviously it is recommended that a Sessional Paper is submitted to accompany that Motion today. Mr Speaker, under Standing Order 20, this Motion is voted on by Members but without debate.

The Speaker –

Okay, thank you. Honourable Members, the Motion is that Standing Order 7 is suspended in regard to Sessional Paper 18/2021.

Question put and agreed to.

SP 18/2021 – The Hon. Anthony Green.

The Speaker –

The Hon. Anthony Green?

The Hon. Anthony Green –

Mr Speaker, I beg to present Sessional Paper 18/2021 – Report on the Consultative Poll.

Ordered to lie on the table.

The Speaker –

Next item of business, please?

5.

QUESTIONS

Question No. 1 – The Honourable Dr Corinda Essex to ask the Honourable Chairman of the Economic Development Committee.

The Speaker –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Will the Honourable Chairman, Economic Development Committee, tell this Council what progress has been made with regard to implementation of the Labour Market Strategy and when it is expected that the Strategy will be able to be implemented in its entirety?

The Speaker –

The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker. Mr Speaker, Honourable Members, I thank the Honourable Member for her question. In December 2019, Executive Council endorsed St Helena's Labour Market Strategy to take effect from 1st January 2020. In the first year of implementation, a number of key programmatic targets were achieved. A full report of progress will be published after it is presented to the Economic Development Committee next month, but highlights include – implementation of improvements to SHG HR processes, including an updated job application form that includes a section called Qualified by Experience; this allows for candidates who don't have formal qualifications to outline their relevant experience in place of qualifications. Guidance on the use of risk assessments to allow consideration of applications who have a previous dismissal for conviction. Development of formal qualification frameworks to assist with evaluating experience and qualifications. Completion of a five-year workforce plan for the St Helena Government Public Service. Incorporation of local workforce development requirements into Technical Cooperation Officers advertisements terms of reference and standard interview questions. Launch of an island-wide HR forum in which representatives from SHG HR and private sector organisations meet regularly to exchange information about common challenges and opportunities. Implementation of changes to Customs duty to ensure all individuals coming to St Helena to work are eligible for the same exemptions regardless of whether they are employed by Government, private sector or as a business owner/investor. Ongoing IT skills courses at the St Helena Community College; the IT Suite is also open for use by the public during weekdays and one evening a week. SHG recently commenced recruitment of a Career Access St Helena Manager and expect CASH will be officially launched in the coming months. The intention is that the full CASH team will also include two additional officers, one focusing on work placements and one focusing on professional development and careers education. Since September, the Careers Access and Economic Policy Assistant has been busy developing the infrastructure to support CASH when it is launched, including forms, databases and design for a website and my Honourable Friend, the Mover of this question, will recall a very, very good briefing to the Education Committee recently. The Labour Market Strategy is a long-term strategy divided into three phases over a fifteen-year period, 2020 to 2035. All targets in the first phase 2020 – 2025, have either been completed or are on track to be completed in the near term. Work has already commenced against medium term 2020 – 2030 and long-term 2020 to 2035. Targets and significant progress has also been made against a number of these. Currently all targets are scheduled to commence implementation by 2025 and be fully implemented by 2030. Mr Speaker.

The Speaker –

Thank you very much. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. I thank my Honourable Friend for that very detailed response. Obviously, a great deal is being done, but unfortunately it is not fully communicated to the public on a regular basis so I ask if the Chairman will please undertake to ensure that regular updates are released to the public at least on a quarterly basis?

The Speaker –

The Honourable Lawson Henry?

The Hon. Lawson Henry –

Mr Speaker, I am happy to do that undertaking, I have the Lead Officer present and I'm sure that she will do just that. Thank you.

The Speaker –

Thank you. Any other Member have any questions? Next question, please?

Question No. 2 – The Honourable Cyril Leo to ask the Honourable Financial Secretary.

The Speaker –

The Honourable Cyril Leo?

The Hon. Cyril Leo –

Thank you, Mr Speaker. Will the Honourable Financial Secretary tell this Council how much funding has been allocated by the European Union to the people of St Helena to enhance internet connectivity and purposely provide faster and cheaper internet service for the local community?

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker and I'd like to thank the Honourable Member for his question. Mr Speaker, under the 11th European Development Fund, St Helena, Tristan da Cunha and Ascension received a territorial allocation of €21.5m through budget support to improve connectivity and accessibility and to deliver St Helena's digital strategy and Ten-Year Plan. Out of the 21.5m, St Helena is due to receive 17.2, Tristan will receive 3.225m and Ascension will receive €1.075m. To date, we've received three fixed tranches of funding totalling €19.5m. In addition, St Helena was also successful in securing envelope B funding of €610k to assist with the response to the impacts of the Covid-19 pandemic under Budget Support Programme. This means, in total, €17.81m has been made available to support improved connectivity and accessibility and through the delivery of the St Helena branch on the Equiano Fibre Optic cable. It is important to also note that whilst it is the intention of this Government for the community to receive cheaper internet services, as outlined in the Economic Development Endorsed Needs and Delights paper, this can only be determined once the procurement process for the next Telecoms Licence is concluded.

The Speaker –

Thank you. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Mr Speaker, will the Financial Secretary tell this Council if he played a leading role in securing the contract with Google to provide St Helena with the fibre optic cabling?

The Speaker –

Honourable Financial Secretary

The Hon. Dax Richards –

Mr Speaker, I was one of many in a team that was able to secure the fibre optic cabling, but as the Territorial Authorising Officer for the EU programmes, then I would have taken overall responsibility for the programme, yes.

The Speaker –

Thank you. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Will the Financial Secretary say if he is fully satisfied with how the negotiations between St Helena Government and Google were managed and conducted

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I believe the Honourable Member is asking for an opinion?

The Speaker –

Opinion, yes.

The Hon. Dax Richards –

However, I will say, from a outcomes perspective, the intention of the funding that was made available from the EU was to deliver a improved connectivity and accessibility to the island and we believe that with the contract that's been secured we are able to meet that objective.

The Speaker –

Thank you. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Will the Financial Secretary state the length of the submarine cable spur?

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I can check through my notes, but I think it's 1120 kilometres.

The Speaker –

Thank you. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Will the Financial Secretary confirm if the entire cable spur is the exclusive property of St Helena and if it is not will he explain accordingly, please?

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. The cable, the branch itself from there to St Helena is exclusively belonging to SHG, however, there are requirements under the contract with Google for the use of a part of that cable in the event that operations in the future allows for it to happen.

The Speaker –

Okay. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Thank you, Mr Speaker. Based on the importance of maximising the benefits of the submarine fibre optic cable for the local community, will the Financial Secretary say if he is satisfied that the contract that St Helena Government signed with Google secured the best possible long-term deal for the people of St Helena

The Hon. Dax Richards –

Mr Speaker, it's an opinion again.

The Speaker –

Opinion again.

The Hon. Dax Richards –

-but I think I'll answer that question.

The Speaker –

You're asking for opinions, Councillor.

The Hon. Cyril Leo –

Mr Speaker, clearly the Financial Secretary, in my opinion, seem to have no reservations, concerns or regrets since signing the contract with Google, we therefore await the successful outcomes of the submarine cable project and, in particular, we wait to see what benefits it will bring to the local community. Thank you, Mr Speaker.

The Speaker –

Thank you. Next question, please?

Question No. 3 – The Honourable Dr Corinda Essex to ask the Honourable Chief Secretary.

The Speaker –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Will the Honourable Chief Secretary tell this Council what are the current situation and next steps regarding the upgrading of the fish processing facility at Rupert's Bay in order to enable it to meet existing needs?

The Speaker –

Honourable Chief Secretary?

The Hon. Susan O'Bey –

Mr Speaker, I would like to thank the Honourable Member for her question. Members will be aware that approval was given by Executive Council to take forward the signing of the Ten-Year Lease between SHG and Saints Tuna Corporation, STC, to lease the fish processing factory and existing assets. This, of course, is subject to necessary upgrades to ensure that the factory functions well and complies with health and safety needs for certification. As anyone who has visited the Fish Processing Plant will know, there needs to be investment in some of the core fabric of the factory at the very least in order to continue to operate and avoid breakdowns and lost time incidents. The works which will be undertaken include improvements to internal panelling, compressor repairs, the removal of R22 gas, repair of reception and offices, toilets, the workshop and canteen and any other relevant certification system requirements related to hazard analysis critical control point or hazard and health, safety and environment requirements to legalise the exportation of fresh and frozen fish products to the global fish markets. We know that the lead time for many of the parts needed to refurbish the factory is three months and therefore continued operation for the local market will be undertaken by STC whilst the refurbishment is planned, logistics are in process and the printout is implemented. This lead time for ordering materials, such as those required for this refurbishment is normal for any business, government or even resident in St Helena, although we have to also consider that the current global pandemic increases the risk of long delivery times which is why the team of STC have already been in touch with suppliers and are ready to move forward as soon as the lease document has been signed. Two Directors of STC, Johan Marais Bezuidenhout and his father Johan Bezuidenhout, are keen to travel to the island, but are awaiting news from A W Shipping as to whether they can board the vessel in early April. SHG has provided a letter to help support the enabling of passage to the island and it is hoped that the change in immigration rules from 1st April has helped further. But, if these Directors are not allowed to travel on the MV Helena in early April they will be delayed until Voyage 40 which is in late April and, of course, this, and the required quarantine time will need to be factored into scheduling. It is noted that similar issues of logistics and timing related to Covid-19 are being felt by other large projects, such as the renewable energy, the cable landing station projects and some of the EDIP projects and whilst these projects are not delayed, it was notable that a fair programme of works were not available until the manufacturers could confirm shipping dates. It is reasonable, however, to expect a full programme of works from STC after all Directors are in St Helena and they are able to fully develop a plan of works. Thank you.

The Speaker –

Thank you very much. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker, I thank the Chief Secretary for her response. Will the Honourable Chief Secretary state whether it is STC or SHG who is going to be responsible for these works

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

So, these works, it will be STC who will be responsible for carrying out the works, however, the funding will be provided by SHG as the asset remains the property of SHG and SHG will oversee the procurement process.

The Speaker –

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Will the Honourable Chief Secretary state what overseeing the procurement process will involve, will that mean the normal SHG procurement processes are followed or merely that the processes applied by STC will be monitored?

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

The SHG processes will apply in this situation.

The Speaker –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Will the Honourable Chief Secretary state whether tenders will be sought to undertake the required works and if so whether this will include applications from local businesses?

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

That is the expectation, because that is how it currently operates under the SHG procurement regulations.

The Speaker –

Thank you. Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Will the Honourable Chief Secretary state how the works will be quality assured on their completion?

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

There will be an identified Project Manager who will, within SHG, who will have responsibility for governance arrangements, including the assurance.

The Speaker –

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex

Will the Honourable Chief Secretary state if there are any plans to recover the cost of the refurbishment from users of the facility

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

There will be a rental agreement within the lease and it is likely, and the anticipation is that in the longer term the rental agreement will reflect the cost of the asset.

The Speaker –

Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Will the Honourable Chief Secretary outline the conditions upon which St Helena Government is making this investment?

The Speaker –

Honourable Chief Secretary?

The Hon. Susan O’Bey –

Sorry, my apologies, would you mind just repeating that question?

The Speaker

Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Will the Chief Secretary outline upon what conditions St Helena Government is making this investment?

The Hon. Susan O’Bey –

Thank you, my apologies. So, the basis of the investment is that all local commercial fishermen are to be given the opportunity to join the Saint Tuna, STC, at the start-up, STC is required to purchase fish from all boats, including from non-members for local sale and export provided the fish, of course, meets the standard and size required by the markets, STC is required to service the local market with a full range of species at reasonable prices, STC is obliged to provide ice to commercial fishermen on no less favourable terms than it provides ice to its members or non-members, STC will ensure that there is a designated place for fish landings and that the R22 gas change out should take place during the first phase of the upgrade.

The Speaker -

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

I thank the Honourable Chief Secretary. Does the agreement regarding the lease of the Cold Store and the contribution of up to half a million pounds for refurbishment include any penalty clauses should the investor default?

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

Yes, I can confirm that the lease agreement does include penalty clauses.

The Speaker –

Thank you. Any other questions? The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Thank you, Sir. My interest is I sell fish.

The Speaker –

Thank you.

The Hon. Gavin Ellick –

I didn't hear the Chief Secretary say if the non-members could use the facility for processing their fish for the local market, it says that STC will do for them, but I didn't hear nothing for non-members.

The Speaker –

Have you got a question to ask, because you're making a statement?

The Hon. Gavin Ellick –

I'll repeat the question, do the STC will make available for non-members their fish for local market?

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O'Bey –

I think I've answered that question to say that STC is required to purchase fish from all boats, including from non-members, for local sale and export provided the fish meets the standard and size required by the markets.

The Hon. Gavin Ellick –

Alright, thank you, Ma'am, I didn't hear that, but I thought that was excluded so that's why I asked you. Sorry about that.

The Speaker –

Thank you. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. Mr Speaker, will the Honourable Chief Secretary say, regarding the refurbishment, what pot of money is this coming from?

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O'Bey –

The money that's been allocated comes from the Consolidated Fund.

The Speaker –

Thank you, The Honourable Christine Scipio?

The Hon. Christine Scipio –

Sorry, Mr Speaker, I'm a little baffled here, so please bear with me. As you know, we don't have a budget at the moment, so can I ask the Financial Secretary to say what is the funds in

the Consolidated Fund at the moment so that we can fully understand what impact is it going to have on our Fund?

The Hon. Dax Richards –

Thank you, Mr Speaker. At the moment, as at the 31st March 2020, the funds in the Consolidated Fund is £6.3m and we're expecting to have a small surplus in this financial year.

The Speaker –

Thank you. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. So, with this refurbishment, I'm still a bit alarmed to hear about the refurbishment, the detail of the refurbishment, so the Honourable Chief Secretary, you can say that money has been approved for this refurbishment, because you talked about workshop, office, compressor, internal works, so this is the first time I've heard of that?

The Hon. Financial Secretary –

Mr Speaker, if I can probably answer the Member's question. You will remember when we did the budget for the 2020/21 financial year there was an allocation of up to £500k included within the budget which was approved by all elected members.

The Speaker –

Thank you. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker, yes, I do recall that, but it didn't mention anything about workshop, offices, internal works when that came to the House for approval.

The Speaker –

Thank you.

The Hon. Christine Scipio –

And my question is where is this money coming from for these type of works because what we had approved was different, it talked about, if I can remember, reefer containers and things like that, nothing about internal works of a building, workshop, office, it was quite a lot that the Honourable Chief Secretary mentioned and I couldn't write it down quick enough, so if we approve, Mr Speaker, money for certain items in the last um.

The Speaker –

You're on a point of information now?

The Hon. Christine Scipio –

No, I asked a question, I've asked the question where is this money coming from, because if we had approved money for particular items and today I heard different areas or different items or different specification of works, where is that money coming from, it's not included in what was previously approved by this Council?

The Speaker –

Thank you.

The Hon. Dax Richards –

Thank you, Mr Speaker. To be clear, what the Council approved was for the refurbishment of the Fish Processing Plant, it did not go along and approve the individual components of that work, so I have answered that question already and the £500k that's been allocated will cover all of these activities.

The Speaker –

Okay, thank you. Next question, please?

Question No. 4 – The Honourable Dr Corinda Essex to ask the Honourable Financial Secretary.

The Speaker –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Will the Honourable Financial Secretary provide this Council with an update regarding the Fibre Optic Cable project?

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker and I would like to thank the Honourable Member for her question. Mr Speaker, I'm pleased to advise that despite a number of logistical challenges, largely as a result of the Covid-19, the project is on track on all components of the delivery plan with commissioning still expected in the first half of 2022. Members will remember that we signed an agreement with Google in late 2019 for a branch on the Equiano Fibre Cable. The project is well underway under the guidance of the on-island Project Manager, Mr Jerry Roberts. Works on the cable landing station and beach manhole are well advanced with civil works being carried out by AMD Engineering, ably supported by SHG's own technical services and electrical teams along with support from the technical team of SURE South Atlantic. These works are almost complete. Engineers from American Manufacturing Structures and Services, or AMSS as they're better known, contracted by SHG to construct the modular cable landing station, arrived on island in February 2021 and after following St Helena's Covid-19 protocols, have facilitated the installation of the cable landing station modules and left on the flight earlier today. The team from AMSS were very impressed with the quality of the workmanship on the civil works and both the contractor and the rest of the team are to be congratulated. Arriving on the flight this week are members of the team from the Marine Contractors and Consultants, or MCC, who have been sub-contracted by Alcatel Submarine Networks, or ASN, as they are better known, who are responsible for the overall delivery of the Equiano cable. The main aim of the MCC's preliminary site visit will be to determine what prerequisites need to be installed to accommodate the landing of the Equiano system and the arrival of the cable landing ship, which is scheduled to arrive in St Helena during July 2021. In addition, teams from ASN are hoping to travel to the island between May 2021 and June 2021 to undertake the following tasks in readiness for the deployment of the Equiano cable. These include – general cabling, the installation of the power feed equipment, the installation of the optical portal. Members will also be aware that SHG signed a contract with Telecom Egypt in 2020 to carry the traffic on the cable north to Portugal and south to Cape Town in South Africa. Telecom Egypt is

scheduled to arrive on St Helena in October 2021 to install and commission the submarine line terminal equipment. It is envisaged at this time that the project will be commissioned at the St Helena end during the first quarter of 2022. We will continue to monitor progress and provide updates via the media where possible on the progress on such a significant project for the island and its future. I would like to pay a big tribute to the hard work and dedication of the complete team involved in the delivery of the cable landing station and the wider fibre optic cable project under the supervision of Mr Jerry Roberts. Whilst not yet complete, indications are that on island we will be able to achieve the significant milestone in reducing the barriers to the improved accessibility and connectivity on schedule. We are hopeful the island will be able to take advantage of what superfast broadband will bring sometime during 2022. Thank you, Mr Speaker.

The Speaker –

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker and thanks to the Financial Secretary for his response, as usual he has anticipated a lot of my supplementary questions, but I regret to say that there is one that he hasn't addressed which is how many and what are the further milestones that need to be achieved in order for the balance to be able to be drawn down?

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. So, the final tranche of the funding from the EU is the variable tranche which very much depends on the outcomes of what the project actually delivers, so Members will be aware of St Helena Connected, who are monitoring those milestones that we are required to meet as part of the overall project and once those milestones are met, hopefully within six months of lighting of the cable, we can then make an application to the European Commission to release the final variable tranche of funding and therefore, hopefully, all components of the funding will be made available to the island and hopefully the project outcomes will be achieved as well.

The Speaker –

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Will the Honourable Financial Secretary state how active the Connected St Helena group is at the moment; how often does it meet and what are its key functions?

The Speaker –

Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. Just checking with the Honourable Member who sits on the Working Group, they usually meet on a monthly basis, however, in recent times, as a significant number of the milestone tasks have already been met, they are currently meeting less frequently. I am quite happy for us to be able to provide the detailed terms of reference for the Group if that would also help Members as well.

The Speaker –

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker.

The Speaker –

Thank you. Our next item of business then, please?

6.

MOTIONS

Motion No. 1 – The Honourable Financial Secretary.

THE SECOND SUPPLEMENTARY APPROPRIATION (2020/21) BILL, 2021

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I beg to move that the Second Supplementary Appropriation (2020/21) Bill, 2021 be approved in principle and referred to a Committee of the whole Council.

The Speaker –

Do we have a seconder, please?

The Hon. Susan O’Bey –

Mr Speaker, I beg to second.

The Speaker –

Thank you. The Honourable Mover, you may speak to the Motion.

The Hon. Dax Richards –

Mr Speaker, I beg to present the Second Supplementary Appropriation (2020/21) Bill, 2021. Section 105 of the Constitution provides that if in the course of any financial year it is found that the amount appropriated for any purpose is insufficient or that a need has arisen for expenditure for a purpose for which no amount has been appropriated, a supplementary estimate showing the sums required shall be laid before Legislative Council. This Supplementary Appropriation Bill is presented today following the work undertaken by Corporate Finance and Directorates to estimate the year end outturn of revenue and expenditure for the 2020/21 financial year. The Bill seeks to authorise expenditure of £749,000 of which £465,000 relates to recurrent expenditure and £284,000 relates to capital. Overall, this supplementary appropriation is planned to be funded through existing budget allocations and additional revenues generated during the financial year. A withdrawal from the Consolidated Fund is not required to fund this appropriation. Mr Speaker, the Supplementary Appropriation Estimates comprise the additional expenditure requests and whilst we go through these in detail at Committee stage, I would like to highlight some of those key points now. We continue to see significant pressure on the overseas medical treatment and aeromedical evacuation budget

lines within Health. In this financial year, we have seen a greater number of aeromedical evacuation flights than what was budgeted for and the budget is projected to be overspent. A call has been made on the call-down fund agreed with the Foreign and Commonwealth Development Office as part of the financial aid patch to cover these additional costs. The service requirements for the Children and Adult Social Care also have been significantly upward pressure on the budget across the various services they provide. Both are demand-led services. With regard to capital appropriation requests, Health has had to urgently replace medical equipment for key services that are not originally budgeted for in this financial year's budget.

Budgeting rules require that recurrent and capital expenditure is appropriated separately and capital expenditure made by the Infrastructure and Transport Directorate from their Building Maintenance budget needs to be appropriated as capital.

Mr Speaker, I can advise that this appropriation is proposed to be funded by a withdrawal from Head 13 – Corporate Services, Corporate Human Resources of £80,000; a withdrawal from Head 17 – Corporate Services – Corporate Finance of £450,000; a withdrawal from Head 21 – Access of £100,000; a withdrawal from Head 26 – Environmental and Natural Resources of £8,000. These withdrawals, as proposed, based on projected underspends within the existing recurrent budgets. It is also proposed that the additional revenues generated under Head 17 – Infrastructure and Transport, of £61,000 for additional work performed by the Roads team and Head 17 – Corporate Finance of £50,000 will cover these costs. Mr Speaker, we will vote for the detailed provisions of the Bill in the Committee stage and I therefore recommend to the House that this Bill is referred to the Committee stage. I beg to move.

The Speaker –

Thank you. Honourable Members, I put the question that the Second Supplementary Appropriation (2020/21) Bill, 2021 be approved in principle and referred to a Committee of the whole Council. Honourable Members, the question is now open for debate. The Honourable Christine Scipio?

The Honourable Christine Scipio –

Thank you, Mr Speaker. Mr Speaker, since being a Councillor, it appears that Directorates are continuously spending money that was not approved by Legislative Council. Once again, we are being presented with a supplementary appropriation Bill where it's being requested to increase Directorate budgets. Mr Speaker, I do appreciate a need for a Directorate's budget to be increased if there is an unpredicted expenditure due to an emergency or a change of direction in policy during the year. Our budgeting is limited to a year and spending does not always reflect the strategic objectives set out in the Sustainable Development Plan. Should Councillors do more to ensure that Directorates are allocated adequate resources to St Helena Government's strategic objectives? Does this mean that I am not doing my job correctly by scrutinising financial documents at the Committee stage and holding Accounting Officers to account? It is crucial, Mr Speaker, that resources are always used efficiently to achieve the objectives. Will the Honourable Mover say if the Appropriation Bill is approved today will the Directorates have sufficient time before the year end, actually five days, to spend the additional funding and can he confirm if it is for essential expenditure? Thank you, Mr Speaker.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Derek Thomas?

The Hon. Derek Thomas –

Mr Speaker, I speak in relation to the Health. These expenditures were unforeseen, we all know that we had to bring in additional aeromedical flights and there was essential medical equipment to the Hospital that needed to be replaced, nobody could foresee that, so what I would also say is it is very encouraging to see that these overspends can be met from existing budget allocations. Thank you.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you, Mr Speaker. I do understand the sentiments expressed about unpredicted expenditure and I would say that, speaking on behalf of the Children and Adults Services Directorate, I think it was probably quite obvious at the outset that the overall budget would have caused some difficulties, but the issue that the Directorate faced is really that their services are demand led, which is very difficult or almost impossible to predict and measures are being taken to try and do that better in future, but just to highlight, some mention that really, you know, the vacancy recruitment that was actually, there was some savings that was anticipated under the vacancy savings, but that actually didn't materialise and it ended up by there need to be extra unbudgeted posts to be included in order to provide safe and secure and statutory support for the vulnerable and that meant that various employees and various support workers by carers was actually very necessary. Also, the outreach support into the community, that was extended as well, because the intention is really to try as far as possible to keep people in their home and it is impossible not to try and provide that support. It was also necessary to increase the expenditure on food, because the food, if I understand it correctly, was actually budgeted for at £6.00 per day, which was virtually impossible to keep people of various needs and so that had to be stepped up to £10.00. The prices of equipment and furniture, the furniture at the CCC, for example, when originally purchased may have been done for the best reasons, but are not suitable where, if I can, probably not for the better description, where soiled furniture must be replaced suitably in order to make sure for health and hygiene purposes and so the need to buy that furniture became very necessary and rehabilitation equipment, that became necessary, particularly a larger expenditure was on the need to buy PPE, Personal, Protective Equipment, particularly in response to Covid-19 and so that was quite a significant expenditure. There was also a need to increase the BLA. As I said, that the services are demand led and while the recipients for BLA at the initial stage of budgeting was 167, that quickly moved on to 198 pretty quickly and then there was the carers, which I touched on before, which really needed to be increased to provide the care in the home. One of the key issues of expenditure that was unforeseen and that is the, sort of, rising costs that occurred in the laundry services, that has been plant down and are now, it actually ended up by being £37,000 higher than anticipated, so that is now being reviewed, but, Mr Speaker, my Committee are well aware and been trying to keep on top of this all the way through the financial year and the Financial Secretary will be aware that I've already highlighted that any rollover budget will simply only create the same sort of problems, but in terms of what the over expenditure has been, it has been expenditure that has been very necessary for a very essential service and there are statutory obligations and I do echo my colleague's sentiments that it is very pleasing to know that we don't have to dip into the Consolidated Fund. Thank you.

The Speaker –

Thank you. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker, I rise in support of this Bill and whilst not wanting to repeat what many of my colleagues said, I think the real importance of this Bill is that we are not drawing down on money from the Consolidated Fund. I've been serving for eight years in the Council now and not a year has gone by where we were able to predict exact expenditure to approve budgets, it is impossible to do that. Two key services here are demand led and all Members will be aware of the failure of a number of key pieces of equipment in the Health Service, the increase in emergency evacuation flights, I think we would have been in a worse situation, because we were hit by the pandemic, but we were given special funds for that, which has already been spent, but we would have been in a very much worse position had we not received those special funds, so I rise in support of this Bill because it is necessary for us to do these things.

The Speaker –

Thank you very much. The Honourable Clint Beard?

The Hon. Clint Beard –

Mr Speaker, I think at the moment we're going around the table, but we need to understand that budget limits causes major implications and we need to bear that in mind as we look ahead. I think all the services are demand led and that's what Government is here to do, to deliver the services. I think we also need to ascertain going forward if our budgets to Directorates are realistic in meeting the adequate needs within that Directorate without having implications and risks. So, again, as Councillors, we will need to ascertain how we will allocate the budgets to the Directorates, but, again, as people said, we're not tapping into our Consolidated Fund and that's the only up-side on this one. Thank you.

The Speaker –

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. I think it needs to be borne in mind that in recent years we've had extremely limited budgets, so at the time of actually setting budgets we have had to trim them to the minimum that we can anticipate and, therefore, if our best guesses at that point in time proved not to be accurate because of increases and demand or other factors that we could not anticipate a year or so in advance, we are likely to have to acquire additional funding to meet and deliver those needs. If we were able to actually have zero based budgets fully funded and in implementation then I would have serious concerns if overspends occurred during the course of any financial year, but given the constraints within which we have to operate I am sorry to say that they're almost inevitable. Thank you, Mr Speaker.

The Speaker –

Thank you very much indeed. Are there any other questions for the Financial Secretary? No? Financial Secretary, you may respond.

The Hon. Dax Richards –

Thank you, Mr Speaker and I'd like to thank all of those Members who rise in support of the Motion. Just to address Councillor Scipio's questions, I think what you're getting at Councillor is that we are at the end of March and we have very little time to actually implement some of this expenditure and I really do take on-board the point that you raised. However, as you know, we have tried earlier in this month and at the end of last month to have a Legislative Council meeting to be able to address this issue and we weren't able to firm up a date because of other

priorities, so this has been the first opportunity for us to bring the Supplementary Appropriation Bill to the House, but the point is well made around accountability and I'm sure all of the Council Committees, and I'd like to thank the Chairs in particular who stood up and talked about the specific challenges that are being faced within their Directorates, they gave a much better explanation of those challenges than we could possibly do. So, Mr Speaker, I don't have anything else to add, I would just say that I would like to now proceed to the Committee stage.

The Speaker –

Thank you. Honourable Members, I put the question that the Second Supplementary Appropriation (2020/21) Bill, 2021 be approved in principle and referred to a Committee of the whole Council.

Question put and agreed to.

The Speaker –

Honourable Mover?

The Hon. Dax Richards –

Mr Speaker, I beg to move that Council do resolve itself into a Committee to consider the detailed provisions of the Bill.

The Speaker –

Do we have a seconder, please?

The Hon. Susan O'Bey –

Mr Speaker, I beg to second.

The Speaker –

Thank you. Honourable Members, I put the question that the Council do resolve itself into a Committee to consider the detailed provisions of the Bill.

Question put and agreed to.

Council in Committee.

The Hon. Dax Richards –

Mr Chairman, is it possible that I can request the Deputy Financial Secretary to come to the table to assist us in the detailed provisions of the Bill?

The Chairman –

By all means, yes.

The Hon. Dax Richards –

Thank you.

The Chairman –

Honourable Members, I just want to remind you that as this is an Appropriation Bill, the Schedules are considered before the Clauses and that special rules of procedure are set out in Order 13, Rule 2.

Honourable Members, we'll start with the Schedule 1, Head of Expenditure 23 – Health, the Honourable Deputy Financial Secretary?

Mr Nicholas Yon (Deputy Financial Secretary) –

Thank you, Mr Chairman. So, in terms of looking at the Schedules, Members can also look at the Supplementary Estimates as well which provides additional detail as to the elements requested in the Bill. So, under Health, the recurrent element under the £67,000 requested based on the review of expenditure to date for Health and essentially this relates to overseas medical output and it is made up of the aeromedical evacuation budget and the overseas medical treatment budget. In the original budget we budgeted for four medical evacuation flights in this financial year and it turned out to date to be eleven aeromedical evacuation flights and because of that there's a projected overspend on the aeromedical evacuation budget. This is offset by some underspends, small underspends in the rest of the Health budget and therefore requires £167,000 appropriation for recurrent expenditure.

The Chairman –

Okay. Honourable Members, I put the question then that Head 23 – Health, standing in the sum of £167,000 do stand part of the Bill. You may now speak to the Bill.

Head 23 – Health - £167,000 –

Question put and agreed to.

The Chairman –

Head 27 – Infrastructure and Transport, standing in the sum of £3,000. The Honourable Deputy Financial Secretary?

Mr Nicholas Yon –

Thank you, Mr Chair. So, in relation to Head 27, the request is for £3,000. It will require a little bit of explanation as to how this came about, so included in the recurrent budget at the beginning of the year is a element for building maintenance. So, as part of this request, we've also asked that the building maintenance budget, the capital items related to the building maintenance budget, now be transferred to capital, so that will come later in the Bill, but in addition to that, additional pressures on the recurrent budget was also experienced in there and as set out in the estimates there was additional costs of employee costs - £19,000, IT recharges - £29,000, Customs duty on the theatre door for the General Hospital - £8,000, the cost of works carried out by the Roads Section at Bradleys Camp that's been funded through additional revenue of £28,000, increase in the number of requests of works on Government Landlord Houses - £9,000 and additional materials carried out for works at Bradleys Camp has been funded through additional revenues, so what that means is that based on that Building Maintenance budget, that has now been absorbed by these additional recurrent costs and the net figure required is £3,000.

The Chairman –

Honourable Members, I put the question then that Head 27 – Infrastructure and Transport, standing in the sum of £3,000 do stand part of the Bill and you may now speak to the Head. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. Just for the benefit of the listeners, so basically, Deputy Financial Secretary, what you're saying is that if the budget for the Building Maintenance was £200,000 and the work that has been carried out came to £203,000, hence the reason you're asking for an additional £3,000?

Mr Nicholas Yon –

Yes.

The Chairman –

Thank you. Any other Member wishes to speak?

Head 27 – Infrastructure and Transport, £3,000.

Question put and agreed to.

The Chairman –

We move on to Head 29 – Children and Adults Social Care, standing in the sum of £295,000. Deputy Financial Secretary?

Mr Nicholas Yon –

Thank you, Mr Chairman. So, basically the £295,000 requested relates to a number of different expenditure budget lines within the Children and Adult Social Care Head, so, in terms of employee costs, the vacancy savings were not realised they'd be projected at the beginning of the budget process, so as part of the budget process we assume 4% vacancy savings would come about during the year, in actual fact the Directorate was able to employ most of the employees and that 4% vacancy savings did not materialise, therefore, we need to allocate that additional funding for them to cover the cost of the vacancies. In addition to that, there were also overtime payments that were due because of some staff shortages in certain areas and there are additional posts that needed to be recruited to during the year and those are outlined as three Community Support Workers, five additional Community Support Workers, one Office Manager, one Social Care Officer, three residential Home Carers, three Support Workers and Care Assistants and one Disability and Day Care Officer. In addition to that, the transport costs for the Community Outreach work was higher than expected due to increased demand in that service and then, as outlined by the Honourable Chairman of the Social and Community Development Committee earlier, said about the cost of food provisions exceeded the budget that was set at the beginning of the year. There was also required purchase of essential mobility equipment and furniture that wasn't in the original budget for some of the service areas and that included chairs, washing machines, beds and mattresses and rehabilitation equipment. In addition, they also had to procure some PPE in response to the Covid-19 pandemic that couldn't be funded via the central budget and in addition to that statutory payments, particularly the Better Life Allowance, they originally budgeted for 167 recipients, but the numbers have increased to 198 people in receipt of BLA and it is anticipated that by the end of this financial year, the number will be 203. This cost an additional £27,000 and in addition there is an increase in the number of Carers working in the community, we budgeted for a 100 carers and this increased to 115 carers and expected to be 118 by the end of the financial year, which is £48,000. And finally, there are additional costs for the laundry service contract, £37,000.

The Chairman –

Thank you. Honourable Members, I put the question that Head 29 – Children and Adult Social Care, standing in the sum of £295,000 do stand part of the Bill. You may speak to the Bill. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Chairman, I should be saying as we're in Committee stage, I do apologise, I said Mr Speaker earlier. So, Deputy Financial Secretary, you mentioned an Office Manager, so does this mean that the Directorate didn't budget for an Office Manager for the Directorate or is there now two Office Managers?

Mr Nicholas Yon –

So, basically, there wasn't the post of Office Manager previously, so this is a new post.

The Hon. Christine Scipio –

Right, became so and earlier on the Chairperson of Children and Adult Social Care talked about capital expenditure, but I don't see anything on the Schedule for capital expenditure, so does this mean that the chairs that you mentioned earlier is the capital expenditure that the Chairman of Children and Adult Services Care was referring to earlier?

Mr Nicholas Yon –

So, I think in relation to those items, these are classed more as, kind of, furniture and equipment rather than necessarily capital, we would class any capital items as any costs in individual items over £5,000 and individually these would be less, so I think it's just a matter of the terminology used as opposed to any different equipment that's been referred to.

The Hon. Christine Scipio –

So, just to be clear and for the listeners benefit, when the Chairman of the Children and Adult Services Social Care talked about we needed to show funding for capital, in this instance it's large amount of funding for capital expenditure, it's just small amounts for chairs and that sort of thing?

Mr Nicholas Yon –

Yes, that's right, the Chairman want to confirm that was the intention.

The Hon. Dax Richards –

It's large amounts of expenditure for smaller items, so I think that's what the Chair was trying to explain.

The Chairman –

Thank you. Any other, oh, sorry, the Honourable Christine Scipio?

The Hon. Christine Scipio –

Sorry, Mr Chairman, yes, I note that the Deputy Financial Secretary talked about increasing in Carers and I'm certain that the community themselves has seen a lot of carers going around with different vulnerable people in the society, it's not easy, not an easy job, so it's obviously because we've got an ageing population that I sure that we all recognise that there is likely to be an increase in carers, so, of course, as the Chairman mentioned earlier about demand, we wouldn't have known that those individuals would have need the care during this particular time, so, you know, it all depends on the individual, so I don't have any objection to this particular funding, Mr Chairman.

The Chairman –
Thank you.

Head 29 – Children and Adult Social Care - £295,000 –

Question put and agreed to.

Schedule I – Heads 23, 27 and 29 - £465,000.

Question put and agreed to.

The Chairman –
Honourable Members, we move on to Schedule II – Capital Expenditure. For Head 23 – Health, standing in the sum of £156,000. Deputy Financial Secretary?

Mr Nicholas Yon –
Thank you, Mr Chairman. So, the Capital requirements for Health, these were urgent, essential equipment purchased for the Health Care services and it consisted of two UPS systems for Hospital Oxygen Plant of £17,000, power tool system of £30,000, Ophthalmic Microscope for £45,000, there is a Pathology Incubator Centrifuge of £6,000, Dental Press Furnace of £8,000, there is Ventilator and accessories purchased for Covid-19 response - £44,000 and a Blood Bank Refrigerator costing £6,000. These items were purchased for essential services and is being funded by the underspends elsewhere within the Health budget to be able to cover these items.

The Chairman –
Thank you. Honourable Members, I put the question that Head 23 – Health, standing in the sum of £156,000 do stand part of the Bill. You may now speak to the Bill. The Honourable Christine Scipio?

The Hon. Christine Scipio –
Thank you, Mr Chairman. So, you know earlier, Mr Chairman, I asked the Honourable Financial Secretary about the lead time for this money to be spent, so there seem to be some very crucial equipment that need for the Health Directorate, so we've only got five days left, so when are we hoping to procure these items knowing the procurement process takes a long time?

The Hon. Dax Richards –
So, Mr Chair, I can confirm that these items have already been procured and I think this gets to your question that you were asking earlier around the timelines, but given the emergency nature of these replacements it was felt that we could not hold off until we have the approval to proceed on these specific items.

The Chairman –
Any other Member wishes to speak?

Head 23 – Health, £156,000.

Question put and agreed to.

The Chairman –

We move on to Head 26 – Environment, Natural Resources and Planning, standing in the sum of £8,000. The Honourable Deputy Financial Secretary?

Mr Nicholas Yon –

Thank you. So, this capital request is for the procurement of an X-ray machine for the Veterinary Section of ENRPD and it's being covered by underspend in the recurrent budget to be able to fund this particular procurement.

The Chairman –

I put the question then that Head 26 – Environment, Natural Resources and Planning, standing in the sum of £8,000 do stand part of the Bill. You may now speak to the Bill. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Chairman. So, can the Deputy Financial Secretary say if this is a new X-ray machine, is it a replacement or now we've got more than one X-ray machine, just for the listening public?

Mr Nicholas Yon –

Yes, so this would be a replacement machine.

The Chairman –

Thank you.

Head 26 – Environment, Natural Resources and Planning, £8,000.

Question put and agreed to.

The Chairman –

Head 27 – Infrastructure and Transport, standing in the sum of £120,00. Deputy Financial Secretary?

Mr Nicholas Yon –

Thank you. So, the capital requirements for Infrastructure and Transport Directorate relates to refurbishment works at the CCC that wasn't included in the approved budget of £11,000; water tanks for Prince Andrew School of £14,000; refurbishment of Hospital Admin building - £78,000 and additional appropriation required for the purchase of a Theatre door for the General Hospital. This was over and above the original budget that was put forward of £17,000. I explained a little earlier about the way in which that budget was used throughout this financial year, so the money that's now being requested to be appropriated as capital was originally budgeted for as recurrent expenditure, so this process is about moving the budget allocated under recurrent expenditure to capital expenditure and what I explained before with the recurrent element side is that we only require £3,000 for the recurrent, but here we require £128,000 to make right the capital appropriation for I&T Building Maintenance budget.

The Chairman –

Honourable Members, I put the question that Head 27 – Infrastructure and Transport, standing in the sum of £120,00 do stand part of the Bill. You may now speak to the Bill. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Chairman. Can the Deputy Financial Secretary say what mechanism is in place to ensure that items that are a capital nature are budgeted in the capital expenditure in going forward instead of we have to be moving things around because it's been not allocated in the right place?

Mr Nicholas Yon –

Yes, so what we require at the beginning of the year is that the Building Maintenance budget is, er, puts a plan together that sets out where they plan to spend that funding, so some of it might be for recurrent nature or some of it may be for a capital nature, so at the beginning of the year we would have set out to say exactly what would have been allocated to capital, but sometimes during the financial year the priorities change for that budget and they use that funding for a different project than what was originally intended and then we have to re-appropriate for capital where it was originally appropriated for recurrent, so we try to do that at the beginning of every year.

The Chairman –

The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Chairman. So, if I interpret this correctly, Deputy Financial Secretary, you've already got a mechanism in place for this, but what my interpretation is, is that the things that has happened during the year was unforeseen so the priority changed because it was unforeseen, we needed to refurbish the CCC, because, I don't know, there might have been termites up there, I don't know, I just use that as an example?

Mr Nicholas Yon –

Yes, that's right.

The Hon. Christine Scipio –

Mr Speaker, I'm not saying that termites are at the CCC, so the listeners might think I was saying that, I was just using that as a scenario, because I don't want the listeners to say, oh my God, the listeners said on the radio that termites are at the CCC.

The Chairman –

Okay.

Head 27 – Infrastructure and Transport, £120,000.

Question put and agreed to.

Schedule II – Capital Expenditure – Heads 23, 26, 27, £284,000.

Question put and agreed to.

The Chairman –

Honourable Members, we'll move on to the Clauses. Honourable Members, I put the question that the Title, Enacting Clause and Clause 1 do stand part of the Bill.

Question put and agreed to.

The Chairman –

You may now speak to the Clauses. No? Okay. Attorney General?

The Hon. Dax Richards –

I think you've already asked for approval for Clause 1, Mr Chair, so we have to go on to Clause 2.

The Chairman –

Okay. So I put the question that Clause 2 do stand part of the Bill. Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Chairman. So, Clause 2 outlines the amount of funding that will be withdrawn or added to the budget lines under Schedules I and Schedules II as we've just gone through the detail, so in total it amounts to £749,000 which is made up of £465,000 of Recurrent and £284,000 of Capital Expenditure which we've just discussed through the detailed Schedules of the Bill.

The Chairman –

Thank you. Honourable Members, I put the question then that Clause 2 do stand part of the Bill. You may speak to Clause 2. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Chairman. I know earlier the Financial Secretary and also my colleagues mentioned that there's money that was overspent or what we needed for the Directorates is not coming out of the Consolidated Fund, but what I didn't hear and for the benefit of our listeners what areas were underspent so that we can inform our listeners how is that funding, where the funding came from? I'm not sure if I explain it correctly, Financial Secretary, but I hope you get the gist of what I was trying to say, because we're saying that, no, we're not taking the money out of the Consolidated Fund, but what wasn't spent during this financial year to be able to fund these other essential expenditures?

The Hon. Dax Richards –

I said in my exposition, Mr Chair, I actually did outline the areas where we're going to be taking the savings from to cover the costs.

The Hon. Christine Scipio

I don't think you went into detail though.

The Hon. Dax Richards –

I outlined what we will have in the Special Warrant basically, so that covers the £749,000 that we discussed.

The Hon. Christine Scipio –

But you're not prepared to give the detail, the nitty, gritty detail, okay, that's fine. Thank you.

The Hon. Dax Richards –

You can get that information from our published Execution Reports at the end of each month.

The Hon. Christine Scipio –

So the listeners will be able to access it as well?

The Hon. Dax Richards –

It's on the Government website.

The Hon. Christine Scipio –

And if they don't have internet?

The Hon. Dax Richards –

Then we can make a copy available if somebody needs it.

The Hon. Christine Scipio –

Thank you.

The Chairman –

Thank you.

Clause 2.

Question put and agreed to.

Council Resumed.

The Speaker –

The Honourable Mover?

The Hon. Dax Richards –

Mr Speaker, I beg to report that the Second Supplementary Appropriation Bill (2020/21) 2021 passed the Committee with no amendments and move that this Council approves the said Bill and recommends to the Governor that it should be enacted.

The Speaker –

Do we have a seconder, please?

The Hon. Susan O'Bey –

Mr Speaker, I beg to second.

The Speaker –

Thank you. I put the question that this Council approves the Second Supplementary Appropriation (2020/21) Bill, 2021 and recommends to the Governor that it should be enacted.

Question put and agreed to.

The Speaker –

Next item of business, please?

Motion No. 2 – The Honourable Financial Secretary.

THE INCOME TAX (AMENDMENT) BILL, 2021

The Speaker –

The Honourable Financial Secretary

The Hon. Dax Richards –

Mr Speaker, I beg to move that the Income Tax (Amendment) Bill, 2021 be approved in principle and referred to a Committee of the whole Council.

The Speaker –

Do you have a seconder, please?

The Hon. Clint Beard –

Mr Speaker, I beg to second.

The Speaker –

Thank you. The Honourable Mover, you may speak to the Motion.

The Hon. Dax Richards –

Thank you, Mr Speaker. Mr Speaker, the Income Tax (Amendment) Bill, 2021 seeks to clarify which employment allowances can be paid tax free. This will result in a number of allowances and supplements being subject to tax going forward. The intention of this amendment is to address one of a number of disparities between public and private sector employers identified during the consultations for the Labour Market Strategy in 2019. As many of you will recall, those consultations highlighted the deep discontent amongst employers and the general public who rightly felt that workers in the private sector were being treated differently to workers within the public sector. Within the private sector, employers have workers at a disadvantage. This is only one of the inequalities that have been sought to address since the Labour Market Strategy took effect in 2020 as we heard from our Honourable Friend earlier today. Last March, Customs duty allowances were revised to ensure that all individuals arriving on St Helena to work would be eligible for the same exemption as SHG employees. In September, the Public Health Committee made private sector expatriate workers eligible for local medical charges, a benefit previously only given to public sector expatriate workers and the Immigration Policy consulted on in late 2020 included a number of provisions to ensure SHG and its employees were subject to the same requirements as all other employers on the island. The Tax and Revenue Working Group explores options for raising revenue and stimulating development on an annual basis. The approved tax principles are applied when considering options for taxation and raising revenue and these are – tax rules should be fair and equitable; tax rules should be attractive to local business and investment from overseas; tax rules should reap the benefits of the airport; tax rules should be sustainable considering an ageing population; tax rules should favour those who make efforts to be greener; tax rules should stimulate the supply of land, housing and infrastructure; tax revenue generated should outweigh the cost of tax collection; and tax rules should work to reduce market failure.

Mr Speaker, the first of our tax policies states that SHG supports laws that are fair and can be applied equitably and believe that members of the community pay taxes based according to their capacity to pay. At present, some private sector employers on St Helena pay a supplement to internationally recruited workers which is subject to tax at the applicable rate. This creates

a disparity between workers in the public and private sectors. The Tax and Revenue Working Group have recommended the tax changes proposed today to ensure that all workers on St Helena are taxed in the same manner to align with the goals of the Labour Market Strategy and to level the playing field between the private and public sectors. If the Bill was to be approved in this House today, it is Executive Council's recommendation that the changes should come into effect from 1st October 2021. This six-month transitional period will allow employers to fully understand the implications for their staff and on the services that are provided and where appropriate consider putting in place any required mitigation. This delay to the implementation will also give those affected time to review their individual circumstances prior to the law coming into force.

Mr Speaker, I'm fully aware of the concerns that have been raised by those who will be directly impacted and recognise that there are individuals who will face genuine hardship as a result of this change. I would encourage those impacted to engage with their respective employers during the transitional period.

With that said Mr Speaker, our tax policies are clear as are the goals of the Labour Market Strategy. I think that if we all step back and consider what it is that we are aiming to achieve, this amendment to the Income Tax Ordinance is both consistent with our stated objectives and in principle is the right thing to do. Mr Speaker, I look forward to going through the detailed provisions of the Bill during the Committee stage and beg to move.

The Speaker –

Thank you very much indeed. Honourable Members, I put the question that the Income Tax (Amendment) Bill, 2021 be approved in principle and referred to a Committee of the whole Council. The question is now open for debate. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Mr Speaker, Honourable Members, I rise in support of this Bill, the Income Tax (Amendment) Bill, 2021 be approved in principle. Mr Speaker, this Motion, that is the Income Tax (Amendment) Bill, 2021, be approved by the House today, but I will support a transitional period of six months as indicated by my Honourable Friend. Mr Speaker, Honourable Members, in rising to support this Bill, I would wish to acknowledge the service provided to this island by our Technical Cooperation staff, commonly referred to as TC Officers. I recognise too the sensitivity that this issue will have for the current TC Officers, but I must also recognise those who are already in tax and allowances and how they must feel. I would wish also to recognise the difficult position that the Mover finds himself in as well as our Attorney General, both being members of this House. I also acknowledge representations made by the majority of TC Officers, hence my view that this Bill be delayed in its implementation, but not withdrawn and that there be a transitional period of six months. This disparity in the application of law cannot be allowed to continue and it is with this in mind and the principle behind it is why I have chosen to support the Bill. I have to question how this situation came about in the first place. Was this take politically or done by senior civil servants at the time? What I can say, it did not come to any meeting I attended on ExCo over the last eight years. In this respect, I call upon the Mover to give an undertaking to review internal procedures or the relevant policy so that this situation and its far-reaching consequences does not happen again. We cannot have a law that only applies to certain sections of the working population. I would wish to make clear too that this Bill is about changing the law in relation to certain allowance paid to employees. The Bill simply seeks to level the playing field between the private sector workers and those working for SHG who receive certain allowances as part of their remuneration. At the moment, private sector employees pay taxes on such allowances, but public officers recruited by SHG does not. The allowances is referred to as an international

supplement. The Bill has been a long time coming and should have been before this Honourable House a long time ago. That is, as I mentioned, to create that level playing field. What this Bill has also brought to light is the level of inconsistencies in which SHG remunerate staff where international qualifications are required for various roles. I will be speaking about this very matter in the Adjournment Debate today as it is very much connected to the principle with which this Bill is before us today. Make no mistake, the Technical Cooperation Scheme funded by the UK Government is critical to this island and will continue to be for many years to come. It is accepted that our TC Officers provide critical service where most of the skills cannot be found locally. Therefore, in order for SHG to attract these professionals to the island the level of remuneration need to be at international rates. I pause here because, as I mentioned earlier, underlying this issue is another looming critical matter that is so closely connected to this, but it will be better addressed separately. I shall do that in the Adjournment Debate today. I would now like to turn to the principle of the Bill and that is to make provision for taxation of certain allowances for connected and incidental purposes. I fully support this Bill and for the reasons already explained I support a transitional period of six months so that it can come into force on 1st October. Mr Speaker, Honourable Members, I support the Income Tax (Amendment) Bill, 2021 and I beg to move. Thank you.

The Speaker –

Thank you very much indeed. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Thank you, Mr Speaker. As we debate the Motion, let us also consider the potential consequences of the Motion and I will endeavour to highlight some of the possible negative implications that are likely to directly and indirectly impact the local community and the Technical Co-Operation Officers or TCs.

The United Kingdom has an international obligation to promote to the utmost the ‘well-being’ of the people of St Helena and that includes ‘educational advancement’. The St Helena Government is responsible for delivering a high standard of uninterrupted education to our children. The quality of the standard of education that is available to our children is dependent on the qualifications, skills, dedication and commitment of each teacher.

Supporting the well-being of the people of St Helena comes at a significant cost to the United Kingdom; some of the funding is provided through the £8 million-pound TC budget. St Helena benefits in a variety of ways from the generous TC budget provided by the UK. TC input is crucial to the provision of public services, the general development of St Helena and in particular educating and preparing our children for the future.

Now, I have listened to the negative remarks and opinions that are often directed at the TC Programme serving the needs of the local community. Yes, we need TC staff to be more proactive in the interest of local succession planning, but much of the criticisms are due to being oblivious of all the facts relating to the TC Programme. The TC staff contributions are essential to delivering the current public services and to the ongoing development of the island. Let us therefore look beyond the biased negativity and base our considerations on respect and fairness.

The United Kingdom currently funds the contracts of some 109 TC staff to support the economic, social and educational advancement of the people of St Helena according to the United Nations international obligation and let us not underestimate or take for granted the work, in particular, of the 33 TC staff supporting the local community through Public Health, particularly during this period in time; and also the 11 TC staff supporting the community through the Children and Adult Social Care Directorate.

As a parent, I will bring awareness to the 11 TC staff supporting local children through Education.

Now, without any consultation with the TC employees directly impacted, SHG officials have decided it is time to indirectly change their valid employment contracts. Constitutionally, politicians are not responsible for the employment aspects of public servants. However, we have to ask if such a unilateral decision by SHG officials is really legal, ethical and in the very best interests of the local community.

A serious inequality has been identified in the Taxation system and therefore clearly needs addressing. We simply should not have tax legislation that demands all residents, except for TC residents, to be taxed on all their incomes. However, the unfair legislation is not the fault of the TC staff who signed their employment contracts in good faith and amending the unfair legislation must not be at the expense of our children's education.

So, let us therefore work to modify the tax legislation and also address the consequences in a way that will avoid or minimise the negative impact on the community, in general, and on our children's education, in particular.

I will end with a quote from a prominent St Helenian working in Education: *"If we lose our TC staff this will have huge implications for Prince Andrew School in that we will be losing teachers in the core subjects of English, Maths and Science and we will not have the staff to replace them. This will jeopardize our children's education on a huge scale."* Unquote.

Mr Speaker, that statement is not yielding to pathetic threats of resignations; that statement of genuine concern is advising local government to manage the change in the very best interests of the local community.

I support the principle of the Motion, and I will rely on the Chief Secretary to appropriately manage the consequences that have the potential to negatively impact public services and thereby the local community. Thank you, Mr Speaker.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Mr Speaker, I rise in support of this Bill. The principle behind it is far from new and I would have liked to have seen this brought to this Honourable House a long time before now. I think all my Honourable Colleagues are very well aware of the fact that I believe that those who earn the most should bear the biggest tax burden, another fundamental principle to which I adhere. Other Honourable Members have indicated very clearly that this Bill, if passed, will help to right the wrong and it has been a wrong. Not one that was actually developed intentionally, but one that was not addressed as soon as it should have been addressed. Now there's a disparity and an inequality between how certain individuals who are basically performing similar functions are treated from the tax perspective and I am very relieved that that is going to be addressed now.

Having said that, I am going to touch on another benefit that will accrue to St Helena if this Bill is passed which is that it will increase revenue. We already know in the current economic climate how desperately we need to increase revenue. We've just put up Government Landlord housing rentals because they were inadequate and they needed to be adjusted. We've increased other fees and charges because they needed to be adjusted. In this current economic climate, we need to take advantage of the opportunity to increase revenue so that St Helena Government can continue to deliver its services. Having said that, I do understand the concern and shock that is being expressed by TC Officers who received the news of the change at very short notice. When there is an increase in income tax bands, this has the same deflating and disappointing impact on all of those that will be affected and can make them feel let down and undervalued,

but the reality is that in times of austerity, all need to share some of the pain and in this instance not only is this legislation helping to address austerity and the need to create more revenue, which is one that the British Government is always encouraging us to pursue, but it is also actually addressing issues of equity and fairness. This Bill is in no way an attack on Technical Cooperation Officers, it is one of many other measures, some of which I have mentioned, to help increase revenue and to enable St Helena Government to operate and to apply fair principles across the taxation system. Any loss of disposable income hurts and particularly if it is something that was not anticipated, but that level of hurt and impact should be smaller when the total remuneration package is large than when it is small.

The global economic climate and that of St Helena cannot be ignored and I hope very much that those TC Officers who have a genuine commitment to their roles and to the needs of St Helena will bite the bullet of losing a few thousand pounds of annual disposable income and continue to provide their services. As my Honourable Friend on my right has mentioned, their services are very important to the island and if they were withdrawn in certain areas, they could have extremely detrimental consequences. I trust that those Officers who are affected will understand the principles of fairness and equity and also the need for St Helena to have adequate revenue for it to be able to function going forward and that they will thus prove that altruism still exists in this challenging and unpredictable world. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Speaker, I feel quite inspired by Dr Essex's exposition. Clearly the budget is something that we have to consider quite high up the list of priorities when it comes to the St Helena Government and in the region of half a million pounds goes a long way to delivering core services within this Government. There's a lot of different aspects of this long debate, Mr Speaker, and just to touch on a few which have come to head for me and I think the Tax and Revenue Working Group has to be commended for the work they've done, although I have to say I felt they could have done a bit more, but nevertheless it has been a long time coming and full credit to this Group who have quite eloquently outlined the principles on which they developed the various options for Members to consider and I note these, Mr Speaker: Levelling the playing field between the private sector employee and SHG, increase revenue to SHG, minimise administrative burden and address perceptions of fairness between local and overseas workers. The latter, Mr Speaker, is one which is very prominent to me. I think the issues around being consulted on tax, you know, I don't think Gordon Brown consults anybody in the UK when he uh does his tax increases from Parliament, Mr Speaker and some of them might feel that they're unfairly done by, but, clearly, from the advice we've heard, albeit independent from our resident AG here, it is of the opinion that this is in no way discriminatory and as far as my responsibilities go, Mr Speaker, I don't feel that this is in any way discriminatory, which is my main concern.

As far as mitigation goes, Mr Speaker, it has been noted that there might be some fallout from this and personally I would be quite interested to see how a Court would determine these measures as I feel since being a Councillor a lot of international benchmarks have been set through unfortunately going down the road of judiciary review through the Courts, but it has highlighted equity and fairness across not only St Helena, but the Overseas Territories and the way how the UK Government interacts with them. So, there is a silver lining, whichever way this goes, Mr Speaker.

I think, Mr Speaker, this is going to separate the wheat from the chaff and we will see who is really dedicated to St Helena and as Dr Essex spoke of altruism, I do hope that such a thing

still occurs in today's modern age. I do feel, Mr Speaker, at times that a gun has been held to my head and I don't take that very lightly at all, I feel these individuals, however skilled and qualified they might be, and we fully recognise that, it needs to be balanced in fairness and equity.

Mr Speaker, I have to point out that there are Saints who are working alongside these TC Officers who hold comparatively and, in some cases, identical qualifications and carry out exactly the same jobs, but are remunerated a fraction of what their colleague is. This fairness and inequity, Mr Speaker, has to stop and this is the first step to achieving that fairness and equity. I don't think anybody is indispensable or irreplaceable as we all live to serve one another. The pain we have to endure, as pointed out by, potential claim by Councillor Leo is certainly something that has to be considered, but pain is temporary and glory is further, so I do believe that this Bill will deliver a framework now on which we can base equity going forward, Mr Speaker, in terms of our recruitment. So, Mr Speaker, I fully support the Bill and I hope that the six-month transition period will be sufficient for those to make up their mind whether they're dedicated to St Helena or they have a glorified holiday. Thank you, Mr Speaker.

The Speaker –

Thank you. Any other Member wishes to speak? You've already spoken?

The Hon. Cyril Leo –

Mr Speaker, just a point of clarification, I don't remember making any comment about pain.

The Speaker –

The Honourable Russell Yon?

The Hon. Russell Yon –

Mr Speaker, I support the principle of this Bill. As the Mover rightly states, it will generate additional revenue for the public services provided by SHG and will bring some equality between TC staff working within the public sector and SHG. I am also mindful of the waging difference between some of the TC staff and our own St Helenian staff who undertake the same jobs with the equal qualifications. As a Saint who was employed abroad, I too was subject to income tax for my yearly earnings and also for my benefits in kind and at the time of this introduction there was no consideration given to our personal goals or house loans that we were paying back here on St Helena. However, given the timing of the introduction of this Bill, and having been approached by some TC Officers and employees who have expressed their concerns with the impacts on their take home pay and the introduction of this Bill and that there are some valuable TCs employed in the Public Service who might now contemplate their employment here on the island, which will be detrimental to the wellbeing, I would ask for additional time to be considered for implementation on this Bill if it is approved in this House today to allow for more information to be shared with all TC employees for them to consider their futures. Mr Speaker, I support the Bill.

The Speaker –

Thank you. The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

While I agree in principle with the Bill, and we need to create a level playing field, but I'd like to think that is happening, but out of the four key workers expected to be working in St Helena for the next exit before October, but do we have Plan B put in place to combat that.

This is why I want to ask you this here because while everybody says we need to give them more taxes and everything else, what happens if everybody with expatriates pay leave today? Where do we fit the bill, what happens, so, like I say, that's just a question I'd like to ask you. Again, I agree with the principles of the Bill, but I'd just like to ask you that.

The Speaker –

Thank you. The Honourable Clint Beard?

The Hon. Clint Beard –

Mr Speaker, I support this Bill. I think for me TC Officers they do play a vital role, but I don't think this Bill is directed entirely in their direction. This Bill is about just creating a tax system that is fair and equitable for everyone on St Helena. Everyone has to pay tax. I think what this Bill does it creates a fair tax anomaly, it takes away from all this indiscrepancies. I think also what needs to be there in the forethought of everybody is that we need to appreciate all staff that works on this island because otherwise we are discriminating. I think consistency and the approach that Government follows around tax that needs to be put in place, I believe that all workers and employees there needs to be the partnership and development. I would hope that officers of the TC would be looking at really commit to St Helena, I think we need you to commit to us as we work together. I think you can, as TC officers, if you feel outweighed, I think you could leave a legacy, but you have to do and you have to stay to do that. The discussion has taken place in the Tax and Revenue Working Group and it has gone on for quite some time, so that I just want to reiterate. There is no discrimination against and there has been legal advice given and it seems that there is no discrimination against an implementation, so we need to put it forward fairly under equitable approaches for taxes so that this island can move forward. With a budget that is unknown it's now time to make sure that we have those approaches. It's no use us mickey mousing around, we have to put those in place, we have increased, we are down to four committees, with the intention and looking at our revenue increases for each Directorate. Not easy, but we've implemented some of those Dr Essex mentioned about Government Landlord houses. People have been on to about that too, but yet what do we do? It's come through the Committee and the Committee has made that recommendation, now it moves forward. We have to deal with constituents that are really bitter about that. So, the implications I hope will not really be bad, I hope that, we have to look at both sides, we have to look at also the local staff. I think for us, for me, employees in the high rate that they are and they need to be proud to do their jobs. Also, this Bill for me has highlighted the gaps within Government and in jobs and we need to make sure that we create a fair wage structure going forward, so hopefully this will spark a view of how we take things forward. Thank you, Mr Speaker.

The Speaker –

Thank you. The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you, Mr Speaker. This issue actually pulls me in two different directions because I do believe that the law should always be applied equally and so the principle of this I do agree. I think, by hindsight, I would have thought, having been involved in discussion and on reflection I would have thought that perhaps a better way, a more extended time of implementation to overcome and discuss some of the issues that will undoubtedly arise, because the TCs provide an essential service, but I do believe that the law is, to change is absolutely the right thing. In fact, now that it's been suggested and hopefully will be agreed, that the implementation time will be extended and not to start until October, will allow the administration an opportunity to

actually negotiate in a way that would provide a satisfactory outcome and in principle I support the Bill.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. Mr Speaker, there seems to be a number of correspondence circulated over the last few days in respect of this proposed amendment. This amendment to remove the wording “who are living away from such person’s normal place of abode” and replacing it with “while the resident is living away from the resident’s normal place of abode in St Helena”. Basically, Mr Speaker, I’m not sure what all the fuss is about as the proposed amendment provides a level playing field between the workers in the private and the public sectors, but Mr Speaker, I note that the Honourable Mover mentioned in his exposition that Executive Council has agreed for this Bill to come into force in October 2021, but when I looked at the Bill, it’s saying that it will come into force on a date or dates fixed by the Governor, so I’m wondering if the Financial Secretary could explain that, if he doesn’t mind doing so, especially for the benefit of our listeners.

Mr Speaker, as a politician, my role is to ensure that all laws are fair. It’s not my responsibility to deal with staffing matters or lack of staffing, that is for the Administration to deal with, so we’re here today in looking at the principle of this amendment and I know that my colleagues have mentioned about TC Officers, their important role, and, of course, I do agree with that, but my focus as a politician is about ensuring that the law is fair, not staffing, staffing is an operational issue. Members around this table will recall that when we had a discussion about this proposed amendment last month, I actually asked a question at that discussion about consultation with the people that are likely to be affected on this proposed amendment and I was told it was not necessary to consult. Thank you, Mr Speaker.

The Speaker

Thank you. The Honourable Derek Thomas?

The Hon. Derek Thomas–

Mr Speaker, I rise in support of this Bill, the Income Tax (Amendment) Bill, 2021. The Bill makes provisions for all allowances referred as international supplements paid to employees working on St Helena will be taxable. Such a move will be seen as levelling the playing field for SHG employees, putting them on the same footing compared to employees within the private sector who are already paying taxes on any allowances they earn. As we know, this will impact on our Technical Cooperation Officers where many have made representations opposing such changes and like my colleagues I do realise and recognise that our Technical Cooperation Officers perform valuable and sensible services to the running of our island in many jobs where we do not have the local capacity to undertake such jobs. I do hope that in such challenging times when our budgetary aid funding is very demanding in being able to fund key and essential services such change is necessary and I do trust it will be seen that way. Many of our local, dedicated staff remains committed and loyal in their jobs. Their salary in many cases are so low, six to seven thousand pounds per annum, very little take home pay when you compare to the high cost of living, they haven’t seen an increase in years and we are faced with being able to fund such increases. We have an ageing population with the demand on our benefits system and Basic Island Pension are forever increasing, we need to be able to continue to fund such systems. Our demand on health and social care increasing, which comes at increasing costs. The benefits from introducing this Bill will provide, as some of my

colleagues have alluded to, some additional revenue to support many of the challenges that we currently face. We have moved towards levelling the playing field in the proposed Immigration draft legislation, where all immigrants seeking employment on St Helena be treated equally and the playing field be levelled.

Mr Speaker, I do agree to a six-month period because I do recognise that there's likely to be potential consequences arising from the Bill, I do trust and hope that the impact will be such that it causes problems with key services, like my colleague quite rightly alluded to, Councillor Leo, but I do believe we cannot do this because of that, we have provided a sensible time, six-month period, in my view to allow any disruptions to be dealt with, but we need to have a level playing field here when it comes to employment, so I do give my support to this Bill. Thank you.

The Speaker –

Thank you. The Honourable Jeffrey Ellick?

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. I rise in support of the Motion; I believe that this is a very good amendment and it's long overdue. When we were discussing this at Info LegCo, some of us supported that this amendment take effect from 1st April. Further, it was agreed by the majority that it would commence from 1st July to allow those affected to adjust to the change. This was agreed by ExCo. Some are not happy about the change, but in my opinion, you will now have a law that allows a fair tax system. As far as I'm aware, the appropriate processes have been followed and ExCo approved for this Bill to be business of Government today. I understand that a meeting took place yesterday to discuss this Bill, however, I and other LegCo members were not included in this meeting and have not received an explanation as to why we were not included. There is now a further delay until October. I am disappointed as to why ExCo has made further allowances for a selected group. I will certainly not support any further delay until October, to do so, in my view, is unethical. The TCs provide an essential service to the island, so do the non TCs. My colleague said what if all TCs resign. I would say to that, what if all non TCs resign. Thank you, Mr Speaker.

The Speaker –

The Honourable, sorry?

The Hon. Derek Thomas –

A point of information, Mr Speaker?

The Speaker –

Yes.

The Hon. Derek Thomas –

I rise on a point of information, Mr Speaker. I am very concerned that my colleague here has said him and others were not included in such a meeting. I wrote, as Chairman of the Month, to all elected members stating that it's important that we have a meeting and I suggested half past eight, that was yesterday. It was unfortunate that my computer crashed, but the majority of members came into this meeting. The majority of members came into this meeting, so I would like the member to retract on this, because also on Wednesday I had a separate conversation with this particular member and we talked about this meeting and I encouraged him to attend, so I'm very concerned about that statement. Thank you.

The Speaker –

Thank you. The Honourable Attorney General?

The Hon. Allen Cansick –

Mr Speaker, you'll be aware that I'm the only member of this House who has a financial interest in this matter and that financial interest demonstrates more than anything else a conflict of interest and for that reason to date advice to the Government on this matter has come externally and members will also appreciate that today I'm unable to give any substantive advice on this matter for those reasons. The clause by clause of this Bill will also be done by the Financial Secretary.

The Speaker –

Thank you very much, Attorney General. Councillor Ellick?

The Hon. Jeffrey Ellick –

Just a point of information, Mr Speaker, that, yes, it was just a suggested time, I went back to my Honourable Colleague and told him that I wouldn't be able to make it until 10 o'clock, I do believe we have phones and stuff like that within this building, I feel sure he could have called.

The Speaker –

Thank you. Point of information?

The Hon. Derek Thomas –

Yeah, I don't want to harp on this. The meeting was scheduled for 8.30, if the Honourable Member couldn't make it, he didn't hear from me, likewise he got a telephone, he could have called for such an important meeting.

The Speaker –

Thank you. Alright, we'll leave it at that, thank you very much indeed. Any other Member wishes to speak? Okay. The Honourable Mover wish to reply to the debate?

The Hon. Dax Richards –

Thank you, Mr Speaker and thank you Honourable Members, those of you who have risen and contributed to the debate. I won't go into the politics behind the debate, I will stick to, from my perspective, the principles of the Bill.

First of all, I would like to say though, and put on record, that we do, and everyone has said round the table today, fully, fundamentally value the work that is being done by our expatriate workers and I say expatriates because I understand today a lot of discussion is about TCs, but this is not only about Technical Cooperation Officers, this is about expatriate workers on the island and the fairness around how they are treated from a tax perspective.

Councillor Henry mentioned about the Bill itself and why has it taken so long to come to the House and also why hasn't it been applied in the right way and the purpose of today's amendments to the Bill is to actually address that interpretation issue, because at the moment the Bill can be slightly interpreted in many different ways and the purposes of these changes today is to make it absolutely clear going forward what allowances on St Helena will be taxed and which ones won't, so I think when we get to the end of this process and if the Bill is approved, this should provide the certainty and clarity going forward.

Councillor Leo mentioned around the legalities of what is being done today and I take on-board fully the points that Councillor Leo has raised as well as the concerns of other Members as

well. However, I am satisfied that we have taken sufficient legal advice on this matter and we've been led to believe by that legal advice that the contracts that we currently have for our own staff allows for the changes in this tax law.

Finally, I think Councillor Christine Scipio asked to talk a little bit about when the Bill will come into effect. As it stands at the moment is quite rightly saying that the Order needs to be signed off by the Governor, however, the Governor has already given an indication to Executive Council that he wants a clear indication of when the Bill will come into effect and that is the reason why the discussions have been taking place as to when the Bill will likely come into effect, and that's for the use of the listening public.

So, Mr Speaker, as I said before, I will continue now, if we can, on to the actual provisions of the Bill during the Committee stage. Thank you very much.

The Speaker –

Thank you very much indeed.

Question that the Income Tax (Amendment) Bill, 2021 be approved in principle and referred to a Committee of the whole Council, put and agreed to.

The Speaker –

The Honourable Mover?

The Hon. Dax Richards –

Mr Speaker, I beg to move that the Council do resolve itself into a Committee to consider the detailed provisions of the Bill.

The Speaker –

Do we have a seconder, please?

The Hon. Clint Beard –

Mr Speaker, I beg to second.

The Speaker –

Thank you.

Question that the Council resolves into a Committee, put and agreed to.

Council in Committee.

The Chairman –

Honourable Members, I put the question that the Title, Enacting Clause and Clause 1 do stand part of the Bill. Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. As you just said, it's the Title and Enacting Clause and the additional item that we just talked about that Councillor Scipio mentioned around when the Bill will come into force from and this gives that effect.

The Speaker –

Okay. Thank you. Honourable Members, you may speak to the clauses. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Just to say again, Mr Speaker, that I would like this Bill to have a transitional period, I think it is very, very important because of the position we find ourselves in and I'm not sure how this should be done in going forward, but I would wish for that transitional period to be six months.

The Chairman –

Okay. Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. I can confirm that I have written to the Governor already on the basis of whether the meeting that was undertaken yesterday to advise the majority of the members supported the requirement for a six-month transitional period.

The Chairman –

Thank you. Any other Member wishes to speak on the clauses?

Title, Enacting Clause and Clause 1. –

Question put and agreed to.

The Chairman –

I put the question that Clause 2 do stand part of the Bill. Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Chairman. Clause 2 inserts an additional definition of “currency” into the main Ordinance. At present, the current Ordinance does not talk about what currency each of those, anyone who is filling out a tax return or a business that is completing their company registry return has to comply with and put their currency into St Helena pounds, so what this amendment does is to ensure that going forward any submissions in relation to tax needs to be actually computed into St Helena pounds and when the payment is made of tax into St Helena it needs to be equivalent the St Helena pound value.

The Chairman –

Okay. Honourable Members, you may wish to speak to Clause 2? No?

Clause 2.

Question put and agreed to.

The Chairman –

I put the question that Clause 3 do stand part of the Bill. Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Chairman. This is basically the key part of the amendment to the Bill, so under 3 (a) what we're proposing to do is at present this has been the area that's been used to, as a basis for flights, freight and reallocation and relocation allowances at the start and at the end of a contract, this change that we've proposed here is to make it clearer going forward that this section does apply to such, so it's actually clarification rather than a specific change.

The Chairman –

Thank you. Honourable Members, you may wish to speak to Clause 3?

The Hon. Dax Richards –

It's Part A, Mr Chair.

The Chairman –

No.

The Hon. Dax Richards –

And then, finally, Mr Chair, the other component of it, which is the significant issue, is the current Ordinance as it currently stands allows for compensation to be, to compensate a resident for the additional cost of accommodation and meals incurred whilst living away from the person's normal place of abode. At the moment, that is the basis on which these allowances are being paid. The change that we are recommending will mean that this provision will now only apply to St Helena residents when they are away from St Helena on business and it will no longer apply to those coming to St Helena.

The Chairman –

Okay. Any Member wish to speak to Clause 3? The Honourable Christine Scipio?

The Hon. Christine Scipio –

Mr Chairman, like I said earlier, with this amendment, it just provide the level playing field for all workers in the private and the public sector, so that is the part that I think that expats were quite concerned about, but, you know, we need to be fair with our laws.

The Chairman –

Thank you. The Honourable Anthony Green?

The Hon. Anthony Green –

Yeah, thank you, Mr Chairman. I just was struggling with the interpretation, not of something in the Bill, but just on the explanation, because I was looking at the, I know the explanatory note is not part of the Bill, but it certainly seeks to clarify what's in the Bill, but it says that the Clause 3 amends section 14 of the Ordinance so that certain allowances would be taxable, but it, section 3 makes amendments to section 14 and section 14 are those benefits that are excluded, so I'm just probably having a moment of trying to make sure that because we're amending 14 and 14 is all about exclusions, but then in the explanation we're saying that, it clarifies that what will be taxable, so if I could have an explanation.

The Hon. Dax Richards –

So, Mr Chair, obviously they're not, if they're excludable from their calculation for tax, it then becomes taxable as, per the explanation, for clause 3.

The Hon. Anthony Green –

I do perhaps appreciate that, but then I'm trying to clarify what then makes, what clarifies that the rest of it is definitely taxable?

The Hon. Dax Richards –

So, if you look at section 7 I think of the Ordinance itself, the current Ordinance where it talks about what is the chargeable income for each individual, it makes clear that all of these things will make up your income.

The Hon. Anthony Green –

I don't wish to pursue this, but I'm just wondering how clarifying an exclusions clarifies that previous sections makes it taxable?

The Hon. Dax Richards –

So, basically, as I mentioned before, if it's not excludable, then it becomes taxable. So, if I just refer you to section 8 of the current Ordinance, on taxable income it says subject to section 9 the taxable income of a person for any year in total amount earned, accrued or derived by that person during that tax year in or from St Helena from an employment determined in Part I of Chapter 3 from self-employment, trade or business as determined in Part 1 of Chapter 4 in the form of income from property as determined in Part 2 of Chapter 4, in the form of dividends and in the form of capital gains as determined in Chapter 5. So, on section 8, the areas that talks about the taxable income of a person in any year is the total amount earned and I think that is the key part of that clause.

The Hon. Anthony Green –

I won't pursue it so deeply, but I'm just thinking that really if it's already in the Ordinance then clarification of the exemptions doesn't reinforce what's already written in the law, but I'll leave it at that.

The Chairman –

Thank you. Any other Member wishes to speak to Clause 3?

Clause 3.

Question put and agreed to.

Council Resumed.

The Speaker –

Honourable Mover?

The Hon. Dax Richards –

Mr Speaker, I beg to report that the Income Tax (Amendment) Bill, 2021 passed the Committee with no amendments and to move that the Council approves the said Bill and recommends to the Governor that it should be enacted.

The Speaker –

Do we have a seconder, please?

The Hon. Clint Beard –

Mr Speaker, I beg to second.

The Speaker –

Thank you. The Honourable Mover, you may wish to speak to the Motion again?

The Hon. Dax Richards –

Mr Speaker, I don't have anything further to add other than to thank Members for going through the detailed provisions of the Bill.

The Speaker –

Honourable Members, I put the question that this Council approves the Income Tax (Amendment) Bill, 2021 and recommends to the Governor that it should be enacted. You may speak now to the Motion. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Sorry, Mr Chair, my mic must have been on for a while.

The Speaker –

I beg your pardon, I thought you wanted to speak.

The Hon. Christine Scipio –

No

The Speaker –

Okay. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Just to mention that the due coverage that we've taken of the transitional period that has been proposed.

The Speaker –

Thank you. The Honourable Mover, do you wish to say anything further?

The Hon. Dax Richards –

Nothing to respond to, Mr Speaker. Thank you.

The Speaker –

Thank you.

Question that the Council approves the Income Tax (Amendment) Bill, 2021 and recommends to the Governor that it should be enacted, put and agreed to.

Council Adjourned.

Council Resumed.

The Speaker –

Good afternoon, Honourable Members and welcome back to the meeting. Our next item of business, please?

Motions Resumed.

Motion No. 3 – The Honourable Financial Secretary.

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Mr Speaker, I beg to move that in accordance with and subject to Section 102 of the Constitution, this House empowers the Financial Secretary to authorise the withdrawal of moneys from the Consolidated Fund in order to meet expenditure necessary to carry on the services or projects of the Government in the financial year commencing on the 1st April 2021, until the occurrence of either of the following, whichever is the earliest:

- (a) The expiry of four months from the commencement of the 2021/2022 financial year; or
- (b) The enactment of the Appropriation Ordinance for the financial year 2021/2022.

The Speaker –

Thank you very much indeed. Do we have a seconder, please?

The Hon. Susan O’Bey –

Mr Speaker, I beg to second.

The Speaker –

Thank you. The Honourable Mover, you may speak to the Motion.

The Hon. Dax Richards –

Mr Speaker, before I proceed, I would also like to confirm that I have the authority of the Governor in accordance with Section 73 (2) (a) of the Constitution to bring forward this Motion today.

The Speaker –

Thank you.

The Hon. Dax Richards –

Mr Speaker, it feels like we’ve been here before. As of today, we have not received any indication from Her Majesty’s Government of the level of financial aid that will be provided to St Helena for the forthcoming year. This is the fourth rollover budget in the last five years. It is unfortunate that we start yet another financial year with a rollover budget. This does not provide the certainty that this Government and our community so desperately needs, particularly during a period where Covid-19 is still impacting on many communities and economies across the world. There is no clear indication as to when we can expect to receive confirmation of a level of financial aid, but we hope to hear soon.

Mr Speaker, the rollover budget will allow the Government to continue providing essential services from 1st April 2021. The Constitution allows for up to one third of the 2020/21 budget to be spent. This means that LegCo will be authorising the Financial Secretary to allow expenditure of up to £14,146,612 for the four-month period. However, it will be my intention to limit spending to essential spending only, particularly given the uncertainty on the level of financial aid and the fact that the draft budget for 2021/22 already has a deficit in excess of £500,000. Directorates have indicated the funding required for essential spending and this will be monitored closely. There will need to be a swift response, once a settlement is known, and no doubt a re-prioritisation of the priorities to ensure this Government is able to operate within the funding allocated by Her Majesty’s Government.

Mr Speaker, today I will not be delivering a budget speech, however, I will take this opportunity to announce a number of changes that will come into immediate effect. As is customary, the duty on alcohol will increase by inflation in line with the current policy. This means an increase of 1%. As a result, the duty on a bottle of 750ml of Captain Morgan will increase by 14p. A 750ml bottle of wine will increase by 5p and the duty on a 330ml bottle of Castle Lite will increase by less than 1p. Tobacco and tobacco products will increase in line with the existing policy of inflation plus 1% or in this case a 2% increase. That means that on a packet of twenty cigarettes the duty will increase by 5p. The details of these changes will also be published shortly. Further to the introduction of a fixed fee for the passenger vehicle import duty, this year an additional Band H has been included for all vehicles where no manufacturer's CO2 emissions data is available. These vehicles will have duty applied equivalent to the highest band which is currently set at £3.5k. I can also confirm, Mr Speaker, that there are no proposed changes to the tax rates for the next financial year. Corporation tax rates will remain at 25% or 20% for those businesses who are supporting the delivery of the Sustainable Economic Development Plan. The personal allowances will remain at £7,000 and the first £18,000 of taxable income taxed at 26% and 21% for those businesses supporting the SEDP and for income over £25,000 this will be taxed at 31% or 26% for those business, again, supporting the SEDP. In addition, as discussed earlier, a number of allowances will now become taxable and it is likely that this will come into effect from 1st October 2021. The tax initiatives for businesses announced in 2019 in support of the Investment Policy will continue for the next financial year as well as the provision of subsidised fuel to support the fishing industry. Finally, Mr Speaker, I would like to take this opportunity to thank all those across the public service and the private sector for working hard behind the scenes and on the frontline to keep the island safe from Covid. As the vaccination programme gathers pace, there is hope that in the not too distant future some form of normality or even a new normal will emerge which will mean St Helena is best placed to kick-start our economy and bring a much-needed boost to our economy and everyone on the island. Mr Speaker, I look forward to the Members support to the resolution and I beg to move.

The Speaker –

Thank you, Honourable Member. Honourable Members, the Motion is that in accordance with and subject to Section 102 of the Constitution, this House empowers the Financial Secretary to authorise the withdrawal of moneys from the Consolidated Fund in order to meet expenditure necessary to carry on the services or projects of the Government in the financial year commencing on the 1st April 2021, until the occurrence of either of the following, whichever is the earliest:

(a) The expiry of four months from the commencement of the 2021/2022 financial year;

or

(b) The enactment of the Appropriation Ordinance for the financial year 2021/2022.

Honourable Members, the Motion is now open for debate. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker, I rise in support of this Motion. I think we all will appreciate that the whole world has suffered over the last fourteen months or so and Britain has been no exception, but it didn't take a pandemic for the four previous years that we've had a rollover budget, so maybe this is the new norm that we are facing now with continuing rollover budgets, but I think we should all agree that perhaps we were expecting this particularly this year. I think it's going to be a tough year for us all and I think we're going to have to prioritise the priorities and everybody needs to tighten their belts. I support what the Financial Secretary has said, you

know, we are very fortunate here in St Helena, touch wood, we haven't had a community spread of this virus and long may that remain. I think the vaccinations has brought some confidence into the public, and, like the Financial Secretary, it is my hope that in the coming months we will be able to have some form of plan that we can start to open up. I hope the arrangements that we've made for the Ascension Island flights is the beginning, but nevertheless, I think that we still need to be cautious because whilst we don't have the virus here much of the rest of the world it is still very much in play, so I support this Motion and hope that other Members will too. Thank you.

The Speaker –

Thank you, Honourable Member. The Honourable Gavin Ellick?

The Honourable Gavin Ellick –

Yeah, I stand in support of the Motion, but, again this year, rollover budget. Will this be the same normal, can we do business as usual, can we ask our Directorates to go forward, all uncertainties. I was hoping that for one day, like, where Britain say, give us a bit of money, because, like, we getting on, like, we asking for millions and millions, we only asking for a few million. Compared to all the millions what we get wasted round the world, and, as my friend say, the Covid-19, but unfortunately we do have a case here at the moment, I just heard it on the radio, so I stand to be corrected, but my friends and colleagues, this is when we have arguments and debates on where we going to spend the money, so my advice to us is where it is most needed to be spent. Other than that, those who can't have it, they can't have it. Sorry to say that, I know everybody will kill me for this here, but that's the way it is, we ain't got no money, we always on the rollover budget, so let's tighten our belts up and see what we can do for ourselves. Thank you.

The Speaker –

Thank you. Honourable Clint Beard?

The Hon. Clint Beard –

Mr Speaker, I support this Motion, I think one thing that came across is that the Financial Secretary mentioned limiting our spending and that means what is going to be needed in a very, I would say, challenging financial year ahead for St Helena, so I'm glad that that was mentioned and as was mentioned too would be other increases are, that is coming into effect from 1st April, so, again, the community will be incurred with a little bit of extra expense, but we have a challenging year ahead of us and we should not be fooled by it. Unfortunately we have a rollover, but I think we have to play with the cards we're dealt with and make best use of our funds. Thank you.

The Speaker –

The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Mr Speaker, it is bitterly disappointing that we have yet another rollover budget which will once again impede service delivery at the start of a new financial year and impact negatively upon forward planning across all Directorates. I think I said last year that I felt as though I've had my face slapped, so now I feel that I've had it slapped again, in fact, I'm getting to the point where I'm feeling quite battered. The situation is totally beyond the control of St Helena Government officials and elected members and all that we can do is to try and work together to limit the potential damage and difficulties that the absence of an agreed

settlement for 2021/22 is likely to present. Mr Speaker, St Helena Government has to function after 1st April, so there is no real option but to support this Motion. Although I am fully aware of the pressures that are placed upon Directorates and the wider knock-on effect upon the private sector and the public as a whole, it really goes against the grain with me to vote in favour of a Motion which is clearly not desirable, but the alternative would be far worse. Once again, we are compelled to make a suboptimal decision and live with its consequences however frustrating and uncomfortable these may be. Despite the recent level of additional financial support received from the British Government, I am not convinced that it has a real understanding of the detrimental impact of a rollover budget and that all that is possible to avoid this is done. Mr Speaker, as other members around this table have stated, we are not going to be in a good financial situation for this coming financial year and to actually start it with a rollover only exacerbates that situation. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Any Honourable Member wish to speak? The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. Mr Speaker, I recall last year the Financial Secretary stating that it's disappointing to have to bring to the House a Motion for resolution for a rollover budget. Having a rollover budget does undermine any possibility of long-term planning in a meaningful and productive manner. It will be reckless of me not to approve the withdrawal of funding from the Consolidated Fund for essential spending only as St Helena Government will not be able to provide any services to the people of St Helena. Once again, we're doing a blanket approach without any evidence that demonstrates that this amount will be used for delivering essential services only. Whilst I understand that the Financial Regulations does not require detail, a simple breakdown of the £14m required for the period would avoid any questions at a later date only to be told that elected members had approved it. Mr Speaker, I am so pleased to hear that the Honourable Financial Secretary stated that expenditure would be limited to essential expenditure. He also stated that Directorates have already given an expected expenditure for the period, but will the Honourable Financial Secretary tell this House if the funding is withdrawn will only be allocated to Government Directorates or will non-government organisations be included and if non-government organisations are included, what proportion of this funding will be allocated to them? Mr Speaker, I would like to take the opportunity to thank the Financial Secretary and his team for their dedication in crunching the numbers, the amount of discussions that we've had and with different versions of these crunching of numbers only demonstrate dedication to our Government. It is disappointing to be in this situation once again, but I feel like I'm pushed in the corner, because I can't do anything about it. Thank you, Mr Speaker.

The Speaker –

Thank you, Honourable Member. The Honourable Russell Yon?

The Hon. Russell Yon –

Mr Speaker, I rise in support of this Motion. Again, we are asked to support a rollover budget due to issues beyond this Government's control and although I would like to expand on my exposition on this Motion, I will refrain from doing so as I feel I would begin to sound like a scratched record. This has been the common procedure over the past years and of no fault of elected members or St Helena Government officials. We have given extreme amounts of time discussing our budget proposals and submitting them on time, however, the current demand on

the financial budget in the UK in which our paymasters must also allocate funding to this Government is, as we all know, under considerable pressure due to unforeseen circumstances. However, I still cannot understand why it has taken them so long to approve our budget submission. The current situation as is, Mr Speaker, has put this Government in this predicament, therefore, I will support the Motion. Mr Speaker, I beg to move.

The Speaker –

Thank you. The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you, Mr Speaker. I thank the Honourable Financial Secretary for this timely but essential Motion, because I think it is important that the wheels don't grind to a halt, so I fully support the Motion.

The Speaker –

Thank you. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker, I rise in support of the Motion, it's very disappointing, but I do acknowledge the good work and hard work that has been done by elected members here and the officials, it wasn't the lack of planning, we have no choice in the matter, we only can live in hope and hope for the future that these sort of things, rollover budgets can be avoided and we can get a multi-year budget, a three-year budget and we've been planning for that for some years, but as this pandemic settles and things improve hopefully we, the Government, can work towards, so I support the Bill.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Mover wish to reply to the debate? The Honourable Cruyff Buckley, I do beg your pardon?

The Hon. Cruyff Buckley –

Thank you, Mr Speaker, I do, too, rise in support of this Bill and like my colleagues around this table I do feel quite disappointed that again we are in this situation and from a lot of debate around a three-year settlement, Mr Speaker, which we were quite conducive to our forward planning and our strategic objectives I feel that the current budget is a backbone, Mr Speaker, for us to deliver initiatives around our sporadic capital investments and other international donations we receive from abroad and we need a backbone in our recurrent budget in terms of resources and capacity to be able to deliver on these new investments as and when they arrive and I'm afraid I'm saying that we seem to be coming up short because of this very reason. I think there needs to be a link between the two. Yes, we are in times of austerity and also we have the pandemic to contend with, but nevertheless I don't feel this is a reason for Her Majesty's Government to neglect their sovereign responsibility when it comes to the St Helena Government. After all, we have fully audited financial statements that are transparent and fully accountable, thanks to our commitment from our PAC and I think FCDO continue to deprive this Government, whether intentionally or otherwise, of the financial stability we need to deliver our core services. I think ultimately we can demonstrate that we are as value for money for both St Helenians and the UK taxpayers simply by looking at the St Helena Government's audited statements and whilst the amount we receive in total could be construed as a substantial amount, it is essentially a drop in the ocean when in comparison to other overseas territories and countries in receipt of the overseas development assistance and I would like to take this

opportunity to remind the UK Government that St Helena as an overseas territory should be the first call on the overseas aid budget as set out in the words of their own White Paper. Thank you, Mr Speaker.

The Speaker –

Thank you. The Honourable Cyril Leo?

The Hon. Cyril Leo –

Thank you, Mr Speaker. First and foremost, I will acknowledge with gratitude the various forms of financial support St Helena receives from the United Kingdom. The United Kingdom allocated some £15bn to its Foreign Aid budget in 2020. Although it has been confirmed that the ongoing financial challenges impacting the United Kingdom by the Covid-19 pandemic, it will mean a reduced fund budget aid, a UK fund aid budget will still be maintained at more than £10bn. It is the stated policy of the United Kingdom that the reasonable assistance needs of overseas territories are the first call on the UK Foreign Aid Programme. Therefore, to satisfy the reasonable assistance needs of St Helena, we need a reasonable recurrent budgetary uplift from the United Kingdom for the financial year 2021/22, a reasonable uplift will make a huge difference to addressing the serious social and economic needs of the vulnerable in our community. Unfortunately, Mr Speaker, there are serious concerns with the current budget negotiation process. We must review the process for securing adequate financial aid from the United Kingdom to meet the reasonable assistance needs of the people of St Helena and in a timely manner. Indeed, as far back as July 2018, the then Minister to DfID, Lord Bates, also agreed there is a need for improvement, and I quote, “The Minister is content for the financial aid negotiation process between DfID and the St Helena Government to be refined as needed.” Here we are, some three years on, on the brink of another new financial year and once again we have to accept the negative impacts of yet another rollover recurrent budget and serious financial deficits and uncertainties. I am informed by the Chief Secretary that St Helena Government officials and FCDO civil servants speak once a week on matters pertaining to local government. Now, we want that working relationship to be cordial, but the time has come to formally question why the cordial approach to this partnership with the United Kingdom is clearly not working in the very best interests of St Helena. A new approach, to include proper engagement of elected members with the FCDO is desperately required to help secure timely and adequate financial aid from the United Kingdom to meet the reasonable assistance needs of the people of St Helena. Mr Speaker, a copy of my statement will be sent to the Minister, Lord Ahmed of FCDO and I will ask my colleagues if their statements can also be included. I support the Motion and look forward to improvements to the budget negotiation process in the interests of good governance. I beg to move, Mr Speaker.

The Speaker –

Thank you, Honourable Member. Any other Member wishes to speak? No? Honourable Mover?

The Hon. Dax Richards –

Thank you, Mr Speaker and I'd like to thank all those members who rised in support of the Motion. I don't have anything specific to respond to other than the specific question that was asked by Councillor Scipio. We can make available, we have a sheet of the breakdown of what each Directorate's uh their spending will look like, so we can make that available on the passage and that's what members would like to have, but as you know from the process and from the discussions we've had earlier it isn't required for the actual Motion itself. In terms of funding to NGOs, as it stands, we will be allocating funding to NGOs, it will be based on last

year's budget with a 10% reduction in those funds during this period until such time that discussions can conclude on funding for NGOs going forward for next financial year. So Mr Speaker, if that's okay, I don't have anything additional to add and I'd like to thank the members again for their support.

The Speaker –

Thank you. Honourable Members, the Motion is that in accordance with and subject to Section 102 of the Constitution, this House empowers the Financial Secretary to authorise the withdrawal of moneys from the Consolidated Fund in order to meet expenditure necessary to carry on the services or projects of the Government in the financial year commencing on the 1st April 2021, until the occurrence of either of the following, whichever is the earliest:

- (a) The expiry of four months from the commencement of the 2021/2022 financial year;
- or
- (b) The enactment of the Appropriation Ordinance for the financial year 2021/2022.

Question put and agreed to.

The Motion is carried.

The Speaker –

Next item of business, please?

Motion No. 4 – The Honourable Jeffrey Ellick.

The Speaker –

The Honourable Jeffrey Ellick?

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. I beg to move that this House resolves, in accordance with section 69 (9) of the Constitution of St Helena, that Sessional Paper No. 13/21 namely the Public Accounts Committee Report to Legislative Council on the formal session held on 1st February 2021, is adopted by this Council and requests that the responsible member of Executive Council, not later than the first sitting day following the expiration of six weeks after today, 26th March 2021, advises Legislative Council of the action proposed to be taken by Government in respect of this report.

The Speaker –

Thank you. Do we have a seconder, please?

The Hon. Dr Corinda Essex –

Mr Speaker, I beg to second.

The Speaker –

Thank you. Honourable Mover, you may now wish to speak to the Motion.

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. The precedent for this Motion is well established from previous sittings of this Council. The purpose of this Motion is to ensure the House is aware of the findings of the Public Accounts Committee in the formal reports laid at this session. Sessional

Paper 13/21 summarises the matters arising from the PAC scrutiny of SHG Expenditure in Excess for the year 2019/20 along with the follow-up on Corporate Governance of the St Helena Government Group Entities. The issues raised by PAC and explanations and assurances received from those charged with the stewardship of these bodies are documented in the report together with recommendations for improvement. When audited accounts of Government and other public bodies are laid before the House, Standing Orders require that they are referred to the PAC without debate. This is to allow the PAC to perform its scrutiny and report back in due course. Mr Speaker, we are now at that reporting stage. Accordingly, this is the opportunity for elected members to raise in debate of this Motion any matter they wish to air in respect of these public accounts and the issues and recommendations raised by PAC for attention of the House. Mr Speaker, the Constitution, section 69 (9) provides for Legislative Council to resolve to adopt the reports of PAC such that Government may then respond to the recommendations no later than the first sitting day after six weeks accordingly. Mr Speaker, I beg to move.

The Speaker –

Thank you. Honourable Members, the Motion is that this House resolves, in accordance with section 69 (9) of the Constitution of St Helena, that Sessional Paper No. 13/21 namely the Public Accounts Committee Report to Legislative Council on the formal session held on 1st February 2021, is adopted by this Council and requests that the responsible member of Executive Council, not later than the first sitting day following the expiration of six weeks after today, 26th March 2021, advises Legislative Council of the action proposed to be taken by Government in respect of this report. Honourable Members, the Motion is now open for debate. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. Mr Speaker, I'm certain that all members around this table do recognise the hard work of the Public Accounts Committee, I'm sure there's no doubt in anybody's mind the role, the important role that they do play with scrutinising St Helena Government's expenditure. I was quite alarmed to see this Motion here on the Order Paper today, Mr Speaker, because it is my understanding that the responsible member of Executive Council is the Financial Secretary to provide those responses and it is hoped that he is complying with the law in providing those responses so hopefully the Mover will be able to confirm that or not? Thank you, Mr Speaker.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker, I do rise in support of the Motions. As the Honourable Mover has said, this is the standard practice that we've been doing now for a number of years and as quite rightly mentioned by Councillor Scipio, I am the person of ExCo who is responsible for responding to these reports, so, and to reassure you, we do respond to the reports on time as required under the Constitution and we'll continue to do so, so at the next sitting of Legislative Council within the 12-week period or six-week period, we will then publish our response to the specific items that have been brought during this paper, but also respond to all of the other outstanding recommendations as well.

The Speaker –

Thank you very much indeed. Any other Member wishes to speak? Would the Honourable Mover wish to wind up?

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. Mr Speaker, PAC is tasked with the scrutiny of Public Accounts in the order before us, so I just thank the member for her support, I hope that the others will support as well. The Financial Secretary designate is the responsible member of Executive Council will bring the Government response to recommendations made in these two Sessional Papers to the next session of this House so that Council can see how these matters will be progressed. Thank you, Mr Speaker.

The Speaker –

Thank you. Honourable Members, the Motion is that this House resolves, in accordance with section 69 (9) of the Constitution of St Helena, that Sessional Paper No. 13/21 namely the Public Accounts Committee Report to Legislative Council on the formal session held on 1st February 2021, is adopted by this Council and requests that the responsible member of Executive Council, not later than the first sitting day following the expiration of six weeks after today, 26th March 2021, advises Legislative Council of the action proposed to be taken by Government in respect of this report.

Question put and agreed to.

The Motion is carried.

The Speaker –

Next item of business, please?

Motion No. 5 – The Honourable Financial Secretary.

The Speaker –

The Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. I beg to move that this House resolves that the excess expenditure for the financial year 2019/20 in the Statement of Expenditure in Excess 2019/20 laid as SP 36/2020 now stand charged to public funds in accordance with section 106 (3) of the Constitution.

The Speaker –

Do we have a seconder, please?

The Hon. Susan O’Bey –

Mr Speaker, I beg to second.

The Speaker –

Thank you. The Honourable Mover, you may speak to the Motion.

The Hon. Dax Richards –

Thank you, Mr Speaker. Mr Speaker, at the end of October 2020, the formal meeting of Legislative Council a Statement of Expenditure in Excess for the financial year 2019/20 was presented as Sessional Paper 36/2020 in accordance with Section 106 (1) of the Constitution. This Statement recorded that Head 23 – Health had excess expenditure over the appropriated budget of £191,755 which related to additional costs of overseas medical referrals for the 2019/20 financial year and Head 29 – Child and Adult Social Care had excess expenditure over the appropriated budget of £42.215 which related to the additional unbudgeted employee costs, increased laundry service contract costs, increased food provisions for the various care services across the island and additional transport and telephone costs for the Directorate. This Statement of Expenditure in Excess for 2019/20 was subsequently scrutinised by the Public Accounts Committee under Section 106 (2) of the Constitution and the report back to this House was presented today and was just approved by elected members a few moments ago. It is their recommendation to this House that the excess expenditure for the two heads of expenditure totally £233,970 stand charged to the public funds. Mr Speaker, I beg to move.

The Speaker –

Thank you very much indeed. Honourable Members, the Motion is that this House resolves that the excess expenditure for the financial year 2019/2020 in the Statement of Expenditure in Excess 2019/2020 laid as SP 36/2020 now stand charged to public funds in accordance with section 106 (3) of the Constitution. The Motion is now open for debate. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. I was just trying to refer back to my research because according to my notes, I would like to be corrected, Honourable Financial Secretary, that the Children and Adult Services excess expenditure was £45,000 not £42,000, so I was just trying to check back to my research notes, so my question, Honourable Mover, is that if the excess expenditure for the Children and Adult Services is £42,000 or £45,000. According to the Financial Secretary, the motion states £42,000.

The Speaker –

Hold on, just a second.

The Hon. Christine Scipio –

Shall I continue, Mr Speaker, you're happy for me to continue, Honourable Financial Secretary?

The Speaker –

Financial Secretary?

The Hon. Dax Richards –

Yes, I was trying to find Sessional Paper 36/2020 to confirm the numbers.

The Hon. Christine Scipio –

Right, okay, and that's what I was trying to check my research notes as well, so I might have made a typo in my scribbles here, I've got 45, but anyway, Honourable Mover, is that my question is, bear with me listeners, if the excess expenditure of £191,000 for Health Directorate and £45K or £42K, whatever it is, for Children and Adult Services is charged to the public funds, can the Honourable Mover advise what will be the balance of the Consolidated Fund?

The Speaker –

Any other Member wishes to speak? The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. Just to say that I rise in support of this Motion.

The Speaker –

Thank you. Okay. The Honourable Mover? The Honourable Mover, you may wish to respond?

The Hon. Dax Richards –

So, Mr Speaker, thank you very much and I'd like to thank the Honourable Member for raising on the point. Actually, you are correct on this occasion, there is a typo, it should be £45,215. In terms of whether it is going to have an impact on the overall balance in the Consolidated Fund, then the answer is no, because that has already been captured in the £6.3m figure that I indicated earlier. So, just to be clear though, in terms of my exposition, I mentioned £45,000, but all of the necessary papers have the right amount of £45,215 and thank you for raising that very valid point.

The Speaker –

Thank you. Honourable Members, the Motion is that this House resolves that the excess expenditure for the financial year 2019/20 in the Statement of Expenditure in Excess 2019/20 laid as SP 36/2020 now stand charged to public funds in accordance with section 106 (3) of the Constitution.

Question put and agreed to.

The Motion is carried.

Motion No. 6 – The Honourable Anthony Green.

The Speaker –

The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you, Mr Speaker. There are two preliminary Motions to put, with respect, and I'm speaking about the Governance Reform, the Motion which I will come to in a moment, but two preliminary Motions to put respectively to waive the notice and to amend the wording of the Motion, both to be put before moving the substantive Motion on the Order Paper. Mr Speaker, I move to dispense with notice in respect of this Motion. Ten clear days would ordinarily be required but I move by Order 10, Rule 2 to dispense with that notice.

The Speaker –

Do we have a seconder, please?

The Hon. Derek Thomas –

Mr Speaker, I beg to second.

The Speaker –

Thank you.

The Hon. Anthony Green –

Mr Speaker, this Motion stems from the results of last week's Consultative Poll, a democratic exercise in which the results have been available for some eight days. Although the results have not yet been available for ten clear days, the poll was much anticipated and it is quite right that the results and the next steps should be embedded in this House without delay, especially as this House commissioned the Poll by its Motion in January. Mr Speaker, I move to dispense with notice to allow the House to debate this matter today and without debate.

The Speaker –

Thank you. Honourable Members, I put the question then that this Motion is to dispense with notice under the Standing Orders as the Motion was submitted less than ten days before the meeting. All those in favour say Aye or you wish to speak to the Motion, sorry? The Honourable Christine Scipio?

The Hon. Christine Scipio –

Sorry, Mr Speaker, I'm a little confused here, because I know earlier in the beginning of this meeting we were asked if we would allow this Motion to take place because it didn't, it wasn't submitted within the ten days, but now you've asked, are you asking us the same thing, I'm getting a little confused because you said without debate, I'm certain the listeners are confused as well, so could we be a little bit clearer before we're asked to answer, please?

The Speaker –

The Attorney General?

The Hon. Allen Cansick –

Yes, Mr Speaker, the earlier Motion which was made just before the submission of the linked Sessional Paper to this, was to suspend Standing Orders in respect of notice for Sessional Papers. This particular Motion now is to dispense with the notice period for Motions under the particular Standing Order that the Honourable Councillor Green has referred to. Unlike the earlier Motion, this one you are able to have debate on. I think Councillor Green, in fact, meant to say no delay rather than no debate, so you can debate this particular Motion.

The Speaker –

Honourable Christine Scipio?

The Hon. Christine Scipio –

Yes, Mr Speaker, can I have confirmation from the Mover that it is not without debate, it is without delay?

The Speaker –

The Honourable Anthony Green?

The Hon. Anthony Green –

With pleasure, Mr Speaker, I can confirm it is with debate, but without delay. Thank you.

The Speaker –

Do you wish to continue, Honourable Christine Scipio or?

The Hon. Christine Scipio –

Sorry, Mr Speaker, I'm certain you were asking us if we will suspend the Standing Order so I think that's what we need to answer?

The Speaker –
Yeah.

The Hon. Christine Scipio –
Or have we answered that, it's a little confusing here?

The Hon. Allen Cansick –
No, earlier on today, Honourable Councillor Scipio you were asked to suspend, but now you are being asked to suspend the notice period for this Motion pursuant to Standing Order 10, Rule 2 that on a Motion allows this House to dispense with notice before it's heard, that's what you're specifically being asked to do.

The Hon. Christine Scipio –
I understand and thank you, Attorney General, it's just that Mr Speaker was asking me if I'd like to answer or continue and I am not certain what question I should be answering.

The Speaker –
Sorry, what.

The Hon. Christine Scipio –
But I think it's the whole House that needs to answer his question.

The Speaker –
Because you were speaking earlier, that's why I asked you if you want to continue with what you were asking. Any other Member wishes to speak? The Honourable Jeffrey Ellick?

The Hon. Jeffrey Ellick –
Thank you, Mr Speaker. I do have concerns about this Motion as when we did the Sessional Paper, I objected to it. My concern was, Mr Speaker, was that this seem to be hurried through without any discussion with elected members, however, I know that the Chairman of SCDC had a discussion with the Administration and ExCo also had a meeting on this Motion, other elected members were not included, but I can see where we are at the moment, so, you know, I'm just a minority here, so I will have to support the Motion going forward, because everybody else is and I'll say my bit in the debate session after. Thank you, Mr Speaker.

The Speaker –
Okay, thank you. Any other Member wishes to speak? No? Then, Honourable Members, I put the question that the Motion to dispense with notice under the Standing Orders as the Motion was submitted less than ten days before the meeting.

The Speaker –
Thank you, Honourable Members. Now we'll go to the Honourable Anthony Green for his Motion.

The Hon. Anthony Green –
Mr Speaker, I beg to move the Motion. I apply now to amend the wording of the Motion. This is a Motion for amendment and requires no notice by Order Rule 10 (1) (a).

The Hon. Derek Thomas –
Mr Speaker, I beg to second.

The Speaker –
Thank you. What is the amendment?

The Hon. Anthony Green –
Mr Speaker, my Honourable Friend, Dr Essex, has pointed out that the Motion might be better characterised that this House endorses the result of the Consultative Poll and recommends a change to the Constitution. Although this House has no power to amend the Constitution itself, or by its own laws, there is, arguably, nothing against the current wording as most of this House can do is to recommend a constitutional change. However, I am grateful to my Honourable Friend for the suggestion the Motion may read better with the operative word “recommend” included. The substance of this Motion is a significant matter and the House will want to debate this substance fully. If amending the Motion to this preferred wording allows the House to cut straight to the substantive issues and without distraction, I’m happy to so move.
Mr Speaker, I move that the Motion be amended by adding immediately after the words 17th March 2021 the word “recommends” and if I may refer to the Order Paper as it’s included in the second line after “17th March 2021 and”, and then you include the word “recommend”, followed by “that the Constitution” so that the full Motion, if I may read it, Mr Speaker, “that this House resolves to endorse the results of the consultative poll conducted in St Helena on 17th March 2021 and recommend that the Constitution of St Helena, Ascension and Tristan da Cunha be amended to change the governance system of St Helena to a ministerial system of government.”

The Speaker –
Thank you.

The Hon. Derek Thomas –
Mr Speaker, I rise in support of the amendment.

The Speaker –
Thank you. Honourable Members, there has been an amendment to the Motion and the Motion now reads I beg to move that this House resolves to endorse the results of the consultative poll conducted in St Helena on 17th March 2021 and recommend that the Constitution of St Helena, Ascension and Tristan da Cunha be amended to change the governance system of St Helena to a ministerial system of government. The Honourable Mover.

The Hon. Dr Corinda Essex –
On a point of information, Mr Speaker, should it not be recommends?

The Speaker –
Recommends?

The Hon. Dr Corinda Essex –
Yes.

The Speaker –

Okay. The Honourable Mover, you may wish to speak to the Motion, to the amended Motion, sorry?

The Hon. Anthony Green –

Yes, Mr Speaker, that is absolutely fine. I wait to hear the debate and passing of that amendment if Council so approve.

The Speaker –

Okay. Honourable Members, the Motion is that this House resolves to endorse the results of the consultative poll conducted in St Helena on 17th March 2021 and recommends that the Constitution of St Helena, Ascension and Tristan da Cunha be amended to change the governance system of St Helena to a ministerial system of government. Honourable Members, the Motion is now open for debate.

The Speaker –

We already I did ask for the Mover you may speak to the Motion and.

The Hon. Anthony Green –

Sorry, I just want to be sure that we have passed the amendment.

The Speaker –

The amendment, oh, we haven't passed the amendment yet, okay. We had a seconder for the amendment, right.

Question on amendment, put and agreed to.

The Speaker –

I do beg your pardon, Honourable Mover. You may now speak to the Motion.

The Hon. Anthony Green –

Thank you very much, Mr Speaker and thank you very much, Honourable Members. Mr Speaker, I beg to move that this House resolves to endorse the results of the consultative poll conducted in St Helena on 17th March 2021 and recommends that the Constitution of St Helena, Ascension and Tristan da Cunha be amended to change the governance system of St Helena to a ministerial system of government.

The Hon. Derek Thomas –

Mr Speaker, I second.

The Speaker –

Where we going now then? No, you have to speak to the Motion now, Honourable Anthony Green?

The Hon. Anthony Green –

Thank you very much, Mr Speaker. Mr Speaker, Honourable Members, this House resolved on 15th January 2021 for a consultative poll to be taken on the island on the matter of governance reform. This House resolved the questions to be put to the public. Two questions were to be put. Firstly, whether the systems of governance should be changed, secondly, if the public will is for change to the current system of governance should the governance system be changed to (a) revised committee system; or (b) a ministerial system. The results of that poll

are before the House in Sessional Paper made earlier. 371 people cast valid ballots. This is some 17.3% of those entitled to participate in the poll. 361 people voted in respect of Question 1. The responses for change to the current system were 286 as against 75 for no change. That is some 79.2% for a change and some 20.8% against it. The response to the first question was plainly in support of change. In the second question balloted, as to whether if the public will was for a change what should that change be, some 336 people cast a ballot, that is some 90.6% of those who completed ballot papers and voted. Of those, 185 voted for a ministerial system, 151 voted for a revised committee system, that is some 55.1% for ministerial system as against 44.9% for the alternative. That majority response is plainly in support of a ministerial system. Mr Speaker, the lead-up to the poll has been extensive. The lead-up began in earnest in 2019 with Professor Sarkin making his first visit. We followed this up with a second visit in early 2020. Professor Sarkin issued reports following both visits and that went into the public domain. In these visits, Dr Sarkin engaged with all stakeholders in the government system on St Helena, including the public. Professor Sarkin hosted many public meetings and discussions. Subsequently, a Governance Commission, having examined the alternative models proposed by Professor Sarkin, held public meetings across the Island as to what the proposed alternative systems may look like. Discussion and feedback was encourage

In the months leading up to the Poll, the current system of governance and the two alternatives were widely publicised; in newspapers, on the radio, the TV, through town and district meetings with Councillors, on social media, online and in a specially published booklet giving the information in detail.

Members of the public were encouraged to vote. The whole issue of governance reform has been in the public domain for some 18 months at least; this is not a 'new' issue and it should have been no surprise to anyone. Ample information was given for the electorate to make an informed choice, and, Mr Speaker, it was a real choice. By devising the questions as it did, this House ensured that the public were able to vote for no change; but also, that if there was to be change, were able to vote for one of two alternative systems put forward. The voting public were not forced into an awkward 'yes' or 'no' binary choice.

Mr Speaker, in addition to ample information and in addition to the real choice before the public, the public were given ample opportunity to participate in this Poll. The Poll was open to all those entitled to be on the Register of Electors. In addition to those actually on the Register, anyone who had applied to be on the Register was included in a separate list. More than that, anyone who for any reason was not on the register of electors but was entitled to be registered was entitled to enter a 'Poll only' list, some 37 people took this opportunity. There was also active communications to encourage Saints on Ascension Island, Falkland Islands and the UK to vote via proxy where eligible to vote. An overall turnout of some 17.3% therefore.

Mr Speaker, when 371 people exercise a democratic right, I suggest, this House will listen. We should not assume that for all those who didn't vote that they intend this result to be ignored. We cannot assume they are against a Ministerial System; we do not need to make any assumptions on their behalf. It would be undemocratic not to follow those who made an effort to vote. The absence of voting cannot be considered a 'No' vote. The vast majority who voted, voted for change. A majority, taking the opportunity, voted to prefer change to a Ministerial System. This House caused the Poll to be taken. The result is in and by this Motion I say it is incumbent on the House to endorse the result and commission changes to the Constitution necessary for a Ministerial System.

Mr Speaker I beg to move.

The Speaker –

Thank you very much, Honourable Member. Honourable Members, the Motion is that this House resolves to endorse the results of the consultative poll conducted on St Helena on 17th March 2021 and recommends that the Constitution of St Helena, Ascension and Tristan da Cunha be amended to change the governance system of St Helena to a ministerial system of government. Honourable Members, the Motion is now open for debate. The Honourable Cruyff Buckley?

The Hon. Cruyff Buckley –

Thank you, Mr Speaker and I thank the Honourable Member for his exposition, I know he has been involved in instigating ministerial change for a long time now, it goes beyond the life of this term and perhaps two or three more before this term, so credit to Mr Green for his involvement.

Mr Speaker, I think we all take liberty for granted until it's taken from us and I feel that it is necessary for me to give credit for those who participated in this democratic process of which 286 individuals clearly want change. As ever, Mr Speaker, I have to be objective and subjective too to the way I approach this, because there are many arguments for and against and one can present an argument for any side of the story, but I will ask these questions with the ultimate realisation that it will be the Privy Council who will ultimately decide whether or not St Helena has constitutional change and the question has to be asked, could you act constitutional change on less than a quarter of the voting population? I don't know. Do you disenfranchise those who bothered to vote and therefore participated in democracy? Do you acknowledge that the reason for a low turnout is perhaps attributed to the inadequate system that is already in place? I think all of these questions need to be asked and it's not going to be an easy decision for whoever has to make this decision, but I think it has to be rooted in some kind of logical explanation and for once, I'm perhaps, grateful that I don't have to take that decision. Thank you, Mr Speaker.

The Speaker –

Thank you. Any other? The Honourable Cyril Leo?

The Hon. Cyril Leo –

Mr Speaker, I would like to take this opportunity to acknowledge the 371 other people who made a special effort and took the time to cast their vote in the consultative poll. Just over 2,000 people had the option of voting in the important poll, democracy provided each individual the freedom to decide and the option to choose to vote or choose not to vote and thereby forego the opportunity. Even though it was indeed a disappointingly low turnout, I believe Legislative Council now has a responsibility to respect the people who voted and the subsequent result of the democratic voting process. There is no justifiable reason, in my opinion, why there should be any objection in carrying out the wish of the majority vote to implement the ministerial system of governance. Mr Speaker, I support the Motion.

The Speaker -

Thank you. Any other Member wishes to speak? The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. I, too, rise in support of this Motion, the people have spoken, albeit a small proportion of the electorate and to reject the outcome would be to throw dirty water over the faces of those who did take the time and effort to go and vote and I would like to express thanks to those who, indeed, did take advantage of this opportunity.

That said, a number of constituents have given me very different reasons why they did not vote, but the most common was that they did not think that any of the possible changes would make a significant difference without radical changes to the Constitution and far less reliance on grant-in-aid. If that is their view, that view also should be respected, but I would suggest that they could still have voted to indicate out of the options which they felt would have had the potential to bring about the most benefits.

Others felt that even if their wishes were the majority, these would be over-ruled and St Helena Government or Her Majesty's Government would impose the system that they want to have in place. I'm afraid, Mr Speaker, that there is a lot of scepticism and a lot of mistrust in the public and, as I have stated in this Honourable House before, I think it is incumbent on St Helena Government to do all in its power to try and defuse that. There is always some fire where there is smoke, but a great deal of the mistrust is not based on any rational facts and I think it is important that the public is gradually brought to realise that. Things become all surmised and blown out of proportion and that's sad because it's ultimately counterproductive.

Mr Speaker, I and a number of constituents still have concerns about the short timescale leading up to the vote and feedback that I have received, again, supports the concerns that I have raised previously in this Honourable House on that issue. However, I wish to acknowledge the efforts of all those who tried to maximise public awareness and participation and who have been involved in this process from the beginning and there I'm including Professor Sarkin, the Governor's Commission, the enabling group and all elected members who were involved in the public awareness campaign as well as the Press Office and the officials who supported that campaign. Sure, there are lessons to be learned and issues arose that were unforeseen, but that is inevitable in any sort of endeavour of this type and a lot of hard work and energy was expended which should be fully recognised. As Constitutional change is not a matter on which this Honourable House can rule, I sincerely hope that the Privy Council in Britain will agree the necessary changes to enable ministerial government to be established as this was the will of the majority of those voting and in conclusion I wish to thank my Honourable Friend, Anthony Green, for agreeing to amend the wording of the Motion, because I had concerns within its previous version It could be open to potential challenge as this House does not actually have power to bind the Privy Council to any particular course of action. Thank you, Mr Speaker.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Russell Yon?

The Hon. Russell Yon –

Mr Speaker, I rise in support of this Motion. I believe that the democratic process was followed and that all those eligible to vote and to have their voices heard or their decision marked on the ballot papers on the 17th March was given that democratic opportunity to decide which form of governance this Island should have.

Not to endorse the result of that consultative poll will also be detrimental to those who actually came out to vote and will give the impression to all the eligible voters that this Council and government has no spine. Mr Speaker, I support the Motion and I beg to move.

The Speaker –

Thank you. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker, I, too, rise in support of this Motion that this House resolves to endorse the results of the consultative poll conducted in St Helena on 17th March 2021 and recommends

that the Constitution of St Helena, Ascension and Tristan da Cunha be amended to change the governance system of St Helena to a ministerial system of governance.

Over a period of some eighteen months or so, there has been significant public engagement on governance reform which was initiated by two visits to the island by Professor Jeremy Sarkin whose reports were put into the public domain and thereafter a Governance Commission was formed in 2020 where public meetings were held to discuss and go through the details of the current system of governance and how to revise committee system and a ministerial system might work. There is a clear message from those who participated and in the engagement of Professor Sarkin on the Governance Commission, that message was that a change of governance was needed. It was then a matter of determining what type of change the public wanted to see. In the lead-up to the consultative poll, there was considerable publicity about the poll itself, information about the current system of governance and the two options for change. This information was made known, as my Honourable Friend said, through newspapers, radio discussions, the local TV channel, social media websites and public meetings across the island led by members of this House. All of this publicity focused on the three systems of governance as well as encouraging the public to vote. Whilst the turnout on polling day was disappointing, nevertheless 372 people turned out to vote with 371 valid ballots passed. It was clear from the outcome of the poll that people wanted to change and that such change was to a ministerial system of government. We cannot ignore the views of those who have expressed their opinions for change just because others did not vote at all, therefore, I support this Motion that our Constitution be changed to a ministerial system of governance. Mr Speaker, I beg to move.

The Speaker –

Thank you very much indeed. The Honourable Jeffrey Ellick?

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. Firstly, I would like to thank those who took the opportunity to exercise their rights by voting in the poll.

Mr Speaker, I cannot support this Motion, to do so, in my opinion, would not be right. There should have been a discussion about this Motion where Councillors should have considered whether we could justify such a Motion on the basis of whether we believe that there would be a successful outcome if we were to recommend to the Privy Council a change in the Constitution. We should not just be approving a Motion and hoping that the Privy Council will agree to our request or leave it in their court to make a decision, we are the leaders and we have to take responsibility. Ask yourself, will eight percent of the registered voting public be sufficient for the Privy Council to even consider applying change? Yes, only eight percent wanted a ministerial system and a ministerial system requires a change in the Constitution. The Privy Council has to consider that if they make a change a precedent could be set, not just for St Helena, but other parties could be affected. I'm not sure the Privy Council would be keen to make that decision, but we should not be putting them in that position, so I would ask that you step back, be realistic and consider all the elements.

What also bothers me and should bother everyone here today is the actual turnout for the poll. What is evident to me is the disconnect. We need to examine the Government's relationship with the people and find out the reason for the disconnect and only then can we work on a way forward. A change in the system will not solve this problem. Thank you, Mr Speaker.

The Speaker –

Thank you. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. Just to be clear that I am speaking to the amended Motion and not the substantive one, yes?

The Speaker –

Hmm, hmm.

The Hon. Christine Scipio –

So, Mr Speaker, it is my understanding that from a recent census there were approximately 2,800 individuals of the island's population aged seventeen plus. It appears from this total population only 2,146 were registered to vote. It is disappointing that only 372 individuals took the opportunity to vote on 17th March 2021. It appears that the remaining 1,774 voted with their feet for whatever reason. In conversation with various individuals to establish whether or not they understood the current proposals, there were individuals who were confused, questioned why there was a rush knowing the global economic climate, stated that St Helena Government had already decided that the next steps were going to be due to the ongoing works of the Government Fit for the Future Programme.

Mr Speaker, elected members made the effort to educate the community, the attendance at the public sessions was also low. Does this mean that the electorate is fed up, have no interest in the future of the island or they don't trust the Government? Have we pushed this process forward without stopping to check whether there is sufficient public understanding of what is at stake and have we left the people behind in the process?

Mr Speaker, I repeatedly asked, which has fallen on deaf ears, to examine the complete system of the current governance. That is, the relationship between the Council and the Administration. Who lead, who follow and why. I thank those individuals who did make the effort to visit the Polling Stations and I respect the 185 individuals who voted for a ministerial system. In support of those individuals who voted with their feet, I am unable to endorse changing the governance system at this time.

The Speaker –

Honourable Member, can I just ask you to refrain from voting on their feet, you are now being disrespectful to those people who didn't vote. Can I ask you please.

The Hon. Christine Scipio –

Mr Speaker, I didn't say on their feet, with their feet, there is a term that you're probably not aware of, the terminology that you're not aware of.

The Speaker –

I am not aware of it, but it doesn't sound right when it's going out to the public and worldwide.

The Hon. Christine Scipio –

And I didn't say on their feet, I said with their feet.

The Speaker –

Or with their feet. It doesn't make a difference to me.

The Hon. Christine Scipio –

Okay, that's fine.

The Speaker –

Thank you. The Honourable Clint Beard?

The Hon. Clint Beard –

Thank you, Mr Speaker. Firstly, I think we've got to look at the results and figure out if that was a conclusive evidence, but in respect of those that came out to vote I think it's very important that we need to acknowledge that. I think what has come about from this 371 votes is that there is mood for change and the change that we need to do, for me, is the big question. I do feel that we've done lots of work around the information, we've done extensive consultation and even just talking to people in the street, I think we've done quite a lot of work, but some of the issues that have come out in the meetings and the sessions that we did have has, within our group, there was three groups that went out, was that it seems that people are not trusting Government at the moment and that is something that we need to work towards to change. If we don't change that, whatever system is in place, nothing will change. We need to bring all of the community back on board to trust what we are trying to achieve. From the meetings that we had in a few places and from conversations with individuals, what we have not done, and this I will take on myself, that we've not explained the present system we have and what we can achieve with what we've got. What I'm concerned about is about the future implications of any further system that might be burdensome on this community. We know what we're going into a more radical system, more, I say, tougher times ahead, and for me, we just need to make sure whatever system we put in place is going to be adaptable, sustainable and not damage anyone in this community, because we don't want anyone to really be hurt with the system that we think will be, will improve. I wouldn't want to see the change implicate on people's lives. The system in itself is gonna, the ministerial system in itself is gonna have a financial, slight financial burden compared to what we have and in this tough times I wonder if this is the right time to have that or is it time to look at the change and strengthen up ourselves into a revised system or a system that will work towards getting ourselves in the next few years ready for a ministerial system. So, for me, I cannot support this.

The Speaker –

Thank you. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. Mr Speaker, I rise in support of the amended Motion. This process of governance reform has been the subject of a process for the past eighteen months. Various visits were made by Professor Jeremy Sarkin in 2019 and again in 2020. Professor Sarkin engaged with various stakeholders and held public meetings. The Governance Commission was formed to continue engagement with the public on the recommendations from Professor Sarkin, explaining the present system, revised committee system or a ministerial type system. It is fair to say, Mr Speaker, that the majority of people who attended the public sessions indicated they wanted to see change, they wanted to see quicker decision making and wanted to see stronger leadership, politicians taking responsibility for the decisions they make. Legislative Council tasked a Progress Committee to refine the details on how either a revised committee system or a ministerial system could work for St Helena. The report of the Progress Committee was considered by Legislative Council on 15th January 2021 when a Motion was passed by all elected members to hold a Governance Reform Consultative Poll. The Poll was to ask the public if the current Government system should be changed and if so whether it should be changed to a revised committee system or a ministerial system. Mr Speaker, leading up to the Consultative Poll, tremendous amount of further information was made available to the public through the television service, social media, Press Releases, regular update in the media services as well as public meetings throughout the districts by elected members and

sessions on the radio by elected members. A session was also held with the students at Prince Andrew School by Councillor Cyril Leo and myself to best inform them.

Mr Speaker, it was somewhat disappointing to see a relatively low turnout of voters, 372, with 371 being valid. For those voters who turned out to vote, the revised, er, in favour of the committee 151 and the ministerial system 185, it is fair to say that we experienced similar types of numbers when the bye-election was held and we don't walk away from the process, we continue. Mr Speaker, despite the relatively low turnout I think we should, we clearly should not penalise those who participate in democracy. Those who, we cannot make assumptions for those who choose not to vote and I feel we have a duty to honour those who turned out to vote and the majority voted for a ministerial system, so I would recommend that the process be taken forward to the next level and I support the Motion. Thank you.

The Speaker –

Thank you. The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

Having just only 17% of the people who can vote voted, I find it very strange like people must be don't trust us no more, People come up and ask me questions, hey Duff, or Councillor Duff, whatever they like to call me, you'll go fix the potholes if you have ministerial government or you go leave it the same as this here one. I feel sorry for the silent majority, because if we're gonna take this 185 people, who I really appreciate came out and voted in favour, I still got over another one thousand couple hundred people left here. Is this the right thing we doing? Is it the right thing we doing for our people? Are we doing this to satisfy ourselves this way? Are we satisfying DfID, whoever, but are we satisfying our people? So, for me, while I understand what my colleagues are saying, and appreciate that there and thanks for everybody voting, I still see this here as tread carefully, because we usually seem to rush into things and at the end of it we seem to backtrack because it don't come out right, so, for me, I would like to see, I know people, they keep telling me, we don't trust you'll at the moment, you'll ain't doing nothing for us, you'll ain't making us move, so, for me, we should take all that into consideration and I think we should tread carefully. I would say this here, that if the Privy Council decides that the St Helena people wants a ministerial government and goes with it, then something really wrong with our general common sense even those on 8% we still got like 92% left, so I can't understand this here, I can't understand the rush, so, for me, I will hold back on my other thoughts for now. Thank you.

The Speaker –

Thank you. I think every member has spoken, so I'll ask the Honourable Mover if he wishes to respond to the debate?

The Hon. Anthony Green –

Thank you, Mr Speaker. Perhaps I should explain that the reason that I've presented this Motion is because under the Constitution and the terms of reference for Committees, the Constitution actually falls to my Committee, so I take it I'm best with that. I would like to thank everybody who commented, whatever the comments, it is now in the moment for everybody to decide how they would wish to vote. There's one comment that perhaps I should pick up on and it's that the 17.3% has been said to be rather low, but in all, the sub Working Group of SCDC carried out some examination into the Elections Ordinance, did some research and over the five years that have gone by one of us, at least, have got into this Council with 15% of turnout and we recognise that as legitimate, so, I'm not suggesting that 17.3% is right, but all I'm making the point is that, you know, we have to be quite consistent and across the

board, but I really would like to take the opportunity, if I may, before we vote, is to thank all those people who have been involved right from the beginning back in 2019 when Dr Sarkin's visit first started and all those who have been on the committees, both in Government and also out in the public, they've made tremendous effort to actually take this forward. I'm sure there are many reasons why we can speculate one way or the other, the fact remains that we have a process that was proposed, agreed, approved by this House and we've got to a point we've got the results of the vote and so I commend my recommendation to the House. I wish to thank everybody for their participation. I beg to move.

The Speaker –

Thank you very much indeed. Honourable Members, the Motion is that this House resolves to endorse the results of the consultative poll conducted in St Helena on 17th March 2021 and recommend that the Constitution of St Helena, Ascension and Tristan da Cunha be amended to change the governance system of St Helena to a ministerial system of government.

Question put and agreed to.

The Speaker –

Thank you. Next item of business, please?

Motion No. 7 – The Honourable Cyril Leo.

The Speaker –

The Honourable Cyril Leo?

The Hon. Cyril Leo –

Thank you, Mr Speaker. I request that the relevant Council Committee consider prioritising the following matters:

- (a) To establish what additional financial aid streams and level of funding will be provided by the United Kingdom to make up for the financial support St Helena will not now receive from the European Union to support major local development, and
- (b) To establish communication links with other countries throughout the world, in particular our nearest neighbours Angola and Namibia, to develop partnerships for economic business ventures.

The Speaker –

Thank you. Do we have a seconder to that proposal, please? The Honourable Clint Beard?

The Hon. Clint Beard –

Mr Speaker, I beg to second.

The Speaker –

Thank you. Honourable Mover, you may speak to the Motion.

The Hon. Cyril Leo –

Thank you, Mr Speaker. The Motion is in two parts, both parts focus awareness on the desperate need for the local government to explore and try to secure additional financial

assistance and revenue to support local economic and social progress. The first statement of the Motion relating to St Helena's loss of valuable funding from the European Union is really self-explanatory. Now that the United Kingdom is no longer a member of the European Union, the loss of the EU funding for local infrastructure development will have a profound negative impact on St Helena. St Helena already has serious financial constraints to contend with, the island just cannot afford to suddenly lose significant financial assistance from the EU. This Motion sets out to establish what additional level of funding will be provided by the United Kingdom to make up for the valuable financial support St Helena will not now receive via the European Union. Mr Speaker, I use the word "via" because the United Kingdom was paying some £13bn to the European Union as a membership fee, so, in effect, the financial assistance St Helena received from the European Union was indirectly financial aid from the United Kingdom. As a result of Brexit, the United Kingdom no longer contributes £13bn to the European Union and consequently St Helena is now in an even worse financial situation, therefore, we must call on the United Kingdom to make up for the financial support St Helena will not now receive via the European Union.

The second part of the Motion identifies the need for St Helena Government to do more to seek out possible conduits of communication that have the potential to lead to economic business ventures between St Helena and other countries. The local Government must do more to seek out and explore what offshore business options and possibilities exist and thereby provide business opportunities for local businesses to exploit. The United Kingdom's White Paper on the Overseas Territories already supports this Motion. The following are just three quotes from the White Paper – Quote

- (1) Each territory has a unique community and it is for the territory to shape the future of its own community;
- (2) The United Kingdom is committed to supporting territories which aim to strengthen their societies and economies by forming links with international and regional organisations and other countries. In some cases, they cannot, they can, sorry, pursue these links themselves, in some cases the UK will represent the territories; and
- (3) The United Kingdom is responsible for the external relations of the territories, but we encourage territory Governments to play an active role in building productive links with the wider world. Unquote.

Mr Speaker, a local Government that desperately relies on financial aid from the United Kingdom for 71% of its recurrent budget must become more creative, more ambitious and more adventurous with the ultimate aim of developing a healthier and thriving local economy.

Mr Speaker, I beg to move.

The Speaker –

Thank you very much indeed. Honourable Members, the Motion is that the relevant Council Committee consider prioritising the following matters:

- (a) establish what additional financial aid streams and level of funding will be provided by the United Kingdom to make up for the financial support St Helena will not now receive from the European Union to support major local development, and
- (b) to establish communication links with other countries throughout the world, in particular our nearest neighbours Angola and Namibia, to develop partnerships for economic business ventures.

Honourable Members, the Motion is now open for debate. The Honourable Clint Beard?

The Hon. Clint Beard –

Thank you, Mr Speaker. I support this Motion and being a, well, I'm a member of the Finance Committee and part of our remit is to provide leadership direction, strategic direction, policy initiation and I think this is a Motion that needs to be looked at. As unknowns is upon us, I refer to our financial settlement, that will be for the forthcoming financial year. It does not create, it does create major uncertainty on what we can do or what, if any, we will have to be streamlined or basically put aside for a period of time. It is not a particular period that any organisation would like to be in, but that is the state of affairs and we'll have to deal with it with less somehow. Although in these times it would seem that we must also not forget the support that HMG provides and continually provides to us. Over the last twelve months, the economic state worldwide has been affected and I believe this effects will streamline down somehow to St Helena, so we can expect some of these to filter down to us and we all need support and even stronger partnership as we need to lean on each other in these unstable times. The Motion outlines and sparks the ability to start creating different thinking, links and possible work streams, more focus on diving into how we create a stable economy that will allow us to use HMG support and focus on seeing what other alternative support and partnerships are available. This work needs to be undertaken and collectively we can, we will have to create an ability to use funding wisely, but also be more inventive and resourceful and the ultimate aim of this will be to have an economy and nation that will be able to have more stability and be more resilient to economic changes and develop economic and other trade relationships we could possibly tap in to as they will be a driver for our private sector to thrive and in relation attract the possibilities of more revenue to Government so that that caps unnecessary services can be maintained. Tapping into networks has always been spoken about, but I think it has come to the time that we really start to turn the key on this and create some firm momentum and solid foundations. St Helena needs us to start thinking outside of the box. Mr Speaker, I support the Motion.

The Speaker –

Thank you. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. I rise in support of this Motion and the Motion is in two parts, as the Mover alluded to. Part (a) is what additional financial aid streams and level funding will be provided by the United Kingdom to make up for the financial support St Helena will not now receive from the European Union to support major local development. What I can say, for the past two to three years, I've been the leader for St Helena at the Joint Ministerial Conference where these issues have been discussed with all Overseas Territories leading up to the Brexit issues where I can say there has been very high level talks and only as recently as last year, towards the end of last year when we had the virtual conference the Overseas Territories, including St Helena made their case and raised concern over the loss of European Union funding to support major type infrastructure projects and we all know that St Helena has benefitted tremendously from such funding. The latest that we were brought up to date was that a Task Group has been formed by the British Government to investigate and make recommendations on how a similar type of funding can be supported to the Overseas Territories for the loss of European Union funding and the Mover is absolutely right, the British Government do make a substantial contribution for its membership to the European Union, so as a Government, we should be pushing hard for the outcome of that work and see how the Territories will benefit.

The second part of the Motion is to establish communication links with other countries and we should be looking at that. Through dedicated efforts this should be properly explored to see what benefits and business opportunities can be achieved. I commend the Member for bringing this Motion to the table and I give it my full support. Thank you.

The Speaker –

Thank you. The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. I also commend the Honourable Mover for bringing this Motion to the House. I think Honourable Members will recall that ever since 2016 when the Brexit decision was taken, I have been asking for follow-up on the implications of that decision for the British Overseas Territories, in St Helena, in particular, and I am aware, as my Honourable Colleague opposite has stated, that this has been a topic that has been on successive agendas for high level discussions with the British Government. I am equally aware that, although there has been a considerable amount of discussion and debate, so far there have been, to my knowledge, no definite decisions taken and when I have asked questions in this House in that regard I have been told that those are predicated upon the results of spending reviews and so on, so I hope that we are getting closer towards getting that information that we've been asking for, for a number of years, but given the current challenges facing the British Government, I'm not sure quite how high Brexit and the implications of that are on its priority list unfortunately. I also support the need for greater dialogue with other territories, obviously with our neighbours, but I wouldn't just restrict it to our neighbours, I saw some correspondence recently about possible interest from individuals in Corsica for establishing links with St Helena, from the Chamber of Commerce perspective we've also had enquiries from the Falkland Islands Chamber of Commerce looking at potential areas where there might be opportunities for economic development, so I think we need to spread the net as widely as possible and to see and hope that something fruitful and constructive will come out of our efforts. Thank you, Mr Speaker.

The Speaker –

Thank you. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Thank you, Mr Speaker. Mr Speaker, I rise in support of this Motion and I, too, would like to commend the Mover for bringing it before the House today. In respect of Angola, I can say that following the visit by the Vice President of Angola to St Helena in 2019 and in the informal meeting with Executive Council, the Vice President discussed tourism twinning, an air link to Luanda to connect with Europe bound flights, drop-off containerised shipping between Angola and Brazil, sub-sea cable in the longer term. The Vice President suggested that St Helena send a delegation to see him and the relevant organisations in Angola. At the time, the Chief Executive for Economic Development, Dr Dawn Cranswick from ESH and I were tasked by the Governor to follow up on the Vice President's proposal. We wrote to the Vice President in October 2019 through the British High Commissioner and despite numerous reminders through the High Commission we had no response. Interestingly, on 9th November 2020, members from the Governor's Office and I had a teleconference with the Vice President at his request where he again discussed areas mentioned previously where we could develop economic links and explore historical links. This was followed up with a further letter by me via the High Commission on 15th November 2020, but to date there have still been no response. I can also say too that the UK Minister for Africa, James Duddridge, wrote to the Angola Vice

President in February this year following a meeting they had in January in Ghana. The letter reinforced the following: That the UK is committed to supporting the development of all the British Overseas Territories including St Helena. St Helena is keen to strengthen ties with Angola, including improved transport and trade links. Despite the letter I sent to him on 15th November 2020, which asked about developing economic links, the historical relationship and proposed a delegation visit Angola once the global pandemic recedes, the Minister said he welcomed the move to increase access and encouraged discussions between Angola and St Helena and the feasibility of an air service from St Helena to Luanda and onward to Europe. This would positively impact the development of tourism and key business sectors for the Island and Angola. H M Ambassador to Angola, Jessica Han, is in regular contact with the Minister of Transport and others to support this. I have to say the lack of response from Angola is frustrating, but perhaps when the pandemic ends and there is more certainty in the world, the Angolans may start to be more proactive with further prods from the High Commission. I would also like to mention I think some years ago, SHG appointed an External Funding Coordinator and was in the first part, you know, activity with him was very slow, but as we can see recently by the significant contribution that Lord Ashcroft has made through that Commission, how these things can actually work, you know, but I think we ourselves, as the Honourable Mover said, have to be more proactive too, because it's simply not going to be handed to us on a plate and although, you know, it would appear that Angola is interested in having these links with us, I do think that we need to continue our activity with them in terms of prodding and prodding, but I think we're in this unfortunate situation now where we have the pandemic and I think that may be a contributing factor for us, but I believe that we should continue because that is one of our closest neighbours and I do think some good could come out of it. Mr Speaker, I beg to move and support this Motion.

The Speaker –

Thank you. The Honourable Christine Scipio?

The Hon. Christine Scipio –

Thank you, Mr Speaker. Mr Speaker, I support this Motion as we do need to explore additional funding streams, but, the caution, we must not restrict ourselves to particular countries. Thank you.

The Speaker –

Thank you. The Honourable Jeffrey Ellick?

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. In principle, I support the Motion, I support the Motion, Mr Speaker, the only concerns that I would stress is be careful about dealing with certain countries with a history of human rights abuses, that's all I would say. Mr Speaker, thank you.

The Speaker –

Thank you. The Honourable Russell Yon?

The Hon. Russell Yon –

Mr Speaker, I rise in support of this Motion and commend my Honourable Colleague for bringing this tangible Motion to the table.

At a time when we are now asking for support for a rollover budget and information from the UK Government as to what additional sources of funds will be provided to the Island to compensate for the loss of funding from the EU due to Brexit is not forthcoming, this

government must embrace every opportunity that can be found to seek additional support from other sources without upsetting our motherland.

Many of you will recall that in December of last year I wrote to Adam Pile of the FCDO with the following question and I quote ‘What options are available to St Helena Government to secure alternative funding outside of the UK Grant in Aid without impacting on our Grant in Aid status, now that the UK has exited the EU and EU funding to the UK Overseas Territories will be limited or not available at all?’ unquote. Adam thankfully replied and I will quote his response. Quote “Thank you for your email. We are always keen to help St Helena find new funding streams, in addition to the budgetary aid (which is now around 70% of SHG’s recurrent budget) and the additional £30m capital programme. St Helena has a successful track record in bidding for funds from the CSSF and Darwin Funds. I know St Helena has been successful in securing funds from NGOs and other programmes, and there are no restrictions from us on that, but we would always want to see how it makes up the overall SHG budget.” Unquote.

I have not been able to address additional questions to Adam on this topic but having received his response I’m mindful of the approach SHG takes to source additional finances or support outside of the UK as it might also mean that if successful the UK Government might reduce our current budget. I do hope that this would not be the line of approach that the UK Government would take as it would demonstrate to the UK government that we wish to take steps to find additional support for ourselves to compensate for the loss of EU support and the continued reluctance of the UK government to at least provide some additional increases in the approved budgets to the Island.

For St Helena Government to strive and make headway in developing our Island’s economic stability and our infrastructure we should be allowed to look elsewhere and be applauded for doing so to seek support from other means as long as we have the mechanisms in place to not allow the Island to become in debt to others and then have to ask our eligible paymasters to bail us out. This would be a great concern but I do believe that it should not be a deterrent for us to strike up partnerships with other possible countries and donors as long as we have the correct I’s dotted and T’s crossed.

Mr Speaker I support the Motion.

The Speaker –

Thank you. The Honourable Anthony Green?

The Hon. Anthony Green –

Thank you, Mr Speaker, I rise to support the Motion and thank the Honourable Mover for this timely reminder that we really can’t lose sight of making sure we take every opportunity to try and improve our economic base. I support the Motion.

The Speaker –

Thank you. The Honourable Financial Secretary?

The Hon. Dax Richards –

Thank you, Mr Speaker. I, too, rise in support of the Motion and commend the Member for bringing this to the House. As you are aware, that from 1st April we’ll have the new Sustainable Development team and that will be operating with the closure of Enterprise St Helena which will come under my direction. We look forward to working with members and Development Committees to take these initiatives forward and also probably give some consideration to how we can look at other alternative forms of funding rather than just looking for grants, and, in particular, looking at the investment route, so I look forward to working with the relevant Council Committees to try to take forward this Motion if it’s passed here today.

The Speaker –

Thank you very much indeed. The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

I'd like to stand in support of this Motion and I'd like to thank my Honourable Friend for bringing this Motion to the table, I think this is a really good start for us to be looking after ourselves because if we have to keep depending on the British Government with rollover budgets we will be in dire straits, so I applaud you, Sir, and thank you for bringing it to the House.

The Speaker –

Thank you. The Honourable Mover, you may wish to respond to the debate?

The Hon. Cyril Leo –

Thank you, Mr Speaker. I want to thank my colleagues for their support, but more importantly, I would like to have their full support in progressing the Motion. The Motion becomes lame if not dead if it is not progressed accordingly. Many months ago, I asked SHG officials, officers to work on research into the offshore commercial fishing of lobster and crab, our natural resources is probably right next to our hand, but so far there has been no progress that I know of, so we must take more responsibility to be creative, but also try to give some urgency into progressing our ideas, our suggestions, our proposals and our Motions. Thank you, Mr Speaker.

The Speaker –

Thank you. Honourable Members, the Motion is that the relevant Council Committee consider prioritising the following matters:

- (a) establish what additional financial aid streams and level of funding will be provided by the United Kingdom to make up for the financial support St Helena will not now receive from the European Union to support major local development, and
- (b) to establish communication links with other countries throughout the world, in particular our nearest neighbours Angola and Namibia, to develop partnerships for economic business ventures.

Question put and agreed to.

The Motion is carried.

The Speaker –

Next item of business, please?

Motion No. 8 – The Honourable Jeffrey Ellick.

The Speaker –

The Honourable Jeffrey Ellick?

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. I beg to move that this House resolves that the policy regarding the manner in which persons are prioritised for travel to St Helena is applied fairly so as to ensure

that St Helenians are given the same consideration as non-St Helenians when being prioritised for travel to and from St Helena.

The Speaker –

Do we have a seconder, please?

The Hon. Gavin Ellick –

I beg to second.

The Speaker –

Thank you. Honourable Mover, you may speak to the Motion.

The Hon. Jeffrey Ellick –

Thank you, Mr Speaker. This is what I said at the last formal LegCo in my adjournment debate, Mr Speaker. “Another poignant issue is the criteria for allowing persons to travel to and from St Helena. At present, Saints are not allowed or at the lower end of the scale if they wish to return for a holiday as this is not considered essential travel. However, non-Saints on the Island are allowed to travel back to their countries for holiday and then return to St Helena and this is considered essential travel. Mr Speaker, I agree that holidays that are spent on or off St Helena is not essential travel, but it must apply to not just one category of people. Mr Speaker I have raised this again, I believe in Info LegCo and the Honourable Chief Secretary said that the Press Release would be put out to inform Saints affected so that they can express their interest to return to St Helena for leave. As far as I’m aware, no Press Release has been issued. When the capacity of flights are increased, there will still be a need for prioritisation.

Mr Speaker, I shouldn’t really have to put a Motion in the House concerning this issue, this should be dealt with as a matter of course and if this Government is following its Constitution, there would be a matter of course. People have a right to be afforded protection from discrimination. Therefore, I ask my colleagues today to support this Motion and their fellow Saints and prevent further discrimination of our people. Mr Speaker, if a Press Release had been issued this Motion would have not reached this House. Mr Speaker, I beg to move.

The Speaker –

Thank you. Honourable Members, the Motion is that this House resolves that the policy regarding the manner in which persons are prioritised for travel to St Helena is applied fairly so as to ensure that St Helenians are given the same consideration as non St Helenians when being prioritised for travel to and from St Helena. Honourable Members, the Motion is now open for debate. The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Mr Speaker. In relation to this Motion, I will say that events perhaps has overtaken this Motion and my reasons for this, on 16th March 2021, the Incident Executive Group met and some of the restrictions that were previously in place were lifted and the one that is pertaining to Saints being allowed to return for leave, and I will quote, “These restrictions being lifted now means that anyone who meets the Immigration conditions for entry to St Helena will be able to enter the Island provided they comply with the Island’s Covid-19 preventative measures – testing on arrival, mandatory 14 days quarantine and a negative test before finishing the quarantine period.” Now, this information is out in the public domain, both Councillor Henry and myself went on both media stations earlier this week explaining these conditions, plus it’s been the subject of a Press Release so the public has been well informed. In going forward, like I say, Saints who are wanting to come back for leave, they’d have the right to

enter St Helena and I will also add, prior to this, from the February flight and the March flight, Saints who had indicated they wanted to return for a holiday, they were all accommodated, so this is already in place, Mr Speaker.

The Speaker –

Okay, thank you. The Honourable Gavin Ellick?

The Hon. Gavin Ellick –

I'd like to thank the Mover for bringing this forward, I think that move was long overdue and, as you say, you only went on the radio this week, so we didn't have no, because you can't be in meetings and listening to the radio at the same time, but it would have been nice to communicate to all of us, so we would have known, but this is quite overdue and I thank the Chairman from the Public Health for doing so. Thank you, Sir.

The Speaker –

The Honourable Christine Scipio?

The Hon. Christine Scipio –

Just a point of information, Mr Speaker, I've been in contact, regular contact with St Helenians on the Falkland Islands and within the last thirty-six hours they have not been informed that they can apply now, that the priority list is no longer valid, a priority list was given to them previously and they weren't aware that they could apply for the February and March flight, because no-one had told them that the priority list was no longer valid, so, just a point of information that St Helenians on the Falkland Islands is not aware of this.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker, I'm very pleased that events have overtaken the need for this Motion and I hope that communications to Saints abroad, not just in the Falklands, but also Ascension and UK, and, indeed, the wider diaspora, will ensure that everybody is aware of the new situation. Thank you, Mr Speaker.

The Speaker –

Thank you. On a point of order?

The Hon. Derek Thomas –

Point of order, Mr Speaker, the information is out there, but with the relevant Administration we were sure that that is made public, but it's in the media, it's been Press Releases, but I can liaise with the Chief Secretary and see what else can be done if need to be done in terms of getting this message across.

The Speaker –

I'll change that to a point of information-

The Hon. Derek Thomas –

Point of information.

The Speaker –

Rather than a point of order, sorry. Anyone else wishes to speak? The Honourable Christine Scipio?

The Hon. Christine Scipio –

Yes, Mr Speaker, I just rise for a point of information, so, Mr Speaker, earlier today we talked about legislation to provide a level playing field, which was agreed, and as the Honourable Derek Thomas stated, that the Motion has now been overridden because a decision has been made, but it's disappointing that the employers on the Falkland Islands hadn't been advised of this decision. I recognise he said it's in the media, Press Releases going out, it's not necessary that everybody goes on the St Helena Government website to look at Press Releases, so I don't understand now, Mr Speaker, if this Motion is in the House and events has overtaken this Motion, what do we do? I'm certain that if a decision has been made that, how does that fit in with this Motion now?

The Speaker –

Well, the Motion still stands, I would assume. Attorney General?

The Hon. Allen Cansick –

Yes, the Motion still stands unless the Honourable Councillor Ellick wishes to withdraw the Motion, it's a matter for him, he keeps the Motion, it continues to be voted on, if he chooses to withdraw it that's the end of it.

The Speaker –

The Honourable Mover?

The Hon. Jeffrey Ellick –

Yes, Mr Speaker, I'd be more than happy to remove the Motion providing that there's a change to the policy, so then going forward, Mr Speaker, if circumstances change on the Island and we go down to lower amount of people coming in, the policy's then fair, so if the Honourable Member will agree to that there then I'd be more than happy to pull the Motion.

The Speaker –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Mr Speaker, as I said earlier, the meeting of the 16th March, the policy has been changed and if there's a need for further changes to the policy, circumstances change, then we'll have to make that adjustment, but the policy was changed, because it was just previously people had the right and not visitors and now we've opened it up, as I quote earlier, it was out in the public domain.

The Speaker –

Honourable Mover?

The Hon. Jeffrey Ellick –

Just for clarification, has that been circulated to all Members?

The Hon. Derek Thomas –

I'm not aware if the policy has been circulated, but certainly the result from the last IEG has been circulated.

The Speaker –

Okay. How do you wish to proceed then, Honourable Mover?

The Hon. Jeffrey Ellick –

If the policy has changed and it can be sent to me I'd be happy to withdraw the Motion.

The Speaker –

Yeah, but we need you to say now whether you withdraw the Motion or you wish to continue with it?

The Hon. Jeffrey Ellick –

Yeah, providing the Chair of Health undertakes to change the policy and sends a copy to all Members.

The Speaker –

Honourable Derek Thomas? The Honourable Chief Secretary?

The Hon. Susan O'Bey (Hon. Chief Secretary) –

Thank you. Perhaps I can just clarify. So, it is the policy intention that we're talking about here, which led to the change in Immigration. However, I think what the Honourable Member is referring to here is the policy for prioritising people to get on to the flight, the charter flight, so the Immigration status has changed, sorry, not Immigration status, Immigration entry has changed or reverted back to what it was prior to December. The policy for allowing people to embark on the charter flight is, I think, what you're referring to, Councillor? That has changed and I'm sure, Councillor, as the Lead Officer for, the Lead Councillor, if you like, for the prioritisation that you would be able to share that with Councillor Ellick, but, of course, it depends very much on the situation, it's not, as with all things, it changes, the reason why it changed to the restriction of the fifty passengers was at the request of Members because of the concern around the UK variant at the time, so it is a fluid process, but the policy has changed and there's no longer, as I understand it, any restrictions placed on the number of people getting, sorry, people getting on the flight apart from the number now which is ninety-six, as I understand it.

The Speaker –

The Honourable Derek Thomas?

The Hon. Derek Thomas –

Thank you, Chief Secretary, so what I will do to ensure that the criteria for passengers, the criteria we follow that changes are reflected in the criteria and it will be shared.

The Speaker –

It will be shared? Okay, thank you. The Honourable Mover?

The Hon. Jeffrey Ellick

I have no problem with that, Mr Speaker, providing whatever changes are done, the changes are fair and reflected that there's no discrimination, so it's equal for Saints and non-Saints.

The Speaker –

Okay.

The Hon. Jeffrey Ellick –

So, therefore, like my Honourable Colleague has mentioned, he will circulate that to us, therefore I will withdraw the Motion.

The Speaker –

You will withdraw the Motion?

The Hon. Jeffrey Ellick –

Yes.

The Speaker –

Thank you very much indeed. Connie?

7. **ADJOURNMENT DEBATE**

The Speaker –

The Honourable Chief Secretary?

The Hon. Susan O’Bey –

Mr Speaker, I beg to move that this House do now adjourn sine die.

The Speaker –

Thank you. Is there a seconder to the Motion, please?

The Hon. Dax Richards –

Mr Speaker, I beg to second.

The Speaker –

Thank you. The Motion is that this House do now adjourn sine die. The Motion is now open for debate. The Honourable Lawson Henry?

The Hon. Lawson Henry –

Mr Speaker, Honourable Members, I rise in support of this Adjournment Debate and I wish to raise the following matter. In 2019, SHG, through the Economic Development Committee, started the process of having in place a Labour Market Strategy. This Strategy is linked to SHG’s long-term mission to provide for an increase in the population and to encourage Saints working abroad to return to the Island, attracting investors and other work from St Helena, in particular, nomads, all of which would mean broadening the tax base. I updated the House earlier today in response to a question from my Honourable Friend outlining the significant progress that has been made to the Labour Market Strategy. Out of the Strategy, Clear Access St Helena, CASH for shortness, was born, which will be St Helena’s version of a Job Centre, but much more. It is our hope that CASH will be implemented this year and one of the aspirations of CASH is that it would have an online shortage of occupation list that would allow anyone, mostly Saints, to be able to apply for any job from abroad. Over the last ten years or so and longer, SHG have been investing in overseas scholarships for young Saints and I believe that we will all agree that they have delivered and in the majority of cases have returned here with international qualifications. In some cases, SHG has also supported them to remain overseas to gain valuable work experience in their chosen careers. We even have a succession

plan in place whereby it is possible that TC posts will be filled by Saints holding the required qualifications, but they will be paid the same level of salary as the TC Officers they are succeeding, I should have said, but will they be paid the same level of salary as the TC Officers they are succeeding. We have talked a lot over the years about our aspiration for more Saints to hold key positions, in fact, this is part of our vision for 2030 and beyond whereby if we have to have any chance of less reliance on grant aid we need to grow our population and increase the tax base. In recent years, however, we have been employing more and more staff through our Technical Cooperation Scheme and are becoming more and more reliant on this Scheme, so much so, that we are, in fact, to the stage now where we are actually disenfranchising those very Saints that we have invested good money in to gain the same international qualifications that we stipulate when employing TC Officers. SHG has inadvertently over a number of years created a two-tier system, one of locally qualified Saints who hold international qualifications and the other of TC Officers under the Technical Cooperation Scheme who also hold similar or the same international qualifications. In doing so, however, we have also created a two-tier pay system where under the TC Scheme you get paid the international standards in recognition that you are formally qualified by international standards. Saints who own the same qualifications are paid a fraction of what we pay those under the TC Scheme. We are therefore discriminating against our own people. It goes further, because there are a few Saints employed by SHG who have earned international qualifications and who are being paid at TC rate. This could not get any worse in any society. I have become aware recently through my work in the Finance Committee that there is fairly clear evidence that we are paying over and above the odds in the majority of TC posts and the few local posts that are on international salary scales, are way above what you would expect even at international rates where the level of responsibility and are totally out of the St Helena context. Therein lies a problem and the reason why we have lost so many of our local people who hold international qualifications, because they are being disfranchised by their own Government. It seems to be easier to recruit internationally than to pay local people who hold international qualifications the equivalent level of salaries. This is why there is so much bitterness on this Island, not because TC Officers are paid more, they deserve to be, but because of the inconsistencies in the way SHG treats local people who likewise hold international qualifications, but are systematically paid less. This has been a situation that has been allowed to happen for far too long and many Saints who hold international qualifications have left our shores as they feel disenfranchised. The downside to this is that as an Island we have come too reliant on TC Officers where we have been paying above the odds and no account is taken of the St Helena context. SHG needs to change this and more needs to be done so that the Island is less reliant on TC Officers.

Another bone of contention with local people is the number of TC Officers spouses who are employed by SHG. What steps have been taken to encourage more local people into these roles? Some changes are needed in the way SHG carries out recruitment if we are to achieve our long-term vision for the Island. What is sad about this very sorry state of affairs is that our own hard-working TC Officers did not create this situation, SHG did and it needs to stop and action needs to be taken to remedy this. I just could not imagine what this has done to the aspirations of so many of our qualified young Saints who worked so hard to become internationally qualified only to return to their homeland to be treated differently by their own Government by way of salary discrimination. What saddens me the most is that the responsibility for this rests with the Governor and has done so for decades. There is a way that this can be fixed through the TC pot, so to speak. What we have chosen not to do so, to do so for the few and not all who are equally deserving has qualified as the chosen few. We have not only lost so many of our young people, but also the huge investment your and my hard-earned tax money was used to sponsor them. They have not been given the opportunity to put back something into the community who gave them the opportunity to get where they are, so I

will be interested to hear from the Governor in this respect what is he going to do about this state of affairs or is he simply going to be doing what his predecessors did, that is to employ more TC Officers rather than levelling this playing field too.

This same state of affairs exists in SHG's wholly-owned state entities where we are paying over and above the odds for technical staff from overseas. This has been allowed to happen despite senior civil servants sitting on the Board of Management of these entities. More needs to be done on the governance of these entities so as that more benefits from the entities comes back to SHG and the Island as a whole. In some instances, SHG is paying huge amounts of subsidies to these entities. I strongly believe that there is an urgent and comprehensive, that an urgent and comprehensive review of our Technical Cooperation Scheme, one that addresses the pay disparity of locally qualified people and that in few the TC route is only chosen as the last resort and that SHG recruitment is linked to the requirements of the proposed new Immigration law, that they must show that there is no locally qualified person who can fill the role and that there should be positive discrimination in favour of local people.

Mr Speaker, I intend over the coming months to monitor very closely what action the Governor will be taking as a result of the matters I have raised today and will consider bringing a Motion to further strengthen my beliefs in this matter and to force change in the way SHG is treating local people in terms of salary discrimination. In the run up, Mr Speaker, to the Tax Bill that was before this Honourable House this morning, many of us received representations from our local Saints who hold international qualifications expressing their concerns, not only that we should support the Tax Bill that was before the House today, but to ask what are you doing about the salary discrimination, we hold equal, we have equally qualified to international standards so why are we not being paid on the same level, but as I say, SHG is paying some of their senior staff differently. I not pointing fingers at anybody here today, what I want to see coming out of this is a commitment from the top that this matter is going to be addressed once and for all, we should not allow this Island to be drained of their talent because we are refusing or putting our heads in the sand when it comes to this situation with regard to our young people, they deserve better, they are the future of this Island and what is more concerning for me is that all our policies for the future and our aspirations is based around future generations of Saints, but yet today our policies is working against them. This cannot be allowed to go on and I hope by bringing it here today that this matter will be supported, because I know that there are ways through the £8m pot that we could be addressing this issue and it will still be cheaper, because they will not be eligible for allowances. What we want is for them to feel that they is being treated the same way as people who hold international qualifications that they hold in terms of pay packet. Mr Speaker, I beg to move and support this adjournment debate.

The Speaker –

Thank you very much indeed. Any other Member wish to speak? The Honourable Dr Corinda Essex?

The Hon. Dr Corinda Essex –

Thank you, Mr Speaker. Before moving to the topic that I wish to touch on, I would like to commend my Friend for his exposition and when I spoke earlier this morning regarding issues around areas where there was smoke because there is some fire, that is, indeed, one of the areas, because there is a great deal of resentment where locally qualified individuals are not able to receive commensurate packages that are in line with their qualifications. I declare my previous interest because I was in that position for a number of years. I was in the unenviable position that a lot of people still working on St Helena are in where in many cases my qualifications were higher than those of expatriate officers, but I was receiving less than a quarter of the pay, in some instances less than a quarter of the pay of the individuals that I was actually line

managing. I am pleased to say that there has been some improvement since then, because we have had market forces supplements, we have been able to, as the Honourable Member previously said, get TC salary components paid to fund local staff members and there have been some other baby steps towards actually improving the situation, but there remains an enormous amount more that should and needs to be done.

Mr Speaker, I would now wish to declare my interest as President of the St Helena Chamber of Commerce and I would like to take this opportunity to concentrate on some of the issues that are of concern to local businesses and, indeed, the wider community and these are in the area of economic development.

At this point in time, obviously the impact of Covid-19 is the central obstacle to the growth of our economy and that is something that we can do very little about. It is beyond our control and to a certain extent we've just got to accept it and do the best that we can under the circumstances, but as Tourism has been identified as the Island's key economic driver, it is crucially important that momentum is not lost and that St Helena is ready to respond to re-opening to tourism when it becomes safe to do so, I might emphasise, when it becomes safe to do so. With the closure of Enterprise St Helena and its associated tourism-related function, it is essential that the required human and financial resources remain available to underpin tourism development and promote St Helena as a tourist destination. I'm aware that the Honourable Chief Secretary in a previous sitting of this House and the Honourable Financial Secretary this afternoon, just touched on some of the structures and processes that it anticipated will be put in place, but I regret to say that there is still a considerable lack of clarity and knowledge regarding what entity or entities will be responsible for tourism and other tourism-related, sorry, other economic development related activities after the 1st April 2021. I was told that a tender exercise was going to be undertaken, I have not heard the results of that exercise and neither have the majority of the businesses, in fact, all of the businesses that have been expressing their concerns to me. It is imperative that this is resolved urgently and that the entities who are going to be taking forward these various roles and responsibilities is widely publicised so that the basic operational details are known by stakeholders, both on and off St Helena. Absence of these details is already causing frustration and confusion, which is counterproductive and likely to cause reputational damage to St Helena in the tourism and international market which is the last thing that this Island needs.

Another key related uncertainty at this time relates to the financial settlement for grant-in-aid for the forthcoming year. Given the economic pressures being faced by the British Government and the recently announced reductions in international aid, it is likely that St Helena will be impacted negatively, although it is also well known that the British Government has committed to support its Overseas Territories via the relevant White Paper and elsewhere. If the budget settlement falls short of expectation, the importance of ensuring that there are adequate resources to facilitate and stimulate economic development must be borne in mind, although many other service delivery priorities will also exist and be put forward with strong cases to support them. All forms of sustainable development, social, economic and environmental have inter dependencies and should not be viewed or treated in isolation. We must not take a blinkered approach, but ensure that all three strands are taken into account when setting budget priorities, particularly in a challenging economic climate. The economic development must be a top priority if St Helena is to move forward and I hope that we would all agree that without such development the best we can achieve would be maintenance of status quo while stagnation and decline would be likely risks. Please let us all be sure that we do not ignore or lose the very key that could unlock a more prosperous future for St Helena.

In conclusion, I ask the Honourable Chief Secretary if she would please be prepared to give a statement to this House to indicate what is the correct position regarding the presence of a positive case of Covid-19 on St Helena as has been announced via the media today.

Thank you.

The Speaker –

Thank you. The Honourable Clint Beard?

The Hon. Clint Beard –

Thank you, Mr Speaker. Well, up to me, I'm just gonna go through a summary of what has been happening in the Education Directorate, as I normally do, so for me, I think the successes in the Queen's Commonwealth Essay Competition, the Education Directorate is proud to confirm that we, that our children achieved a bronze, silver and gold awards from this competition. In addition, two of our pupils, one from Pilling and one from St Paul's were awarded the Gold Award, which gave them a chance of winning a trip to London to meet the Queen in Buckingham Palace, along with others from other countries of the Commonwealth, so they have to still enter and we'll have to see how that goes.

World Book Day was celebrated on 2nd March at the Public Library and there was quite a good attendance of fifty odd plus in attendance and lots of activity at the Library.

Education is working closely with Social Care to establish links with Hampshire County Council to give support with our work in helping children and adults with special educational needs.

We have also restarted the Educational Leadership training for school leaders and currently there are four staff who are attending these sessions.

We have a scholarship student from 2020 who is currently studying on island and we've had a report that he, in-depth report from the student and it's really going well, there is some challenges, but really there is lots of positives that are coming out from this online courses that is being undertaken at the Community College.

We also had the parents PTA meeting held at Prince Andrew so we now have a newly-formed PTA and also we had the very good Commonwealth celebration at all the schools, I think it was lovely, the presentations were good, I think it was very engaging, so besides Prince Andrew there was also engagements from elected members at each of the Primary Schools.

And for me, finally, I just want to say, that's from the Education point, my colleague on the left really laid out quite a comprehensive detailed exposition about where we are and I think from that base I think all we can do is work on getting things moving in the right direction and creating an organisation where we appreciate all the staff, we make sure that we have consistent approaches and we remunerate those that puts remunerating fairly. Thank you very much.

The Speaker –

Thank you. Any other Member wishes to speak? The Honourable Chief Secretary? You sure? Oh, I did ask, you can if you want.

The Hon. Russell Yon –

Okay, thank you. Mr Speaker, I rise in support of the Adjournment Debate and I haven't made an exposition this afternoon, simply because my first three days of this week, together with colleague Ellick and the Clerk of Councils, we attended the CPA Conference on Climate Change in preparation for COP 26. This was a very instrumental and informative session, although there were some sessions that were above our heads because we are not that talented parliamentarians as some of the others around the Commonwealth, but we were able to participate and ask questions and to make some of our issues of concern to be addressed with

other members of the 54 members of Commonwealth. I would like to say that during one of our sessions, I made a recommendation to the Chair of one of those sessions that a policy statement be made for the 54 Commonwealth Countries Islands Overseas Territories and Commonwealth dependencies to allow a document to be provided for an oversight of the whole issues we have surrounding Climate Change across those islands and everyone else involved with the Commonwealth so that we would not be working solo and we would have a comprehensive report as to where each country is taking and managing their climate change policies, so I will place a report with everyone as soon as we have the time to do so. And on that note, I'd like to say I support the Adjournment Debate. Thank you.

The Speaker –

Thank you, Honourable Member. The Honourable Chief Secretary?

The Hon. Susan O'Bey –

Thank you, Mr Speaker and I'd like to thank the Members for their support within the Adjournment Debate.

First of all, I'd like to address the issue that Councillor Essex raised, which is to give a statement with regard to the person who has tested positive. I can confirm that that is the case, a Press Release has gone out, has been copied to all Members, but I appreciate that Members have been in the House today and might not have had an opportunity to access your e-mails on this, but for the benefit, a person who has arrived on the flight from Stanstead has tested positive. The passenger is asymptomatic, in other words, they are not displaying any symptoms, however, the SMO has assessed the passenger as well as thoroughly discussed the protocols in place and the passenger is aware of what is expected of them during their quarantine period and is cooperating fully. The passenger is now within home quarantine as permitted under the Covid-19 policy, which states that if a passenger tests positive for Covid-19 on arrival this information is conveyed to the Senior Medical Officer to assess the passenger and the severity of the case. For example, asymptomatic or mild cases can be managed in home quarantine with additional measures. I won't read the whole Press Release out, but that is known of its meaning, but what I will say is that the overall assessment by the Senior Medical Officer concludes that the patient presents a very low risk to the community, but all protocols, all standard operating procedures are being followed and if the situation or the risk assessment should change then Members will be made aware. I think one of the things that it does confirm, however, is that the processes that are in place are working and I think that that's, again, a credit to everybody involved in that.

There's been a lot that's been said, but one or two things I will say first of all, is I declare an interest in relation to the discussion, the points raised by Councillor Henry earlier, in relation to salaries, because, of course, I am a member of the St Helena Public Service. One of the things I will say though is that Members will be aware that under the Fit for the Future transformation programme, we recognise that there are a number of issues that need to be addressed. I am pleased that the Member has referred to this as being a perennial problem, not just something that's cropped up now, but something that has, is the result of a lack of attention, if you like, to address these inequalities over a number of years. What I can confirm, of course, is that Members will be aware that there is a, that there, I believe that a, not I believe, I am aware that a presentation was made to the Finance Committee about the pay policy work that is being done and for the very first time SHG will have in place a pay policy which sets the direction of travel to address over time these inequities and to see how we can move towards increasing the salaries generally and not just of those people with qualifications, but across the piece within SHG. The Remuneration Committee is also being stood up with terms of

reference and going forward, all issues in relation to remuneration for all of the staff will be dealt with through this.

There is going to be a review of the TC Programme and it's not just in relation to TC, but it's really about how we recruit. At the moment I think it is important to understand that we are very much, the way in which we recruit depends very much on the market that we're recruiting in and we have tended to do our recruitment largely in the UK market and in order to attract people to leave the UK market it means that we need to obviously try and target those salary levels. However, going forward, we will be looking at broadening the way in which we recruit, including looking at the possibility of regional recruitment for some posts where we feel that it is possible to be able to get the kind of expertise that we're looking for. I do feel, I do feel very strongly that we need to recognise our young people and we need to ensure that our young people are encouraged to stay, that is at the very core of everything that we're wanting to do and what I can confirm is that also as a part of the Fit for the Future Programme, we are introducing a graduate scheme which will recognise those people who have worked and achieved under the Scholarship Programme, not just the Education Scholarship Programme, but if there's any Scholarships or any Graduate Programmes that young people embark upon.

There've been various things that have said, I'd like to also respond to the points that Councillor Essex raised in relation to economic development and the plans for that. I am aware that you have received correspondence from the Financial Secretary, but what I can confirm is the operational details will be released early next week as we now fill roles. We have been recruiting in the last three weeks, we now understand what that recruitment looks like and we do have roles that we will be able to now name as we go forward, but, of course, in order to be able to maintain the expectation of economic development as we've set out in our various strategies, it is absolutely vital that we continue to allocate budget that is adequate in order to be able to fulfil those aspirations and, indeed, those policy objectives and unfortunately in the current allocation that has been reduced. It might be that elected members will seek to see how that can be addressed, because what we have lost now is obviously the DfID or the FCDO project funding, but we have also now greatly reduced the amount that is allocated for economic development even less than we would have allocated under the current system we're going to for Enterprise St Helena, so that is for members to determine how much you wish to allocate to this very key area.

I don't think there is much more that I can say, because, of course, there's been a lot that has been said today, but one of the things that I wanted to just clarify here is the purpose of the Fit for the Future Programme. It was interesting to hear Councillor Scipio say earlier a lot of people feel that the Fit for the Future Programme has been designed specifically to coincide with the Governance Programme. That is certainly not the case. One of the things that we have had to do is to ensure that whatever we do we are able to respond to whichever system of governance is in place. The restructure, the Public Service is just one element of the Fit for the Future Programme, the overarching aim of the Programme is to make sure that we listen to what members, sorry, the public is saying about the way we provide our services and having been in the role now for three years, we have obviously, I fully recognise and I've said this on a number of occasions, that there are inefficiencies within the system, that we are inconsistent in terms of how we interact with our customers and the people who use our service and this is one of the reasons why last year, despite the fact that we were heavily committed to dealing with obviously the impact of the pandemic, we still chose to start the transformation programme, because we can't keep putting that on hold. It is a long-term programme; it is not something that is going to end simply with a new structure. The new structure is just but the beginning of that journey. What the new structure will do, we hope, will allow us to be able to

look at how we deliver our services, will allow us to look at how we can work together more closely, we break down the silent working and will take into account the comments that we have received, both from yourselves as elected members, from members of the Private Sector and members of the general public who use our services, but this is not something that is going to happen overnight and it isn't something that just simply changing the structure will address, it really is about changing culture, it's about changing the way we think, changing the way we work and, of course, everybody know that change is not the easiest thing to do, a lot of people find it difficult to cope with change, so we're having to do this, but we're having to make sure also that we bring people along with us. One of the things that I know people are very nervous about is losing jobs and as soon as you mention change programmes a lot of people fear, oh my goodness, what's going to happen to me, what's going to happen to my job and I have reiterated this quite strongly all the way through that this change programme is not about reducing head count, it is really about making sure that we have people doing the right things in the right place at the right time and this is what the change will be about. If, for example, we find that we have gaps in some of the areas that were not delivering, that we have more people than we need in perhaps another area, then the first thing we do is we'll look to redeploy and as a part of that redeployment we'll also be offering retraining, so I want to take this opportunity to reiterate that, it's not a hatchet job, it really is about looking longer term at how we operate and offer our public services. We recognise that there are things that we can do a lot better, we recognise that there are things that we're doing that we don't necessarily need to do and we recognise that there is some things that we should be doing and that we're not doing, so over the next two years we will be addressing those, but I have to stress this change won't happen overnight, it is long term, but we hope that as things happen and as things are in place that people will begin to see the benefits.

Mr Speaker, I'll stop there and say thank you to everybody for their contributions and I beg to move.

The Speaker –

Thank you very much indeed, Chief Secretary. Honourable Members, that concludes our business for today and I thank you all for your contributions and participation here today. I now put the question that this Council do adjourn sine die.

Question put and agreed to.

The Speaker –

Thank you very much indeed, Honourable Members.

Council is adjourned sine die.

Honourable Speaker

Date