



Formal meeting of the Ascension Island Council

16:30 on Thursday 12 March 2026 at the Courthouse

MINUTES

Present: HE Nigel Phillips CBE, Governor [remotely] Councillor Thomas Barnes
HH Rowan Laxton, Administrator Councillor Eugene Bennett
Andrew Duncan, Attorney General [remotely] Councillor Laura Shearer
James Twigg, Crown Counsel Councillor Alan Nicholls
Catherine Jones, Deputy Director of Resources

In attendance: Martin Hogg, Head of Administrator's Office
Tiffany Simpson, Director of Conservation
Chrysteal Todd, FCDO Desk Officer [remotely]
Georgina Wilson, Clerk of Council

Apologies: Councillor Thomas Hickling
Councillor Michael Ellick
Councillor Ethan Bally

1. Welcome

HH the Administrator Rowan Laxton welcomed all parties present and introduced those attending remotely.

2. Approval of Minutes

It was noted that the minutes of the Formal Finance Committee meetings held on 19 February 2026 and 3 March 2026 had been published in accordance with Council Rules and no objections were raised by councillors.

3. Matters Arising

- **Food security visit:** The Administrator advised that two consultants from K-Ora and Green Overseas will be visiting between 23rd and 27th March. A series of workshops have been planned for the week, covering issues including hydroponics, farming, poultry, fishing and retail. There will also be a public town hall meeting planned during the week.

4. 2026/2027 Operational and Capital Budget Appropriation

The Ag Director of Resources (DoR) Catherine Jones reported that the Finance Committee has met both informally and formally to scrutinise the business cases and papers which detail the Government's proposed Revenue and Expenditure estimates for the financial year 2026/2027. Following scrutiny on 19 February 2026 and 3 March 2026, the Finance Committee recommended to the Island Council an appropriation of funds, as follows.

- From the Consolidated Fund a sum of £8.2 million for operational expenditure.
- From the Development Fund a sum of £69.5 K for capital projects expenditure.

The Ag DoR advised that there continues to be a slow decline in the Ascension Island Government (AIG) financial position, therefore the approach to setting this year's budget has been with caution and with a strong focus on making savings where possible. AIG has a policy that reserves held cover between 6-12 months of expenditure,

and at the time of building this budget, cash reserves amounted to £9.1 M, representing approximately thirteen months of expenditure.

The consolidated fund presented showed a loss of £1.1M, but it was noted that expenditure has been scaled back in comparison with the prior year's budget by £181K. Savings were also made in the Development Fund with capital investments for the new Financial Year (FY) of £69.5K in comparison to £239.5k in the previous FY. In addition, changes to the Business Levy have generated an increase of £50K in revenue.

Whilst the consolidated fund expenditure totals £8.2M, there is also an expected revenue of £7.1M due to taxation alterations. Based on employee income, and with no known large-scale projects pending, income tax has remained almost static in recent budgets. However, based on current behaviour, the AIG's profits have shown a sharp decline from Corporation Tax. Even with a £50K increase in the Business Levy, direct taxation is down by £102K. The second financial decline anticipated is based on interest earned on investment, as UK interest rates have reduced. AIG currently have £5m invested into an interest earning account, however given the anticipated reduction in reserves, if a withdrawal from the account becomes necessary, this would also generate lesser interest growth. As a point of interest, since investing £5M in July of 2024, £285K in interest have been earned to current date. The AIG are showing increases in revenue from fees and related expenses as a result of the increase in the visa fees implemented in January 2026 and the duty on vapes, and increase in licence fees will come into effect in April 2026.

Recognising the difficult financial position that the AIG finds itself in, a large effort has been made into making savings in the 2026-27 budget, and this has been spread across all of the teams. Points to note in the various expenditures were: Staff costs- representing the largest portion of the AIG budget, includes an annual inflation rate of 2%, significantly below the global inflation rate. Despite this increase, staff costs are reduced from £175K compared to the previous year of £125K, as a result of a £50k movement in potential savings from the amount set aside for the staff vacancies throughout the year. There is also a saving of £50K in this budget for gratuity from the previous FY as the previous budget included milestone dates for several staff members, thereby creating a natural saving for the forthcoming FY.

Areas where increases were unavoidable includes freight charges as a result of global changes. A combination of ageing vehicles and increase in pricing has also seen an increase in AIG vehicle maintenance costs, again mandatory expenses. The AIG has also budgeted for increased charges for utilities. The largest of the increases in annual budgets are from medical fees, which reflects overseas medical fees for AIG staff, a cost that has been on the increase in recent years. The AIG will continue to work with the Senior Medical Officer to manage this where appropriate. The Ag DoR noted other savings throughout the budget, particularly the removal of the subsidy previously paid to Sure South Atlantic Ltd.

The forecast financial position as seen in the budget proposal sees the AIG running down their cash reserves by the FY 2029/30. It is evident that significant changes must be explored as well as seeking out additional revenue streams. The AIG should also look into current expenditure patterns and encourage savings across all areas. The Medium-term Financial Plan will address some of these issues, and some of this is already incorporated in the 2026/27 budget. The Ag DoR trusts that the Island Council recognises the efforts made in this consolidated fund budget, but the AIG recognise there is still a lot more to be done.

The Business Levy for the next FY will increase by £50K. It is important to note that the business levy has been set as £1.6M for the past three years: In 2022/23, the levy was reduced from £1.81M to the £1.6M. This modest increase, which all employing organisations are aware of, is in line with a 3% inflation rate. There will be future discussions and negotiations on the amounts set in the levy but for now, only a £50K increase. The Business Levy Ordinance addresses the percentage proportion paid by employing organisations based on the 2025 population statistics.

Development Fund – Only six capital development bids have been put forward to the Ascension Council for consideration. The Finance Committee have scrutinised these and other bids, challenged and offered advice, with the AIG requesting £69.5k to cover the remaining six bids. All of the cases were judged to be warranted and a necessity to improve health and safety or provide safe working equipment.

The Ag DoR invited the councillors to raise any questions before asking them to take a vote on three items:

Councillor Bennett questioned the cost of the school playground shelters, raising concerns on the high cost of the bid (£26k). The Ag DoR explained that this was mainly attributed to freight, particularly for the concrete bases (freight cost estimated to be £16k). Councillor Bennett agreed that the school needed shelters, but expressed desire to find more affordable options, noting that the AIG is operating in a financial deficit and should look to make savings where possible. Concerns raised by Councillor Bennett were echoed by present councillors. It was agreed that the AIG would look for other cost-effective solutions for this bid. As a result, this bid would be removed from the total amount requested from the development fund, and the new total requested would be £43,540.

The Ag DoR asked each Councillor in turn if they were happy to take the proposal for a reduced appropriation of £43,540 for capital projects expenditure from the Development Fund for the 2026/27 financial year forward as a recommendation to the Governor?

	Proposal	Cllr Barnes	Cllr Bennett	Cllr Shearer	Cllr Nicholls
1	For an appropriation of £43,540 for capital projects expenditure to the Development Fund for the 2026/27 financial year to be taken forward as a recommendation to the Governor	Yes	Yes	Yes	Yes

HE the Governor acknowledged the councillors' recommendation and accepted, thanking councillors for their advice.

The Ag DoR explained that the Business Levy has remained the same for the previous three financial years, previously set at £1.81m, dropping to £1.60m and AIG is seeking to increase the amount by £50k to £1.650m, a 3% increase in line with inflation. The Administrator advised that while the current request to increase the Business Levy is in line with inflation, the AIG will be seeking to increase the Business Levy in future. The Administrator also advised that the AIG are continuing to review other ways to increase funds for AIG. Councillor Nicholls advised that the draft ordinance needs to be updated to include the total figure proposed which will be actioned by the Crown Counsel. Councillor Shearer questioned the percentage indicated for Sure South Atlantic Ltd. to pay. The AG DoR responded that the calculated fee is determined by the population statistics for 2025. Councillor Shearer stated her desire for the Business Levy to be increased in the next FY.

The Ag DoR asked each Councillor in turn if they were happy to take the proposal to increase the Business Levy by £50k as a recommendation to the Governor.

	Proposal	Cllr Barnes	Cllr Bennett	Cllr Shearer	Cllr Nicholls
2	Increase the Business Levy by £50k for 2026/27 to be taken forward as a recommendation to the Governor	Yes	Yes	Yes	Yes

HE the Governor noted that discussions regarding further increases to the Business Levy would need to take place, off-island with stakeholders, facilitated by the Foreign, Commonwealth Development Office. It was agreed by all that these difficult discussions were needed to bring the AIG budget back into balance.

HE the Governor acknowledged the councillors' recommendation to increase the Business Levy and accepted, thanking councillors for their advice.

The final decision for councillors was the proposal for an appropriation of £8.2M for operational expenditure from the Consolidated Fund for the 2026/27 financial year. There were no questions raised by councillors.

The Ag DoR asked each Councillor in turn if they were happy to take the proposal for an appropriation of £8.2M for operational expenditure from the Consolidated Fund for the 2026/27 financial year forward as a recommendation to the Governor?

Councillor Bennett requested to abstain from the vote. It was confirmed by the Crown Counsel that the remaining councillors met quorum rules as stated in the Island Government Ordinance.

	Proposal	Cllr Barnes	Cllr Shearer	Cllr Nicholls
3	For an appropriation of £8.2M for operational expenditure to the Consolidated Fund for the 2026/27 financial year to be taken forward as a recommendation to the Governor.	Yes	Yes	Yes

HE the Governor acknowledged Councillors’ recommendation and accepted, thanking Councillors for their advice.

5. Employment Ordinance Update

Crown Counsel advised councillors that after taking on feedback at the last informal meeting, the AIG has written to all employing organisations, requesting copies of their template contracts, employment policies, and requested confirmation of rates of pay for their five lowest paid employees. One response has been received thus far, with the deadline of 20th March. Crown Counsel will be able to provide a further update based on documents received at the next informal meeting. Councillor Shearer raised that the Employment Ordinance currently states 30 days leave, rather than 30 working days, and requested this was adjusted alongside other proposed amendments.

6. Looking Forward Update

The Administrator advised that following the productive discussions from the last informal meeting on the 26 February, the Crown Counsel has generated a list of key areas for council to concentrate their efforts for the coming year. Crown Counsel requested councillors to review the proposed list and provide feedback at the next meeting.

7. Any Other Business (AOB)

There were two areas of AOB raised.

- i. **Foot and Mouth Update:** Director of Conservation (DoC) Tiffany Simpson advised that there has been outbreaks of Foot and Mouth Disease in South Africa since 2019, which has escalated over time. It has been declared a national disaster in 2026 due to the severity of the outbreak across the country. As a result, St Helena has implemented import restrictions to some meat and dairy products as a precautionary measure. The AIG is monitoring the potential risks to Ascension Island. The DoC advised that following consultation with biosecurity and veterinary experts from St Helena, Falklands and on island, it was determined there is minimal risk to Ascension Island. The disease is not typically transmitted to humans and it is rare that humans are affected. Humans cannot be infected from consuming frozen meat products that have been cooked or dairy products that have been heat treated (eg. UHT milk). It was advised that cloven-hoofed animals such as pigs, sheep, cows and donkeys are most at risk, but as livestock is not imported into Ascension, the risk is minimal. As a result, Ascension Island will not be banning the import of meat and dairy from South Africa at this time. However, this will remain under review. Councillor Nicholls asked about the potential risk from meat imported from St Helena. The DoC advised that St Helena are doing everything they can to prevent the disease from getting to their Island. Councillor Bennett requested information about the symptoms if humans contracted disease. The DoC reassured the Council that symptoms in humans are rare and minimal, noting that livestock would potentially show signs of ulcers around the mouth and feet but as previously discussed this is unlikely to

affect Ascension. The Administrator thanked the DoC for her swift response, and advised that the AIG is taking a low-risk approach to this outbreak. The AIG will continue to monitor the situation and provide an update if needed.

- ii. **Police:** The Administrator advised that the Deputy Chief of the Royal Saint Helena Police will be on Island from 14 March 2026 for a month and there will be an opportunity for councillors to raise questions regarding policing at the next informal meeting.

8. Proposed dates of next meetings:

Informal Council meeting – 15:00 Thursday 2 April 2026

Formal Council meeting – 16:30 Thursday 23 April 2026

There was no further business and the meeting ended at 17:40.

Georgina Wilson
Clerk of Council

I certify that this is a true record of the meeting to which it relates.



Rowan Laxton

On behalf of HE the Governor, Nigel Phillips CBE