

# STANDING FINANCE COMMITTEE

OPEN MINUTES OF THE  
STANDING FINANCE COMMITTEE MEETING  
HELD ON WEDNESDAY 29<sup>TH</sup> OCTOBER 2025  
Liberation Room, Secretariat, 09.00

*These minutes are draft minutes until confirmed by resolution at the next meeting of the Committee.*

<b>Present:</b>	The Honourable Roger Spink, MLA (Chair) The Honourable Mark Pollard, MLA The Honourable Teslyn Barkman, MLA The Honourable John Birmingham, MLA The Honourable Peter Biggs, MLA The Honourable Jack Ford, MLA The Honourable Leona Roberts, MLA The Honourable Gavin Short, MLA	
	The Honourable Financial Secretary, Pat Clunie	FS
<b>In Attendance:</b>	The Honourable Chief Executive, Andrea Clausen Head of Finance, Steven Cannon Senior Accountant, Darren McDowell (item 7) Management Accountant, September Maldonado (item 6) Capital Accountant, Hazel Carnaje (items 8 & 17) Head of Policy, Roddy Cordeiro (item 5) Director Public Works, Colin Summers (item 13) Senior Accounting Assistant, Kristy Buckland (item 13) Accounting Assistant - Debtors, Joanne Baigorri (item 13) FIMCO A/GM, Nigel Leach (item 14)	CE HoF SA MA CA HoP DPW SAA AAD NL
<b>Secretary:</b>	Executive Assistant for CE & FS, Imogen Didlick	
<b>Public &amp; Press:</b>	Press x 3 Public x 1	

## PART I – OPEN

### 1.0 **Apologies for absence:**

1.1 None.

### 2.0 **Declarations of interest:**

2.1 MLA Short (item 10.1).

### 3.0 **Confirmation of the minutes of the meeting held on 24<sup>th</sup> September 2025:**

3.1 The minutes were confirmed as correct.

### 4.0 **Matters Arising from the minutes of the meeting held on 24<sup>th</sup> September 2025:**

4.1 ***Action 1, publication of electricity review*** – see item 7.

**5.0 RPI Update Q3 2025 (Report 40/25):**

- 5.1 *The purpose of this report was to publicise the results of the calculation of the Stanley Retail Price Index (“RPI”) for the third quarter of 2025 (“Q3 2025”).*
- 5.2 HoP presented the report and advised that overall, the volatility decreased with few items recording changes of 0.1% or more. Low stocks over the last twelve months had caused some volatility over the previous quarters, but with stocks being replenished in current quarter less basket items had to be substituted.
- 5.3 HoP advised that the inflation in UK had been quite high, which means the F.I will feel the impact of that in 2-3 quarters time. HoP added that the increases approved in October for Sure SA Ltd broadband/telephone would also have an impact for Q2 2025-26.
- 5.4 HoP confirmed that the year-long Household Expenditure Survey had commenced this month which would provide the data needed to look at a new basket of goods; the biggest update expected to be the inclusion of Starlink and other unlimited telecoms packages.
- 5.5 MLA Spink noted that Q1 of the financial year always saw an increase as it was the first quarter that new FIG annual fees/charges were imposed. HOP advised that the increase in Government rent was the main driver behind the RPI increase in the quarter.
- 5.6 MLA Roberts asked whether there had been a high take up of applicants to do the Household Expenditure Survey. HoP confirmed there were approx.. 70, but whether they will last the full year was unknown. MLA Roberts highlighted the importance of the survey and said she was glad it was up and running.
- 5.7 **Post-meeting note:** HoP correction to quarterly figures seen in table 1 of the report:

Date	Index	Quarterly % Increase/ Decrease	Annual % Increase/ Decrease
30-Sept-2024	123.056	-1.4%	-0.1%
31-Dec-2024	124.045	0.8%	0.5%
31-Mar-2025	125.059	0.8%	0.7%
30-Jun-2025	125.181	0.1%	0.3%
<b>30-Sep-2025</b>	<b>126.349</b>	<b>0.9%</b>	<b>2.7%</b>

- 5.8 Honourable Members thanked HoP and noted the report.

**6.0 Summary Financial Report September 2025 (Report 38/25):**

- 6.1 *The purpose of this report was to provide Members with a summary financial report as at 30 September 2025 for the 2025/26 financial year.*
- 6.2 MA presented the report and advised the following:
- YTD surplus of £3.1M against a budgeted deficit of £0.3M as at end of September 2025 showed an overall favourable variance of £3.5M;
  - FY deficit is forecast to be £3.4M as at end of September 2025, which was an adverse variance against a budget of £3.7M;
  - FY deficit as at end of September 2025 of £3.4M adverse versus August 2025 by £0.2M. This is due to an increase in staff costs (£0.5M), offset by a transfer to capital for heliport design (£0.3M).
- 6.3 MLA Ford asked whether the adverse figure of £2.5M for Corporation Tax (CT) was due to the financial revisions made in this year’s Budget Select Committee. FS said CT had been dropped to what was expected last year but the figure had to be decreased again due to the lower figures being seen this year.
- 6.4 Honourable Members thanked MA and noted the report.

## **7.0 June 2025 Electricity Unit Rate Public Quarterly Report (Report 29/25):**

- 7.1 *The purpose of this report is to provide an update to SFC following a review of the unit rate of electricity using the most recently available production data.*
- 7.2 SA presented the report and asked Members to note that there was a surplus of £0.582M for 2024/25 and the cumulative deficit as at 30 June 2025 was £0.842M.
- 7.3 MLA Spink highlighted that for every 1p reduction, FIG would have to subsidise £150,000 which would have to be found within the budget; adding that this would also subsidise a number of commercial users. MLA Roberts said that the cost would likely be passed on to the customer by businesses and reiterated that electricity prices was the only lever Members had to help reduce the cost of living impact. MLA Spink felt this was not an efficient way to address cost of living as it was not targeted so many customers would receive a subsidy who did not need it. MLA Barkman commented that a lot more work around overall income inequality was needed, and it did not help that FIG had 'refused to tackle' a tax review. MLA Ford disagreed and advised that the decision to not address was due to no staff capacity – it was not a refusal.
- 7.4 CE confirmed that electricity would be included in the same conversation as targeting cost recovery and principles, and she was hopeful to bring this to the new Assembly in time for Budget Select. CE acknowledged the concerns and reassured that she will be meeting with HoP to discuss further. MLA Pollard said that the analysis on electricity pricing would be welcome and feeding that into the budget process would help the decision-making process.
- 7.5 Honourable Members thanked SA and noted the report.

## **8.0 Capital Report Q1 2025 (Report 41/25):**

- 8.1 *The purpose of this report is to provide Members with an update on the progress of capital projects excluding those costings that cannot be publicly disclosed for tender purposes.*
- 8.2 CA presented the report, and advised the following:
- YTD expenditure on capital projects and programmes was £13.3M, which was £26.1M underspent against the YTD budget. The biggest contributor to this was the FIPASS replacement/port project;
  - The FY expenditure forecast for capital was projected to be £108.3M;
  - The largest Q1 variances were housing construction / FIPASS improvements / vehicles / hillside FIG office refurb / plant for PWD.
- 8.3 MLA Pollard asked that future spreadsheets reports remained in their Excel format when distributed. CA noted.
- 8.4 Honourable Members thanked CA and noted the report.

## **9.0 Summary of Five-Year Plan (Report 46/25):**

- 9.1 *The purpose of this report is to provide a summary of the five-year plan from 2024/25 to 2029/30, including new bids.*
- 9.2 FS presented the report and advised that the plan was to assist with making appropriate choices and mitigate against any financial impacts. FS said that there was a shortfall of the 1.5 x reserves policy from 2027/28 but as that had been recognised at this early stage it demonstrated the plan's worth.
- 9.3 FS advised that operational changes had made an impact over this year and the coming two years; however, the plan fed in the tax shortfall and there had been no adjustment made for future tax revenue – assumptions were from this year's figures only.

- 9.4 FS said that the overall net effect for this year was well above the reserves ratio but it got tighter in 2026/27 year when capital spend would be at its highest.
- 9.5 MLA Spink asked whether the capital spend remained at £14.5M, as agreed at BSC. FS confirmed it was - new spend had been found from reductions in existing capital projects so the number had been maintained but at the expense of other projects. FS acknowledged that the plan did not paint a good picture; however he was not overly concerned as they did have solutions, and it was appropriate to share this information publicly. MLA Spink agreed and said everyone standing needed to know what the current situation was.
- 9.6 MLA Roberts thanked FS and said it was important to be clear with people that difficult decisions do need to be made; she was not entirely convinced that the plan painted a full picture although it did give forewarning to the new Assembly and the community. FS reminded that there were options on the table which can be confirmed at a later date - a lot could happen over the next five years. FS said that he felt the plan gave two important messages, (1) it identified the broad direction of travel, and (2) it highlighted a number of areas where they can mitigate against to push the numbers in the right direction.
- 9.7 MLA Barkman said the decisions made had a significant financial impact on the public and future assemblies were going to have very tough decisions to make.
- 9.8 MLA Pollard noted that whilst the reserves headroom was in the red it did not mean FIG was financially in the red and did not account for factors such as future increased revenue. MLA Pollard also highlighted that they were having to spend a huge amount of money on infrastructure that had not been invested in for decades, so there was no choice but to invest in the capital programme.
- 9.9 MLA Short said that whilst there would be a 'tighter fiscal world for the next 5-6 years' he highlighted that the plan did not consider any increased economic activity; but understood why it had to be presented in this way.

**10.0 Consideration of public Executive Council reports with financial implications submitted to Executive Council on Tuesday 28<sup>th</sup> October 2025:**

- 10.1 **Report 203/25, Bid for additional subvention for the Media Trust to cover the cost of urgently required technical works at Falklands Radio:** *MLA Short declared an interest.* MLA Roberts confirmed her support for this paper and said that Falklands Radio was an important public service. MLA Pollard said if this was not approved then the station would 'fall of air'; he would prefer to see a rolling capital replacement programme but know that this was not possible at this stage so would approve to ensure the service remains. MLA Barkman advised that the management of a rolling programme had been discussed with the Media Trust and hopefully a solution will be brought to the table. MLA Pollard felt this was 'a shot across the bow for other subvention bodies' and that they need to encourage a rolling capital programme for all. CE advised that project work had been undertaken to ensure there was accountability and oversight of public funds distributed to outside agencies; the governance would be robust and give confidence as to how subvention money was used. Honourable Members **approved** the budgetary recommendations of the paper (excluding MLA Short due to his declared interest).
- 10.2 **Report 108/25, Tussac House – final project costs:** Members commented that this report would be made public, with MLA Pollard noting that this had been a subject raised at a number of public meetings and he hoped this would draw a line under it. MLA Spink said lessons had been learnt from this project by the management team, which would improve future processes. MLA Spink thanked FIG officers for the improvements to management and oversight. CE highlighted that PWD and DCS were ensuring contracts and procurement become more robust, and a Capital Programme team was now in place. Honourable Members **noted** the report and MLA Spink thanked the Treasury for their assistance throughout this Assembly and for supplying reports to these meetings.

**11.0** Confirmation of the date of the next meeting: Wednesday 28<sup>th</sup> January 2026

**12.0** Exclusion of Press and Public:

09.42

*"I move that the press and public be now excluded on the grounds that the next items of business to be considered are likely to disclose exempt information under Part 2 of Schedule 3 of the Committees (Public Access) Ordinance 2012".*

## **PART II - CLOSED**

**13.0** Debtors Report Q1 2025/26 (Report 44/25):

**NOT FOR PUBLICATION** by virtue of Paragraph 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about others' financial and business affairs.

13.1 *The purpose of this report was to provide Members with a report on the government debt position at 30/09/2025.*

13.2 HoF presented the report, and advised that housing rent, service charge and electricity were the largest debts outstanding.

13.3 Honourable Members noted the report and thanked officers for their efforts in addressing a long-standing issue.

13.4 A full record of this discussion is contained in the exempt section of the minutes.

*With no other matters to discuss DPW, SAA, AAD left at 10.03hrs.*

**14.0** FIMCO Update (Report 43/25) - FIMCo A/GM in attendance:

**NOT FOR PUBLICATION** by virtue of paragraph 9 of Schedule 3 of the Committees (Public Access) Ordinance 2012, relating to information about others' financial and business affairs.

14.1 *The purpose of this report was to update Members of the Standing Finance Committee on the Falkland Islands Meat Companies financial, stock, and operating position.*

14.2 NL presented the report and advised that there were no significant changes to the current figures, and confirmed that the pre-season staff were starting to arrive.

14.3 FS asked what the general feel of business was like. NL said it was positive - demand was high, sales were good, and customers were keen.

14.4 MLA Roberts asked for an update on the beef outlook. NL said a Beef Working Group had been established which provided farmers with a longer projection for expected supply; there had been positive feedback from previous working group meetings and more confidence from suppliers. MLA Roberts asked if farmers were looking to supply beef again. NL confirmed they were but only for domestic, not export.

14.5 MLA Spink asked how cost effective the import of beef was. NL said the import numbers were purely to sustain domestic fresh supply but would be reviewed at a later date.

14.6 A full record of this discussion is contained in the exempt section of the minutes.

*With no other matters to discuss NL left at 10.13hrs.*

**15.0** Confirmation of the closed minutes of the meeting held on 24<sup>th</sup> September and the extraordinary meeting of 15<sup>th</sup> October 2025:

15.1 The minutes were confirmed as correct.

- 16.0 Matters Arising from the closed minutes of the meeting held on 24<sup>th</sup> September 2025:**
- 16.1 There were three matters arising discussed.
- 16.2 A full record of this discussion is contained in the exempt section of the minutes.
- 17.0 Capital Report Q1 2025/26 (Report 42/25):**  
*NOT FOR PUBLICATION* by virtue of paragraph 17 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to budgetary information.
- 17.1 *The purpose of this report was to provide Members with an update on the progress of capital projects with costings that cannot be publicly disclosed for tender purposes.*
- 17.2 CA presented the report.
- 17.3 MLA Ford asked if the figures would have changed since the port contract had been signed. CA confirmed that an updated cashflow forecast would be prepared now that the contracts had been signed.
- 17.4 Honourable Members noted the report.
- 17.5 A full record of this discussion is contained in the exempt section of the minutes.
- 18.0 Camp Education Teacher Accommodation and Schoolroom (Report 45/25):**  
*NOT FOR PUBLICATION* by virtue of paragraph 8 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to information about children.
- 18.1 *The purpose of this report is to recommend SFC agree the following –*  
*(a) The reallocation of capital funds from Education Directorate towards the creation of a new capital project to create new Camp Education estate;*  
*(b) The allocation of a further FIG capital funds to cover risks and contingencies*
- 18.2 FS presented the report and said that as this unit was mobile it can be moved to another settlement once no longer needed.
- 18.3 Honourable Members approved budgetary recommendation (a) and asked that (b) was reduced from 30% to 10% and found elsewhere in the budget.
- 18.4 MLA Barkman asked if the teacher was going to be onsite as the second room in the unit had been classed as ‘living space’, not a bedroom. CE said this can be checked but is confident that they would not have put this suggestion forward without consideration of teacher accommodation.
- 18.5 A full record of this discussion is contained in the exempt section of the minutes.
- 19.0 Security Improvements to Falkland House:**  
*NOT FOR PUBLICATION* by virtue of paragraph 2 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to information about National Security, Defence and Other Security Matters.
- 19.1 *As per s.17(1)(b) of the Committees (Public Access) Ordinance 2012, MLA Spink confirmed he was content for the following report to be brought forward and considered at SFC given the special circumstances requiring the item to be considered at the meeting as a matter of urgency, which was regarding the security of Falkland House and its staff within.*

- 19.2 Honourable Members approved the budgetary recommendations of the report.
- 19.3 A full record of this discussion is contained in the exempt section of the minutes.
- 19.0 **Consideration of closed/redacted Executive Council reports with financial implications submitted to Executive Council on Tuesday 14<sup>th</sup> October 2025:**  
**Report 207/25, Proposal to Engage Crane Hire Service:**  
*NOT FOR PUBLICATION* by virtue of paragraph 10 of Schedule 3 of the Committees (Public Access) Ordinance 2012) relating to information about relevant contracts and negotiations.
- 19.2 CE presented the report and advised that this was just being flagged and will be discussed further during Budget Select Committee.
- 19.3 A full record of this discussion is contained in the exempt section of the minutes.

*The meeting finished at 10.48hrs*

Minutes confirmed this \_\_\_\_\_ day of \_\_\_\_\_ 2025

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Chairperson