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**MINUTES OF THE 117<sup>th</sup> MEETING OF THE TWELFTH ANGUILLA**  
**EXECUTIVE COUNCIL HELD ON THURSDAY 15<sup>th</sup> DECEMBER 2022 AT 9.00 AM**

- PRESENT: Her Excellency the Governor, Ms Dileeni Daniel-Selvaratnam
- The Honourable Premier and Minister for Finance, Economic Development & Investment and Health, Dr Ellis Webster
- The Honourable Deputy Governor, Mr Perin Bradley
- The Honourable Minister for Social Development, Cultural Affairs, Youth Affairs, Gender Affairs, Education and Library Services, Ms Dee-Ann Kentish-Rogers
- The Honourable Minister for Home Affairs, Immigration, Labour, Human Rights, Constitutional Affairs, Information and Broadcasting, Lands and Physical Planning, Mr Kenneth Hodge
- The Honourable Minister for Infrastructure, Communications, Utilities, Housing and Tourism, Mr Haydn Hughes
- The Honourable Minister for Sustainability, Innovation and Environment, Mrs Quincia Gumbs-Marie
- The Honourable Attorney General, Mr Dwight Horsford
- Clerk to Executive Council, Mrs Angela Hughes
- IN ATTENDANCE: The Honourable Parliamentary Secretary, Mr Merrick Richardson
- ABSENT: Financial Specialist, Mr Stephen Turnbull

EX MIN 22/393

**CONFIRMATION OF THE MINUTES**

Parliamentary Secretary and Financial Specialist remained.

Council confirmed the Minutes of the 116<sup>th</sup> Meeting of Executive Council and the Special Meeting of Executive Council held on Thursday 8<sup>th</sup> December, 2022.

**MATTERS ARISING FROM THE MINUTES**

H.E. the Governor informed Council of her appointment to act as the Governor of Turks & Caicos, effective June 2023. The Hon Premier stated that this is sad news as H.E. the Governor has seen and helped to facilitate the vision of the administration. He is thankful for her service and is hopeful that the incoming Governor will have a similar love and commitment to the people of Anguilla.

EX MIN 22/394

**EX MEMO 2022/294 BUDGET 2023**

Parliamentary Secretary remained. The following persons joined the meeting:

PS Finance, Mrs Kathleen Rogers  
 PAS Finance, Ms Marisa Harding-Hodge  
 PS, EDMSIE, Mrs Chanelle Petty-Barrett  
 PS, Health Ag, Ms Rochelle Rogers  
 COP, Mr David Lynch  
 Deputy COP, Mr Elliott Forbes  
 Chief Project Officer, Mrs Anthea Ipinson  
 Comptroller of Inland Revenue, Mr Lonnie Hobson  
 Budget Director, Ms Jamila Gumbs  
 Budget Officer, Ms Rochelle Bryan  
 DDHRM, Mrs Carla Rogers

The 2023 Budget and areas for additional expenditure allocations were submitted to Executive Council for consideration. The 2023 - 2025 Medium Term Economic and Fiscal Plan (MTEFP) was used as the basis for budget preparation.

Ministerial and departmental submissions and additional spending requests were used to establish the 2023 Budget and Forward Years Estimates.

The Budget Call process generated approximately EC\$15.6m in new spending requests for 2023. Requests were prioritised to fit within the available resource, hence, the recommended request for new spending is EC\$6.37m.

The Medium Term Economic Fiscal Plan provided an expenditure envelope of EC\$245.9m, with baselines totaling approximately EC\$241.9m, providing scope of EC\$4.0m for new spending. Further review of baselines within the Ministry of Finance identified savings of EC\$3.37m, which increase the envelope for new spending.

As a contingency measure EC\$1m of this sum was assigned to restricted expenditure.

New spending was allocated based on the following conditions:

- I. Expenditure is associated with a statutory obligation – eg. interest payments.
- II. Expenditure is associated with a regulatory requirement – eg. additional personnel for AFRS to meet Cat 6 airport.
- III. Expenditure is required to meet an existing obligation or commitment eg. PE shortfalls, existing contractual obligations, new customs and immigration staff for the BPFT.
- IV. Expenditure meets requirements as a 2023 Budget policy priority – eg. hatchery for MSIE.

In accordance with Government priorities approved by Executive Council on October 13, 2022, the 2023 Budget will focus on the six policy areas identified.

Council:

- 1) thanked the Ministry for the work well done to advance the 2023 Budget;
- 2) noted the proposed 2023 Budget Estimates and the policy decisions required;
- 3) noted the forward budget estimates for 2024 and 2025;
- 4) agreed the summary 2023 Budget Components, as follows:

## Summary 2023 Budget Components

i.	Recurrent Revenue:	EC\$288,232,140
ii.	Recurrent Expenditure:	EC\$245,930,000
iii.	Recurrent Surplus/(Deficit):	EC\$42,302,141
iv.	Capital Grants/Revenue:	EC\$5,599,433
v.	Capital Expenditure:	EC\$21,434,132
vi.	Capital Deficit	EC\$(15,834,699)
vii.	Overall Balance (before amortization):	EC\$26,467,442
viii.	Debt Amortization:	EC\$35,550,000
ix.	Overall Surplus/Deficit (after amortization):	(EC\$9,082,558)
x.	Financing:	EC\$14,014,698
	To include:	
	CDB (PBL)	EC\$13,500,000
	CDB (ACC)	EC\$ 514,698
xi.	Opening Consolidated Fund Balance	EC\$12,104,774
xii.	Cumulative Balance after Financing	EC\$17,036,914

5) noted the 2023 baseline includes expenditure for:

1. Implementation of medical assistance for persons aged 70+. (EC\$6m)
2. Increase contributions to the Public Service Pension Fund by 1 percent. (EC\$1.87m)
3. Reinstatement of increments and progression in pay scales for those transitioning to their grade level. (EC\$4.8m)

For 2023, the additional expenditure proposed includes:

1. Increase in Personal Emoluments and Goods & Services for key Departments, such as Immigration Department (EC\$224k) and Customs Department (EC\$360.4k) for the opening of the new port facility and continued facilitation of the GST.

2. Increase in Grants & Contributions for the Health Authority of Anguilla (EC\$500k) and the Anguilla Community College (EC\$400k).
  3. Increase in Professional & Consultancy for ongoing contractual obligations.
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- 6) noted and reviewed the proposed new expenditure of EC\$6.37 million. This is to be funded by the EC\$4m provided under the MTEFP for new spending minus EC\$1m, which was transferred to Restricted Expenditure together with the EC\$3.37m savings from sums not expended in the implementation of GST. Noted the UKG wanted to know what provision had been made for the continuing cost of living crisis, including the likelihood of increasing fuel and utility costs. Noted that Government ministers thought that the PAS MSD personal emoluments were already included in the baseline and further that the funds previously allocated for the PAS MHA personal emoluments appear to have been reallocated;
  - 7) noted the capital development projects which are different to those detailed in the MTEFP, but still fall within the envelope;
  - 8) noted that debt interest payments represents the amount in the MTEFP, that is EC\$8.1m domestic & EC\$8.6m external;
  - 9) noted the Personal Emoluments amount approved based on the MTEFP and the difficulties experienced in the application of the sum to various positions. The sum is already included in the baseline. Agreed that this shall be managed by the virement of funds within departments rather than reallocation. A policy paper outlining a resolution to the challenges faced and a timetable for resolution should be submitted to Council by 5 January, 2023;
  - 10) noted that in relation to police officer recruitment, in 2022 officers had left the service so there were some baseline savings, but 6 – 10 positions need to be filled. This is key for national development. There are 6 full time vacancies to be filled this year, but any further recruitment needs will need to be met through a request made via a Supplementary

Appropriation, which would have to be reviewed and approved by the House of Assembly;

11) noted that the quarterly reports and budgets for the Statutory Bodies had been obtained. But the Director of Finance position needed to be filled in order to optimise consolidation and analysis of the financial information provided by the Statutory Bodies; and

12) noted that for the Water Corporation of Anguilla, there was EC\$5m provision under capital and a subvention of EC\$4.6m.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, FIN; PAS, FIN; PERM, SECS; BD; ACC, GEN;  
HON, PREM; MINS OF GOV'T; HON, DG

EX MIN 22/395

**EX MEMO 2022/295 PROVISION OF SUBSIDIZED HEALTHCARE SERVICES FOR OLDER ANGUILLIANS**

Parliamentary Secretary remained.

The Acting PS Health briefed Council. Older persons may lack appropriate financial risk protection at a stage when requirements for healthcare utilisation significantly increases. In response to competing economic pressures, older persons may delay seeking medical care and adhering to the standard care and treatment intervals.

Implementing subsidies for healthcare services may provide a safety net to access and utilise healthcare services. Therefore, increasing the number of healthy years lived and enabling older persons to live healthier and productive lives.

The proposed policy is to provide subsidies for 100% coverage of medical treatment at Health Authority of Anguilla (HAA) facilities for belongers of Anguilla aged 70 years and older starting in March 2023. The policy would cover both primary and secondary care services on island including access to medical, surgical, diagnostic and prescription drug coverage. This proposal is limited to public

sector health services in the first instance as the Government of Anguilla presently sets the pricing of services at the HAA. Thus, HAA pricing is less susceptible to volatile pricing that may exist in the private market.

To inform this policy option, the Government of Anguilla commissioned an actuarial review of the proposed subsidy to two older age groups based on existing service usage and costing data from the Health Authority of Anguilla from May 2020 to April 2022. Noted the estimated 2023 cost of this subsidy provision varies between EC\$5.1 million to EC\$7.1 million depending on age group composition. Further, projected expenditure is anticipated to rise yearly due to an increasing number of eligible persons and consideration of service fee increases that may occur. The Ministry of Health recommends starting the subsidy eligibility for persons 70 years and older from 2023. Subsequently, further evaluation may then permit the enrollment of the younger age group.

Council:

- 1) noted that proof of age, belonger status and possibly also residency should be required and that an implementation team should be formed. Assumptions are based on 2011 data which may not be accurate;
- 2) noted that biennial actuarial reviews should be considered to ensure consistent monitoring of the sustainability of the subsidy provision;
- 3) noted that consideration should be given as to whether the 100% subsidy is the best option. Noted that the relationship with private health coverage had to be considered as some persons may seek to stop their private insurance owing to the benefits of the programme when the coverage is not the same. Noted that as for medical treatment overseas the current policy of means testing can be continued. Policy should be developed to limit Government's liability in respect of medical treatment obtained overseas and medical treatment which is sought in circumstances where persons have been given a prognosis that they are terminally ill.

Agreed to proceed with the policy as the programme has to commence, it shall remain under review and the policy parameters may be adapted and restricted as necessary to make the programme workable and sustainable;

- 4) approved the provision of 100% healthcare subsidies for healthcare costs at HAA facilities for belongers of Anguilla 70 years and older; and
- 5) approved and supported the development of a formal interim agreement between the Ministry of Finance and Health and the Health Authority of Anguilla to provide an efficient implementation of the subsidy. This should include a mechanism to ensure a convenient registration process for eligible persons, establish minimum sets of data required and provide a regular and timely payment and data sharing mechanism.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, FIN; PAS, FIN; PS, HLTH; BD; ACC, GEN; HON, PREM

EX MIN 22/396

**EX MEMO 2022/285 ANGUILLA POPULATION AND HOUSING (AP&H) CENSUS 2011 DATA**

Parliamentary Secretary remained.

In Ex Min 22/383, Executive Council indicated that “*the 2011 Census data and analytical report that has been completed to date should be presented to Executive Council on December 15.*”

It should be noted by Council that:

- The 2011 Census enumeration (bulk of data collection) was completed in July 2013 and the data processing was completed in February 2014.
- All tabulations in thematic areas have been completed.
- Preliminary results were published from 2012 to 2021.
- An Analytical Brief on the Fabric of our Households was published in 2015.



- The final administrative report on the 2011 Census project has not been completed.

Council:

- 1) noted the data including the Press Releases 1 to 16 on the Census findings & the Analytical Brief on the Fabric of our Households, from the Anguilla Population and Housing Census 2011; and
- 2) noted that the paper submitted was inadequate and the final administrative report on the 2011 Census project has not been provided. The information that was provided is already in the public domain. Agreed that the ASD must indicate how their time has been spent prior to commencing work on the 2022 Census and what stage the work was at prior to the diversion of resources to the 2022 Census. A full accounting shall be given to Council by January 5, 2023.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS EDMISE; HON, MIN SIE

EX MIN 22/397

**EX MEMO 2022/286 COVID-19 RESPONSE - EXEMPTIONS FROM CUSTOMS DUTY AND TAX FOR ESSENTIAL ITEMS**

Parliamentary Secretary remained.

As per Ex Min 22/351, in order to assist households with the purchase of essential items, Council removed the duty and tax on items to make them more affordable for lower-income consumers from April 2022 to October 31, 2022 and then extended this to December 31, 2022.

These items were exempted of Import Customs Duty (ICD), Interim Goods Tax (IGT) and customs administrative costs fee. Since then the IGT has been repealed and a large portion of the items are zero rated for GST.

It is proposed to extend this exemption in respect of ICD and CSF until 31<sup>st</sup> March 2023 due to continuing inflationary pressures.

Under Section 76 of the Customs Act, the Governor in Council may by regulation exempt goods or classes of goods subject to such conditions, if any, as may be specified. Such regulation must either implement an item in a budget approved by an Act of the Legislature; or be approved by resolution of the House of Assembly.

Council:

- 1) noted the estimated total revenue loss related to the removal of ICD and CSF on food items for the period of the three month extension is EC\$258-374k, based on current revenue loss trends. The proposed exemptions will be monitored against revenue performance. Noted the total revenue loss thus far is EC\$802,270.56 for April 1 to June 30, 2022 and EC\$624, 846.45 for the period July 1 to December 11, 2022;
- 2) approved the extension of the current ICD and CSF exemption on essential food items until 31<sup>st</sup> March 2023;
- 3) approved the updated list of items to commence as at January 1, 2023 at Appendix I, to adjust tariff codes to accommodate missing chicken parts, types of sugar and to remove condensed and sweetened milk from the list of items:

#### APPENDIX 1 - SCHEDULE

FOOD ITEMS	TARIFF CODES
RICE	10061000 to 10064090
BROWN SUGAR	17011310 - 17011490
WHITE SUGAR	17019900
FLOUR	11010010 to 11029090
CHICKEN	02071100 to 02071490
MILK	04021000 to 04029100
PREPARATIONS FOR INFANT USE	19011000 & 21069070
FRESH OR CHILLED VEGETABLES	07011000 to 07099990 07141000 to 07149090
CANNED VEGETABLES	20011000 to 20059999
FRESH OR CHILLED FRUITS	08031000 to 08109090 08111000 to 08119090
CANNED FRUITS	20082000 to 20089990

FISH	03021100 to 03057900 16041100 to 16041500
EGGS	04072100
BREAD	19059090

- 4) instructed the Attorney General's Chambers to draft Regulations to facilitate the waiver of Customs Duties under Section 76 of the Customs Act in respect of the extension of the exemption on food essentials for subsequent execution; and
- 5) instructed the Attorney General's Chambers to draft Regulations to waive the administrative fees under the Customs Administrative Costs Recovery Act in respect of the goods exempted of Customs Duty under Section 76 of the Customs Act for subsequent execution.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, FIN; PAS, FIN; COC; HON, AG; HON, PREM

EX MIN 22/398

**EX MEMO 2022/287 REMOVAL OF EXCISE TAX ON GASOLINE**

Parliamentary Secretary remained.

The objective is to protect consumers from significant cost of living increases caused by the application of Excise Tax to gasoline imports.

In order to subsidise fuel prices for consumers, the proposal is to extend the reduction in tax on gasoline imports by extending the removal of Excise Tax to March 31, 2023.

Currently, Excise Tax is imposed on such imports at a rate of EC\$ 1.59 per Imperial Gallon. In full, the importation of gasoline attracts the following rates:

*Gasoline*

Goods and Services Tax (IGT) 13% (0% until July 2023)

Excise Tax (EXC) 0.04 per L  
Customs Service Fee (CSF) 1%  
Import Custom Duty (ICD) 0.40 per L

The Excise Tax exemption was first implemented as at April 27, 2022 and expires on December 31, 2022. Excise Tax foregone for the period commencing on April 27, 2022 and ending December 11, 2022 is EC\$2.3 million.

Council:

- 1) noted that the estimated cost of extending the exemption is EC\$0.84 million;
- 2) approved the extension of the removal of the application of Excise Tax on Gasoline until March 31, 2023; and
- 3) instructed the Attorney General's Chambers to prepare the required Regulations under Section 11 of the Excise Tax Act, 2022 for subsequent execution.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, FIN; PAS, FIN; COC; HON, AG; HON, PREM

EX MIN 22/400

**EX MEMO 2022/289 APPLICATION FOR DUTY AND TAX EXEMPTION  
BY SOUTH HILL COMMUNITY CLUB**

Parliamentary Secretary remained.

The paper was withdrawn and the duty and tax will be paid for via a donation.

Action: PS, FIN; HON, PREM

EX MIN 22/401

**EX MEMO 2022/290 APPLICATION FOR DUTY AND TAX EXEMPTION  
BY THE LIONS COMMUNITY**

Parliamentary Secretary remained.

Council:

- 1) agreed that duty and tax exemptions should be granted to The Lions Community on lights and Christmas fixtures to be used in their annual tree lighting in December. The items purchased include LED string lights, colourful peacock curtain lights and Christmas Santa decorations for the lighting of the trees and other events for the 2022 Christmas holidays;
- 2) noted that the 2022 updated List of Conditional Duty Exemptions, under the Integrated Customs Tariff Regulations, contains the goods that may be exempted from duty when such goods are imported by persons, enterprises or organisations in the circumstances, or for the purposes specified in the List. This provides for a full waiver of duty and tax (including GST). No administrative costs are applied to goods under the conditional exemptions. Noted that the conditional exemption did not automatically apply as the proposed use is beyond the usual remit of the Lions Community; and
- 3) noted that the estimated duty and tax loss to the Government is EC\$4,483.82.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, FIN; PAS, FIN; HON, AG; COC; HON, PREM

EX MIN 22/402

**EX MEMO 2022/291 APPLICATION FOR DUTY AND TAX EXEMPTION  
BY KEITH FABIAN**

Parliamentary Secretary remained.

Council:

- 1) noted that the policy position in relation to adding items to the list of standing exemptions needed to be considered and brought forward in a paper to Council;
- 2) agreed that duty and tax exemptions should be granted to Mr Fabian a local licensed fisherman who is requesting duty free concessions on a bone saw, cube ice maker, led flashing lights and a vacuum sealer machine to assist with the cutting of large fish and the safe and sanitary storage of fish;
- 3) noted the list of goods under the standing exemption that may be imported by the holder of a valid commercial fishing licence once intended solely for use in commercial fishing;
- 4) noted that the estimated duty and tax loss to the Government is EC\$6,181.15, the applicant will be required to pay the administrative fee as usual and GST of EC\$5,257.85; and
- 5) instructed the Ministry of Finance to prepare a resolution of the House of Assembly pursuant to Section 77(1) of the Customs Act.

Action: PS, FIN; PAS, FIN; HON, AG; COC; HON, PREM

EX MIN 22/403

**EX MEMO 2022/292 WAIVER OF DUTY AND TAX ON IMPORTS  
ASSOCIATED WITH THE BASSHEADS CAR CLUB HOSTING ITS  
ANNUAL CAR SHOW**

Parliamentary Secretary remained.

Council:

- 1) noted the information regarding the background to duty and tax exemptions;
- 2) noted that the grant of the proposed duty exemptions may potentially result in a total duty and tax loss of EC\$2,741.96;
- 3) agreed that duty and tax exemptions should be granted to persons who must fall within the proposed classes of persons and items to be imported tax free shall be restricted as follows:
  - **Car Owners** – cars for use in BASSHEADS CAR SHOW
- 4) noted the period for clearing imports should be limited until December 22, 2022;
- 5) further noted all temporary imports should be exported by December 31, 2022; and
- 6) instructed the Attorney General's Chambers to prepare the required Regulations under section 16 of the Financial Administration and Audit Act to exempt such classes of persons and associated items from applicable duty.

Action: PS, FIN; PAS, FIN; HON, AG; COC; HON, PREM

EX MIN 22/404

**EX MEMO 2022/293 RESUBMISSION OF APPLICATION FOR ISSUE OF LICENCE UNDER THE ALIENS LAND HOLDING REGULATION ACT – – REGISTRATION SECTION SOUTH EAST, BLOCK 79214 B, PARCEL 38 BEING 0.2 OF AN ACRE**

Parliamentary Secretary remained.

Council agreed to issue an Aliens Land Holding Licence to hold property situated in Registration Section South East, Block 79214 B, described as Parcel 38 with a dwelling house under construction, measuring 0.2 acres of land located in Sandy Hill, Anguilla for residential purposes with a dwelling house (under construction) thereon, subject to the following:

a) Payment of the following Stamp Duties:

Stamp Duties payable are as follows as waiver IS granted for ALHL and Refundable Deposit:

(i)	under the Stamp Act – 5% of EC\$75,269.60	EC\$3,763.48
(ii)	under the Aliens Land Holding Regulation Act – 6.25%	Waiver
(iii)	refundable deposit – 10% of EC\$75,269.60	Waiver

**TOTAL EC\$3,763.48**

- b) the Applicant shall be granted a waiver of Government’s Policy requiring a 10% refundable deposit on the ground that the land is not vacant as the current Registered Proprietor, the Applicant’s wife, has already commenced construction of a dwelling house;
- c) the Applicant shall be granted a waiver on the fees payable under the Aliens Land Holding Regulation Act due to the fact that both the Applicant and his wife will have the same interest as joint owners and his wife being an Anguillian; and



- d) the Licensee shall fully comply with the laws of Anguilla in force from time to time including the Land Development Control Act, the Property Tax Act, the Building Regulations, the Labour Relations Act 2018 and Work Permit Regulations, the Social Security Act, the Immigration and Passport Regulations and any statutory modification or re-enactment thereof and any rules or regulations made there under.

Council authorised the issue of the Action Sheet before confirmation of the Minutes.

Action: PS, HA; DLS; HON, MIN HA

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