



ST HELENA

A BILL

FOR

AN ORDINANCE

to amend the Public Finance Ordinance, 2010, to further regulate the provisions relating to advances made from monies forming part of the Consolidated Fund or from other public monies.

Enacted by the Governor of St Helena with the advice and consent of the Legislative Council of St Helena.

Short title and commencement

1. This Ordinance may be cited as the Public Finance (Amendment) Ordinance, 2018, and come into force on the date of publication.

Advances

2. Section 7 of the Public Finance Ordinance, 2010, is amended—

(a) by deleting the amount “£1,000,000” in subsection (2) and substituting “£2,000,000”;

(b) by repealing subsection (3) and substituting the following:

“(3) Advances made under this section are exempt from the provisions of section 112(2)(a), (3), (5) and (6) of the Constitution.”; and

(c) by adding the following subsection:

“(4) The Financial Secretary must at least twice a year present to the Legislative Council the information required under section 112(4) of the Constitution concerning all loans made under subsection (1)(a), (c) and (d).

EXPLANATORY NOTE

(This note is not part of the Ordinance)

Section 7 of the Public Finance Ordinance, 2010, makes provision for the Financial Secretary to make disbursements of monies which form part of the Consolidated Fund or other public monies for the purpose of making advances. The total amounts issued and disbursed to make these advances may not exceed £1,000,000, or such sum as the Financial Secretary, with the approval of the Governor, determines. Section 112 of the Constitution currently requires that the terms and conditions of any such advance (including guarantees and indemnities) must be laid before and be approved by the Legislative Council before it can come into operation. Section 112(8), however, provides that the Legislature may by law exempt any category of loan from these requirements which are contained in section 112 (2)(a), (3), (5) and (6). Section 112 (5) and (6) are already

exempted. This amendment permits all types of advances however constituted to be made without the necessity of being approved by Legislative Council.

The purpose of this Bill is to increase the total amount of these advances under the Public Finance Ordinance, 2010, to £2,000,000 without the need for approval of the Governor and to exempt those advances that are made under section 7 of the Public Finance Ordinance, 2010, from the requirements in section 112 of the Constitution, as provided for in section 112(8).

The Bill also prescribes that the Financial Secretary must present to the Legislative Council the information required under section 112(4), twice annually but this applies only to loans made to public bodies, businesses or organisations and does not apply to personal loans made to individuals.