

## Finance Committee – Terms of Reference

### Role:

To provide leadership, strategic direction and policy initiation and endorsement of strategic direction for Government Business concerning public financial management, auditing, taxation, customs and excise and duties, shipping, postal services and ports of entry management.

### Responsibilities:

Specific areas of responsibility include:

- a) To act in accordance with Council Committees (Rules of Procedure) Order, 2010 and Council Committees (Constitution) (No.2) Order, 2013;
- b) To initiate and assist in policy formulation in relation to finance, treasury management, taxation, customs and excise including duties, auditing, shipping , postal services and ports of entry management;
- c) To Make recommendations to Executive Council for related activities that require changes to legislation, regulations;
- d) To review all financial reports from the Financial Secretary and monitor the performance of SHG at a corporate and directorate level and assess the directorate revenue and spending profiles and where necessary advise on recommendations for corrective actions;
- e) To advise on policies that support relationships between St Helena Government, private sector businesses and civil society organisations related to finances where appropriate;
- f) To set the budget ceilings and where appropriate make recommendations to the Executive Council to enable the effective operation of the relevant activities under the Medium Term Expenditure Framework;
- g) To provide political leadership to the community on issues related to public finance , acknowledging that Finance is a reserve power of the Governor;
- h) To act on behalf of SHG as Those Charged with Governance having oversight of the audit process in authorising the engagement of the auditor and the signing of the SHG financial statements.
- i) To work closely with other committees where policy issues overlap either in a lead or supporting role;
- j) To take the lead in ensuring that issues related to public finances and other areas of Committee responsibility are raised in the appropriate forums within St Helena Government;
- k) to initiate and progress draft legislation within the Committee's areas of responsibility.

**Ordinances:**

<b>Title</b>	<b>Description</b>	<b>Allocation</b>
Co-Operative Societies Ordinance, Cap.112	Regulates Co-operative Societies	Financial
Companies Ordinance, 2004	Regulates the registration of companies in St Helena	Legal/Financial
Currency Ordinance, Cap. 124	Makes provision for the currency of St Helena	Financial
Customs Ordinance, Cap. 145	Deals with the control of imports and exports and the collection and management of customs and other duties	Customs
Financial Services Ord, 2008	Regulates banking and financial services provided in or from St Helena	Financial regulation
Income Tax Ordinance, 2012	Deals with imposition of Income Tax on gains and profits	Taxation
Harbours Ordinance, Cap. 47	Provide for the regulation, management and control of harbours and vessels therein	Port management
Merchant Shipping Ordinance, Cap. 46	The UK Merchant Shipping laws in force in England are in force in St. Helena. This Ordinance contains certain subsidiary legislation made locally under the UK Shipping Laws	Shipping
Money Laundering Ordinance, 2008	Prevents the laundering of money which is the proceeds of crime or is intended to finance criminal activity	Financial regulations
Pensions Ordinance, 2012	Provisions relating to the grant of pensions, gratuities and other allowances in respect of offices held in the public service	Pensions
Port Security Ordinance, 2006	Enforces provisions of the International Ship and Port Security Code in St Helena	Port management
Post Office Ordinance, Cap.108	Regulates the post office and empowers the Governor in Council to fix the rates of postage	Postal services
Price Control Ordinance, Cap. 117	Regulates price control	Financial regulation

Public Finance Ordinance, 2010	Provide for the management of public funds and the audit of accounts	Public expenditure
Public Trustee Ordinance, Cap. 14	Makes provision for the appointment of a Public Trustee	Legal
Services Tax Ordinance, 2011	Imposes a tax on charges levied or raised in respect of insurance and telecommunications services	Taxation
Special Funds Ordinance, 2012	Establishes special funds for Government Landlord Housing, for capital receipts, and for other locally funded projects	Public expenditure
Stamp Duties Ordinance, Cap. 152	Imposes Stamp Duties on certain transactions	Taxation

### **Communication**

While senior officers may issue press releases to keep the public informed of developments it is the responsibility of the Committee Chairperson to take the lead on media interviews. The Chairperson should, where possible, liaise with the relevant senior officers and the SHG public relations team before being interviewed. If an official attends an interview with the Chairperson then it is in a supporting role. The Chair should bear in mind the Code of Conduct of Members of the Legislative Council as it applies to the relationship with the media.

### **Membership**

#### Voting members (Legislative Councillors)

- Chairperson of the Finance Committee (the Chairperson is also a member of Executive Council)
- 4 members of Executive Council

#### Non-voting member

- a) Financial Secretary
- b) Deputy Financial Secretary

#### Other officers who might attend dependent on Committee Agenda

- c) Chief Secretary
- d) Deputy Chief Secretary
- e) Chief Economist
- f) Chief Auditor
- g) Senior Economist

## Secretary

St Helena Government will appoint a Secretary to the Committee

## Potential attendees

- a) SHG public servants as required
- b) The Chief Secretary, Financial Secretary and the Attorney General have a right to attend in accordance with the Council Committees (Rules of Procedure) Order, 2010
- c) Representatives from civil society, the private sector, parastatal organisations or specific individuals to be invited as required

## **Quorum:**

Minimum of three voting members

## **Openness and transparency:**

There is a presumption in favour of an open agenda and the public will be invited to attend committee meetings

A meeting may be closed if:

- a) The discussion relates to named individuals;
- b) An individual could be identified through the discussion;
- c) Information is commercially sensitive;
- d) Information is subject to legal proceeding;
- e) The discussion relates to the setting of budgets; or
- f) If the discussion relates to policy development prior to policy agreement.

## **Frequency of meetings**

The regular meeting normally will be held on the last Tuesday of each month at the Council Chamber. If the regular meeting room is not accessible to people with disabilities, then an alternative accessible room must be found if a disabled person wishes to attend the meeting.

The Chairperson may convene additional meetings as required.

## **Minutes of meetings**

Each meeting must be regularly minuted.