

WILLINGTON PARISH COUNCIL

TERMS OF REFERENCE

FINANCE COMMITTEE

These terms are supplementary to, and do not override, the Town Council's Standing Orders &/or Financial Regulations.

This Committee is appointed under s.101(2) of the 1972 Act.

Membership of the Finance Committee

5 Members of the Council

Any changes in membership of the Committee after the Annual Parish Council Meeting will be subject to approval at the next Parish Council Meeting.

Meetings

1. The Committee will meet quarterly unless otherwise required (usually April, July, November and January), and shall be called by the Committee Chairman in consultation with the Clerk, who may determine the number and time of its meetings.
2. This Committee Meeting will be called in line with WPC's Standing Orders and Financial Regulations, and public and the press will have the right to attend.
3. All Members of this Committee shall be appointed at the Annual Council Meeting, and remain as a Committee Member until the Annual Meeting of the following year, unless this is preceded by resignation.
4. Any changes in membership of this Committee after the Annual Parish Council Meeting will be subject to approval at the next Parish Council Meeting.
5. Election of the Committee Chair will be determined at the Annual Council Meeting.
6. The Clerk or other appropriate officer will record meetings.
7. Standing Orders on rules of debate and all other matters shall apply.
8. Quorum shall be a minimum of one third of total members of the Committee or no less than three.

Purpose and Powers of the Finance Committee

1. The Committee shall not be empowered to make any financial decisions on behalf of the Parish Council but only to make recommendations to go the next full Parish Council meeting.
2. The Committee shall be empowered to recommend to Full Council fees to be charged by the Council.
3. The Committee shall be empowered to appoint an internal auditor on the Parish Council's behalf.
4. Subject to compliance with Standing Orders and Financial Regulations, the Committee shall be empowered to approve risk assessments, method

statements and policies and procedures for controlling financial risk on the Parish Council's behalf.

5. The Committee shall be responsible for ensuring that the Council's finances and resources are managed in a responsible and prudent manner, and assessing financial, contractual and organisational risk and the impact of expenditure on the Parish Council's reserves and long-term plans on an ongoing basis.
6. The Committee shall examine the Council's accounts and the annual return.
7. The Committee shall monitor the income and expenditure of the Parish Council and its committees throughout the year, ensuring that the amounts concerned are consistent with approved budgets and that any income shortfalls or expenditure in excess of budgets will not adversely affect the Council's overall financial position.
8. The Committee shall consider budget proposals from the Clerk/RFO, and agree upon an overall budget, reserves policy and precept requirement every year subject to final approval by Full Council.
9. All members of the Committee shall be authorised signatories (cheques and electronic transactions) on the Parish Council's bank accounts; with any two to sign.
10. The Committee shall examine the reports of internal and external auditors, ensuring that any recommendations are complied with and that any shortcomings highlighted in the reports are addressed as soon as possible, and shall provide a report to Full Council.
11. The Committee shall ensure that the Parish Council maintains adequate levels of insurance cover, reviewing the schedule of cover annually on renewal.
12. The Committee shall ensure that the Parish Council's standing orders and financial regulations are reviewed regularly. Any amendments should be submitted to Full Council for approval.
13. The Committee shall ensure that proper records are kept of the Parish Council's properties and significant assets.
14. The Committee shall ensure that all meetings of the Parish Council and its committees are conducted in accordance with standing orders, financial regulations and terms of reference, and with due regard to NALC guidelines on Chairmanship.
15. The Committee shall take whatever advice it deems necessary to ensure that the Council is fully aware of its legal rights and obligations. Any costs associated with this advice must be approved by Full Council.
16. In addition to all of the above, the Committee shall put in place whatever internal controls it considers necessary to ensure that the Council's resources are properly managed and that rules and regulations are complied with.
17. The Committee shall review the effectiveness of the Council's internal control and internal audit annually.

Reporting and Accountability

The Committee will only have the power to make decisions as outlined above. All other recommendations will be ratified at the next full Meeting of the Parish Council.

Other matters may be considered by Full Council that are deemed significant enough to require it's consideration or approval.

Adopted: Annual Council May 2020
Review: 2021 Parish Council AGM

Review arrangements

The appointment of the Committee will be considered at the Annual Council Meeting who may decide to alter or dissolve the Committee as required.