

Finance Committee Terms of Reference February 2018

Purpose of the Committee

To enable the Council to exercise effective financial control over its activities, focussing on aspects which require more detailed consideration than can be accommodated within full Council meetings.

Membership

Not less than 3 members of the Council (minimum quorum as per paragraph 12, Schedule 12 Local Government Act 1972), not more than 6 members of the Council.

Meetings

Ordinary Meetings to be scheduled to take place at least 4 times a year.

Delegated authority

The Committee may determine its own program of work within its Terms of Reference but shall not have standing authority to take decisions on behalf of the Council.

Activities

In consultation with the Responsible Financial Officer:

- 1) To monitor the Council's financial performance against budget and to consider any variations to forecast out-turn for the financial year which may be necessary. Monitoring will normally take place quarterly but may be carried out more frequently if considered necessary, reviews of forecast financial out-turn will normally take place at least once during the financial year at a time appropriate to annual budget preparation.
- 2) To consider the soundness of budget proposals and related financial risks and opportunities.
- 3) To review the Council's prospective long term financial position in the light of emerging trends and strategic decisions taken by the Council about its services, activities and capital program.
- 4) To consider and make recommendations on the appropriate level of, and use of, reserves.
- 5) To consider opportunities for external grant funding, including the appropriate use of Community Infrastructure Levy receipts.
- 6) To consider any proposals for borrowing or leasing arrangements.
- 7) To consider and keep under review any investments, deposit funds, and banking arrangements.
- 8) To consider the financial implications of proposals for changes in council services or activities, including the acquisition or disposal of assets.
- 9) To monitor debtors and action being taken, payment disputes with suppliers, and insurance claims.
- 10) To review proposed budget virements on behalf of the Council.
- 11) To consider and make recommendations on changes to the Council's Financial Regulations.
- 12) To monitor the implementation of any changes to financial procedures required as a result of reports from the Council's internal or external auditors.