



Longstanton Parish Council

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Parish Clerk: Mrs Libby White CertHE PSLCC

FINANCE COMMITTEE

Terms of Reference

(Adopted on May 2016)

Delegated Powers

The primary objective of the Committee is to assist the Parish Council in overseeing those proper financial management, financial risks, management strategy, audit, policy, receipts and payment transaction matters and the preparation of the annual budget, as delegated to it by the Council, and reviewing and making recommendations on major financial transactions, the annual budget and precept to the Council.

1. The Committee shall entirely consist of Councillors¹ and will be appointed at the Annual Meeting of the Council.
2. Committee vacancies occurring during the year may be filled by appointment by the Council.
3. The Committee shall consist of not less than **six** councillors of which the quorum will be three.
4. The Chairman and Vice-Chairman of the Council are ex-officio member of all committees and shall not having voting rights unless they are appointed to the committee.
5. The Chairman and Vice-Chairman of the Committee shall be appointed at the first meeting of the Committee during the municipal year and shall be appointed by the Parish Council at its annual meeting.
6. The Committee may establish sub-committees and working groups, and to appoint advisors as and when necessary to assist in its work.
7. The Committee will meet **once a month**.
8. The Committee will be responsible for financial issues as follows:
 - a) To regulate, manage and control the finance and resources of the Parish Council, including the recommendation to Council of the annual budget and precept within the Council's Financial Regulations.
 - b) Receive regular monitoring reports (at least quarterly) on levels of income and expenditure in accordance with authorised budgets.
 - c) Provide guidance to Committees and Council on overall levels of income and expenditure.
 - d) Consider recommendations from the Employment Committee on the level of staffing resources to the Council together with matters relating in terms and conditions of employment and consider how these can be met from the Council's resources. Making recommendation to the Council as appropriate.
 - e) Consider and make recommendations to Council regarding use, upkeep, leases, rents and fees for any facilities/buildings provided by the Council.
 - f) Ensure that an adequate and effective system of internal controls is in place to secure the integrity of finances and any other information.
 - g) Ensure the preservation of probity and good financial and other practices within the Council.
 - h) Review the Financial Regulations and ensure they are observed by the Council making recommendations to the Council as appropriate for any updating.

¹ Local Government Act 1972, s102(3)

- i) Oversee the financial administration of the Council.
 - j) Maintain the Financial Planning system including the determination of budgets.
 - k) Monitor performance against budgets and taking any necessary action.
 - l) Monitor purchasing decisions to ensure a value for money approach to all aspects of Council activity in accordance with Financial Regulations
 - m) Receive and review Audit Reports and arrange for implementation of any recommendations.
 - n) Develop, maintain and monitor the policy on the management of reserves.
 - o) Undertake spot checks on the books of accounts, and reconciling the books of accounts to the bank account statements.
 - p) Consider and take appropriate action on all reports arising from both internal and external auditors.
 - q) Take steps to identify and update key risks facing the Council, and to decide upon appropriate measures to avoid, reduce or control those risks or their consequences.
 - r) Shall make recommendations and reports to the Council on financial matters on a regular basis and in any event, when such reports or recommendations are requested by Council.
 - s) Shall have at all times due regard for the Parish Council's Standing Orders and Financial Regulations.
 - t) Oversee any investigation of activities that are within its terms of reference and shall consider management's response.
 - u) Annually review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and make recommendations to the Council.
9. The Terms of Reference under which this Committee operates will be reviewed in each scheduled Parish Election year, or annually if the Council so require, at the Annual Meeting of the Parish Council.