

Terms of reference for Cromford Parish Council Finance Committee

Terms of reference of Advisory Finance Committee

All decisions are to be determined by full council under Standing Order 4d.

1) Review of terms of reference

The terms of reference of this committee are to be reviewed annually (at the Annual Meeting of the Council). Prior to this meeting the committee is to meet to review its workings and to recommend to the full council any changes it deems necessary or advisable in its workings or in the council's Financial Regulations.

2) Membership of the committee

Membership is to be decided at the Annual Meeting of the council in May, but to consist of the Chair, Vice Chair of the council plus 3 other councillors, who will all be voting members. A further 1 councillor will be elected at the Annual Meeting as substitute should 2 or more members of the committee be unable to attend and have given the proper officer (clerk) 2 days notice of this fact.

The RFO is to attend as a non voting officer, the clerk to take minutes.

The chair of the committee is to be decided at the Annual Meeting of the Council. If the chair is unable to attend a committee meeting the members present will elect a chair for that meeting from amongst themselves.

Resignation: If a member of the committee resigns or is otherwise unable to continue their committee duties a replacement committee member will be elected at the next appropriate full council meeting.

(The next appropriate council meeting will be the next full council meeting where there can be a published agenda item relating to the replacement member)

3) Meetings

Committee meetings will be held at least once a quarter (January, April, July & October) usually 2 weeks before a full Council meeting.

Extra meetings may be called at the discretion of the Chair & Vice Chair of the Council.

The procedures for calling a meeting & running it and procedure for Declarations of Interest to be as described in Standing Orders . Where it is likely that press and public will be excluded this will be advertised on the Committee's agenda.

Speaking: Only members of the committee & RFO may speak at the meeting; only members of the committee may vote.

Quorum: A quorum will consist of 3 voting members, one of whom must be the Chair or Vice Chair of the council.

Minutes: will be taken by the clerk.

4) Responsibilities

The committee will work with the RFO in the management of the Council's financial resources, and to consider and recommend to the full Council for decision, strategy & action on both policy and operational matters concerned with the council's finances, property and resources to include:

- A) Generally: That all financial matters outlined below have details posted on the council website including minutes of its meetings.

B. Statutory Matters

- i) Monitoring and ensuring that the Council complies with its Financial Regulations and all other statutory requirements including internal audit (and external audit if appropriate) procedures.

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- ii) Should a borrowing facility be required by the Council that all due procedures be followed in accordance with statute and NALC guidance.

C Financial Control:

At least annually:

- i) Reviewing and agreeing the financial accounts and control systems with the RFO
- i) Reviewing the general banking arrangements, bank mandates, cheque signatories and council investments if any and report to Council any action required
- ii) Reviewing the salaries and contracts of all employees (for inclusion in the following year budget in January) and to implement from May 1st or as soon as practicable after having regard to the national negotiations by NALC and other bodies.
- iii) Ensuring that the Council is adequately insured
- iv) Ensuring that the Council recovers all applicable VAT
- v) Ensuring that internal (and if appropriate, external audit) are carried out in accordance with the Council Financial Regulations, statute and NALC guidelines and that all recommendations from the audit are put before full Council for consideration and implementation.
- vi) Ensuring that the Annual Governance and Accountability Return is carried and that together with the Statement of Accounts is approved by full Council.
- vii) Review Grants policy

At least quarterly:

- viii) Making recommendations to the Council on all legal matters pertaining to leases, licenses, insurance claims, easements, tenancies, contracts, loans, insurance cover, damage to property and debt recovery.
- ix) Monitoring financial procedures – to include once a quarter verifying bank reconciliations for all accounts, (these reconciliations and bank statements to be signed by the Chair or Vice Chair of the committee) and presented as a report to the full Council

At each Council meeting

- x) Ensuring that the RFO produces a financial statement showing the current financial position of the Council with all payments and receipts made since the previous meeting and all expected before the next meeting.

Note that the procedures for signing cheques and authorising payments are covered by the Council Financial Regulations

B) Budgets & Precept:

- i) Producing recommendations for a budget for the next financial year and resultant precept, both to be decided at the January meeting of the full Council. The proposed budget to include earmarked reserves as necessary for the investment in or replacement of equipment, property and resources or any long term project approved by the full Council. The budget to indicate statutory and S137 items of expenditure separately.
- ii) Monitoring income and expenditure against the budget as set out annually and to report to council on a quarterly basis, including recommendations as to any action required. Eg viring monies. The monitoring to include assessing past and future expected expenditure against budget.
- iii) monitoring once a quarter the spending under S137 against budget and caps set by central government.