

Boughton Monchelsea Parish Council Finance Committee

Terms of Reference

The Finance Committee is constituted as a standard committee of Boughton Monchelsea Parish Council.

These terms of reference are to be endorsed by Boughton Monchelsea Parish Council and applied in conjunction with and be subject to Boughton Monchelsea Parish Council's finance regulations.

The primary objective of the Committee is to assist the Parish Council in overseeing proper financial management, financial risk management, internal and external accounts audit and finance policy matters. This includes the preparation of the annual budget, delegated to it by the Council, and to review and make recommendations on major financial transactions and the annual precept to the full Council.

Composition of the Finance Committee

The Finance Committee will comprise a minimum of four Councillors from the full membership of the Parish Council.

The Committee will select, by vote if necessary, the chairman of the Finance Committee. Minimum numbers for quorum will be three Councillors.

The Clerk/Responsible Financial Officer (RFO) is responsible for the proper administration of the Parish Council's financial affairs and will attend all Finance Committee meetings.

The Clerk is responsible for the maintenance of any documents and records that are necessary for the effective fulfilment of the Committee's duties.

A minimum of three Finance Committee meetings per year will be held.

Interests

If a committee member has a personal interest in any items on the agenda then they shall declare such interest as soon as it becomes apparent, disclosing the nature and extent of the interest as required. If the Committee or the member who has declared an interest then considers the interest to be prejudicial, they must withdraw from the room during consideration of the agenda item to which the interest relates and have no voting powers on such items.

Public participation

Agendas for Finance Committee meetings will be posted on the Boughton Monchelsea Parish Council website at least 3 working days in advance of meetings. Minutes of meetings will be published on the website following the meetings.

The Finance Committee shall undertake the following:

- Monitor and update the Financial Regulations and ensure that they are observed by the Parish Council.
- Monitor the financial administration of the Parish Council.
- Provide advice and guidance to the full Parish Council on all aspects of financial management.
- Co-ordinate the detailed budget of the Parish Council and recommend to the full Parish Council the annual budget and the annual precept to be levied.
- At least 3 times per year the Chair of the Finance Committee is to report to the full Parish Council on the progress of actual expenditure compared to the budget. The RFO is to prepare an annual bank reconciliation and report it to all members.
- Ensure that the RFO prepares the accounts of the Parish Council and arranges their internal and external audits.
- Monitor and review day to day financial matters including the Parish Council's income and expenditure.
- Conduct an annual review of the council's insurance policies and monitor the procedure for risk assessment of all the Parish Council's activities.
- To make recommendations to the full Parish Council with regard to the transfer of funds to and from a particular operating budget, including making project investments in the long and short term.
- Ensure that appropriate records are maintained of all assets and that the assets are adequately controlled, maintained and insured.

Other Financial Matters

Any member of the Council may require that any matter dealt with, or intended to be dealt with, by the Finance Committee may be referred up to the full Council to be dealt with, without giving any reason.