

# **LIMPSFIELD PARISH COUNCIL FINANCE COMMITTEE**

## **TERMS OF REFERENCE (TOR)**

### **1. Authority**

The Finance Committee (Finance & Governance) is appointed by and is solely responsible to the Limpsfield Parish Council “the Parish Council”. The Finance Committee duties are defined and agreed by the Parish Council which may vote, at any time, to modify the Committee’s Terms of Reference (TOR). The Finance Committee will meet quarterly.

Additional meetings may also be convened by the Finance Committee Chairman when necessary.

### **2. Membership and Quorum**

The Finance Committee will consist of a minimum of three Parish Councillors, one of whom will be the Parish Council Chairman (or his designate) and the Parish Clerk as the Responsible Financial Officer (RFO) for the Parish Council.

Appointments to the Finance Committee to be made annually by the Parish Council at the Annual Parish Council Meeting.

At its first meeting, following the Annual Parish Council Meeting, the Finance Committee will elect a Chair to preside at its future meetings. The Parish Council Chairman and the RFO may not act as Finance Committee Chairman.

The quorum of the Committee will be three (3), one of whom must be the RFO.

### **3. Record of Proceedings**

Written minutes will be taken to record the Committee’s recommendations and will be circulated to all Councillors for the next Parish Council meeting. The minutes will be published on the Parish Council website and will also be available through the Clerk.

Whenever possible, the Clerk will be responsible for arranging the production and distribution of the minutes. Otherwise a member of the Committee will produce the minutes, while distribution will always be by the Clerk.

#### **4. Purpose**

To monitor and report to the Parish Council on the Parish Council's financial systems and resources in an open, responsible and prudent manner, and to recommend strategy and action on all matters relating to Parish Council finances in accordance with current legislation and best practice.

#### **5. Responsibilities**

The Finance Committee will have the following specific responsibilities:

- a) To manage the Annual Precept/Budget production by the RFO such that the budget is produced in a timely manner allowing the Committee adequate time to examine a draft budget and to amend it, before it is presented to and agreed by the Parish Council. The budget must include all expected income and expenditure.
- b) To routinely monitor the income and expenditure of the Parish Council (and its Committees) at regular intervals, ensuring that the amounts concerned are consistent with approved budgets and that any significant variations from budget are explained and will not adversely affect the Parish Council's overall financial position. Routine monthly monitoring may be delegated in turn to an individual member of the Committee (excluding the Council Chair) with monitoring by the whole Committee formally once per quarter.
- c) To ensure that robust Financial Controls/Regulations/Standing Orders are maintained and to monitor those controls to ensure the effective protection and utilisation of Parish Council finances. Annually to review, amend (if necessary), and recommend to the Parish Council for approval (if changes are suggested) the Parish Council's Financial Controls/Regulations and relevant associated documents.
- d) To consider the timely appointment of the Internal Auditor and the audit plan of the internal auditor.
- e) To monitor and ensure RFO & Council's compliance with any internal and external

audit report recommendations and other financial procedures, regulations and statutes.

- f) To complete the annual Financial Risk Assessment, to recommend changes where necessary, and to submit the final document for approval by the Parish Council.
- g) To monitor and approve provision of insurance to ensure that the assets and risk liabilities of the Parish Council are properly and adequately protected and to submit to the Parish Council for approval.
- h) To review the Parish Council's final accounts and the Annual Return produced by the RFO and submit for approval by the Parish Council.
- i) To monitor and ensure the Clerk/RFO's performance of the relevant financial and reporting duties of the Council and to implement the Terms, Conditions and related obligations of the Contract of Employment between the Council and the Clerk/RFO. In addition, the Committee will conduct a periodic review of the Contract of Employment and related matters and recommend to the Council any changes necessary for operation of the Clerk/RFO functions.
- j) To develop and implement a records retention policy and procedure that enables the robust and systematic retention of Council documents and correspondence. The policy shall enable documents to be stored in digital format (with hard copy backing documents) in a secure, central location. Records will be readily accessible by the Council, Clerk, persons authorised by the Council, and where appropriate – the public. The records retention policy will be reviewed and approved annually by the full Council.

SIGNED BY COMMITTEE CHAIR: (outgoing – TCB absent)	MEETING DATE: 11/5/26
PRINT NAME: Antony Taylor	MINUTE REF: