# WITTERING PARISH COUNCIL

## Terms of Reference: Finance Subcommittee

### 1. Purpose & Objectives

1.1 The Finance Subcommittee is appointed by and responsible to the Full Wittering Parish Council.

1.2 Its core objective is to ensure sound financial governance, oversee internal controls, monitor budget execution, and provide informed recommendations to the full council on all financial matters.

### 2. Membership & Quorum

- **Composition:** The subcommittee shall consist of a minimum of 3 elected Members of the Parish Council, appointed annually at the Annual Meeting of the Parish Council.
- **Ex-Officio Members:** The Chair and Vice-Chair of the Parish Council shall be ex-officio members with voting rights (if so, resolved by Council).
- **Non-Voting Advisers:** The Responsible Financial Officer (RFO) / Parish Clerk shall attend all meetings to provide professional advice and record minutes but holds no voting rights.
- **Quorum:** The quorum required to conduct business shall be 3 voting members.

### 3. Key Responsibilities & Functions

### A. Budgeting & Precept

- Oversee the preparation of the annual draft budget in consultation with the RFO and committee chairs.
- Review annual budget proposals and present a recommended **Precept** request to Full Council for approval before the statutory deadline.
- Monitor long-term financial planning, reserves strategy, and capital investment requirements.

**B. Financial Control & Monitoring**

- Review monthly or quarterly bank reconciliations, income/expenditure reports, and budget variance analyses.
- Ensure effective internal financial controls and risk management procedures are established, maintained, and reviewed annually.
- Authorize expenditure within delegated authority limits as set out in the Council's Financial Regulations.

**C. Audit & Compliance**

- Oversee the appointment and scope of the Internal Auditor.
- Review internal and external audit reports, ensuring any recommendations or matters arising are properly addressed.
- Review and update the Council's **Financial Regulations**, **Asset Register**, and **Risk Register** at least annually for adoption by Full Council.
- Ensure compliance with statutory financial reporting requirements (e.g., Annual Governance and Accountability Return - AGAR).

**D. Grants & Investments**

- Review applications for local community grants or donations and make recommendations to Full Council for approval.
- Monitor the Council's investment strategy and bank accounts to maximize returns while safeguarding public funds.

**4. Delegation of Powers**

4.1 **Advisory Status:** The Finance Subcommittee acts primarily as an advisory body. Final decisions on the annual budget, setting the precept, adopting financial regulations, and approving significant capital expenditure remain reserved for the **Full Parish Council**.

4.2 **Delegated Spending:** The subcommittee holds delegated spending power up to **£500 net of VAT** for unbudgeted operational matters, provided funds are available within designated contingency lines.

**5. Meetings & Governance**

- **Frequency:** The subcommittee shall meet at least quarterly, scheduled ahead of Full Council monthly meetings.
- **Public Access:** Meetings will be conducted in accordance with the Public Bodies (Admission to Meetings) Act 1960. Agendas and minutes will be

published publicly unless confidential matters (e.g., commercial tenders) require moving into a closed session.

- **Agendas & Minutes:** Agendas must be issued at least 3 clear days before a meeting. Minutes must be recorded by the Clerk/RFO and presented to the next Full Parish Council meeting for formal receipt or adoption.
- **Standing Orders:** The subcommittee is bound by the Parish Council's adopted **Standing Orders** and **Code of Conduct**.

**6. Review**

These Terms of Reference shall be reviewed annually by the Finance Subcommittee and submitted to the Full Council for re-approval at the Annual Council Meeting in **May 2027.**