

Finance Committee – Terms of Reference

1. Purpose

The Finance Committee is established to oversee the financial management of the Council, ensuring transparency, accountability, and sound financial planning in line with statutory requirements and council priorities.

2. Membership

The Committee shall consist of eight Councillors, appointed annually by Full City Council.

The Mayor of Wells shall be ex-officio member.

The Responsible Financial Officer (RFO) and/or Town Clerk will attend in an advisory, non-voting capacity.

3. Quorum

A minimum of 3 Councillors must be present for a meeting to be quorate.

4. Meetings

The Committee shall meet monthly, with delegations applied to the Chair for any urgent matters between meetings.

Meetings will be conducted in accordance with the Council's Standing Orders and will be open to the public, unless sensitive matters are being discussed under confidential session.

5. Responsibilities

The Committee will:

1. Review and monitor income and expenditure against the agreed budget.
2. Prepare a draft budget and recommend the annual precept to Full City Council.
3. Oversee bank reconciliations, financial reports, and audit trails with monthly sign offs as required.
4. Ensure that internal controls and financial risk assessments are in place and reviewed regularly.
5. Ensure policies related to financial management (e.g. reserves, grants, procurement) are in place and reviewed regularly.
6. Authorise expenditure and payments within delegated authority.
7. Review and recommend the Annual Governance and Accountability Return (AGAR) and liaise with internal/external auditors as required.
8. Consider and make recommendations on grant applications submitted to the council.

9. Monitor and review the council's insurance cover, investments, and contracts as needed.
10. Consider future financial planning and forecasting.

6. Delegated Authority

The Committee has delegated authority to approve spending within the approved budget limits, subject to the Council's Financial Regulations.

7. Reporting

Minutes of all Finance Committee meetings will be circulated to all Councillors and approved at the next committee meeting.

The Committee shall report to Full City Council on its work, bringing forward any decisions requiring council approval that exceed financial thresholds as set out within the Council's Standing Orders.

8. Review

These Terms of Reference will be reviewed annually at the first meeting of the committee after the Annual Parish Council Meeting and updated as required and will sit within the Council's Standing Orders.