

# **Chigwell Parish Council**

## **Finance and Governance Committee Terms of Reference**

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### **1. Committee**

The Finance and Governance Committee is constituted as an Executive Committee of Chigwell Parish Council.

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### **2. Membership**

Five Parish Councillors will be appointed annually at the Annual Council Meeting as voting members including the Chairman or Vice Chairman of Council.

If a councillor resigns from the Committee/Council during the year a new councillor will be appointed at the next appropriate Full Council meeting\*.

The quorum of the Committee shall be three Members.

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### **3. Chairman**

The Chairperson and Vice Chairperson of the Committee will be elected annually at the first meeting of the committee.

If the Chairperson or Vice Chairperson resigns from the Committee/Council during the year a new Chairperson or Vice Chairperson will be appointed at the next appropriate Full Council or Finance and Governance meeting. The next appropriate meeting will be the next meeting where an agenda item can be published to carry out this action

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### **4. Voting**

Only appointed members may vote and participate at a meeting. Non-member Councillors may attend and participate but not vote.

Members of the public may attend and speak at meeting during public participation.

In the case of an equal vote the Chairman of that meeting shall have a second or casting vote.

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### **5. Declaration of Interests**

All Councillors must declare interests on agenda items in line with the Code of Conduct as adopted by Chigwell Parish Council.

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## 6. Meetings

The Committee will meet at least once in each financial month to approve payments and salaries with additional meetings as the workload requires, with a minimum of 5 working days notice given.

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## 7. Admission of the Public and Press

The initial position should always be in favour of disclosure of as much information as possible about the decisions the council takes, and only in limited circumstances should information be withheld, where there is a justification, in law, for doing so. The Public and Press will be admitted to all meetings of the Committee in line with the Council's Standing Orders.

If required, the Committee will have the right to pass a resolution to exclude the press and public in accordance with s1(2) of the Public Bodies (Admission to Meetings) Act 1960 considering the specific permissible reasons detailed in Local Government Act 1972 Schedule 12A (as amended). Schedule 12A contains 10 categories of information which can be exempt, 3 of which relate specifically to Standards Committee or Sub-Committee meetings. All of them require consideration of the public interest (via the application of the public interest test in Section 2 of the Freedom of Information Act 2000) before passing a resolution to withhold the information by excluding the Public and Press. Details of the categories are attached as Appendix 2 to these Terms of Reference.

Where the press and public are likely to be excluded from the meeting this will be advertised on the Committee's agenda.

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## 8. Minutes of Meetings

The minutes of the meetings will be approved at the next meeting of the Committee, if the committee does not meet before the next Full Council meeting the draft minutes will be presented at the Full Council meeting.

The draft minutes will be published on the Council's website as soon as possible after the meeting and always within 10 working days, these will be replaced with the approved minutes.

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## 9. Meeting Duration

The duration of the Finance and Governance Committee's meeting will be for a maximum of 2 hours unless a resolution is passed to extend the meeting for a further 30 minutes after which any unfinished business being taken at the beginning of the next Finance and Governance Committee Meeting.

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## 10. Funding

The Committee shall have a remit to commit/spend up to £5,000. Any amount over that value will be reported to the next appropriate Full Council meeting for their approval.

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## 11. Terms of Reference

The Committee will review these Terms of Reference each year at the first meeting of the committee following the Annual (or First) Council Meeting and when necessary recommend any changes to the Council at the next appropriate Full Council meeting.

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## 12. Responsibilities

The Committee will have overall responsibility for the management of the Council's financial affairs in accordance with legislative requirements, regulations and guidelines. These responsibilities include:

1. The reviewing of the Council's banking arrangements.
2. The reviewing of the Council's accounting practices and systems
3. Guide the Parish Council in the formulation and review of Corporate Governance and Financial matters.
4. Oversight of the preparation and review of the Council's annual budget and three year budget forecast which shall be drawn up by the RFO.
5. Ensure that financial procedures are followed correctly, the budgeted expenditure is adhered to and identify virements for recommendation to Full Council, via up-to-date Bank Reconciliation statements, Budget Monitor and Income & Expenditure Cost Centre Reports, which shall be drawn up by the RFO and presented at all committee meetings.
6. Authorise expenditure, payments and virements within the level of authority laid down in the Council's Financial Regulations or delegated to the Committee from time to time.
7. Making a recommendation to the Council at the January meeting each year of the level of precept required
8. To consider forward planning and provide earmarked reserves for the replacement of equipment and property.
9. Oversee the preparation of the Budget and Precept for approval by Full Council.
10. Consider contract proposals for expenditure not specifically dealt with by any other committee.
11. To review both Internal and External Audit Reports and arrange for implementation of any recommendations.

12. Undertake a review of Standing Orders, Financial Regulations, the Investment Policy, Terms and Conditions of Borrowing, System of Internal Audit, Asset Register, Risk Management and Insurance, Freedom of Information Act Publication Scheme, GDPR, and any other policies not specifically dealt with by any other committee on a regular basis, at least annually.
13. To oversee all legal matters pertaining to leases, insurance claims, easements, tenancies, contracts, loans, insurance cover, damage to property, debt recovery and make recommendations to Full Council.
14. To negotiate the rent or purchase of land or properties on behalf of the Council when instructed to do so by resolution of the Council and to make recommendations to Full Council regarding the terms of the negotiation.
15. Respond to consultations on behalf of the Parish Council as a whole or, where appropriate, where no other committee clearly has relevant responsibility.
16. In coordination with other committees, organise and recommend future meeting dates for the Parish Council and all committees.
17. Deal with items not dealt with by other named committees or sub-committees.
18. The Committee is authorised to establish Advisory Groups and Sub-Committees and to appoint advisors as and when necessary, to assist in its work;
19. Advisory Groups and Sub-Committees shall be chaired by a Councillor and have agreed Terms of Reference set by the Committee;
20. Advisors shall have no voting rights.
21. Review its three-year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the council not later than the end of October each year including any proposals for revising the forecast

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### 13. Best Value

The Committee will ensure the Council follows the principle of Best Value at all times \*\*

Considered and approved by the Committee at its Annual meeting on 23 May 2023.

Review Date: May 2024

\*\* Best Value Statutory Guidance as published by the Department for Communities and Local Government, see appendix