



**SUDBURY**  
TOWN COUNCIL

# **FINANCE COMMITTEE**

## **TERMS OF REFERENCE**

## **The Purpose of the Committee**

- 1.** The Finance Committee is established to manage Sudbury Town Council's financial affairs and to secure best long-term value for the residents of Sudbury.
- 2.** The Committee will consist of eight members appointed by the Full Council. The Mayor will be an additional ex-officio member, without voting rights. The Committee will normally meet on the first Tuesday of every month (not August unless there is urgent business), commencing at 6.30pm.
- 3.** The Committee may appoint sub-committees whose terms of reference and members shall be determined by the Committee. Members of sub-committees may include non-councillors, but without voting rights.
- 4.** The committee has delegated authority from the Council to fulfil the following responsibilities (including spending within its approved budget):
  - a.** To monitor and control expenditure and income in accordance with the Council's approved budget throughout the current financial year.
  - b.** To develop a draft budget of expenditure and income for the next financial year for approval by the Full Council.
  - c.** To recommend the precept for the next financial year to the Full Council.
  - d.** To monitor and control the general reserve and all earmarked reserves (EMRs).
  - e.** To insure all the Council's assets and insure against liabilities where possible.
  - f.** To approve all payments (up to the limit set in the Financial Regulations) either in advance or arrears of payment.
  - g.** To appoint an independent Internal Auditor and recommend an External Auditor.
  - h.** To maintain adequate systems of internal control and audit so that there is sufficient evidence for presentation for external audit.
  - i.** To scrutinise annual financial reports before presentation to the Full Council.
  - j.** To conduct an annual review of the Council's Risk Management Strategy in conjunction with other committees where necessary and to monitor its operation throughout the year.
  - k.** To conduct an annual review of the Council's asset register.
  - l.** To work with the Policy Committee to develop the financial aspects of the Council's Business Plan and help ensure that appropriate objectives for the Council's performance are set and monitored throughout the year.
  - m.** To award or recommend grants to local organisations as per delegated financial limits in accordance with the Grant Aid Policy.

**n.** To recommend the most appropriate borrowing arrangements, when required, for approval by the Full Council.

**o.** To recommend the most appropriate investment and banking arrangements, when required, for approval by the Full Council.

**5.** Decisions regarding the setting of precept and borrowing must be made by the Full Council.