



SANDOWN TOWN COUNCIL

## **Finance Committee**

## **Terms of Reference**

APPROVAL DATE: 28 July 2025  
REVIEW DATE: May-2026  
MINUTE NUMBER: 3-2025/26

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## **1. INTRODUCTION**

## **2. PURPOSE**

- 2.1. The Committee is responsible for overseeing the Council's financial arrangements, management, compliance and accountability as well as making recommendations on such matters to council.

## **3. MEMBERSHIP**

- 3.1. The committee shall comprise of 5 councillors including the Mayor who shall Chair the committee.
- 3.2. A substitute member of the committee may be appointed by the Mayor should it be required.

## **4. QUORUM**

- 4.1. The quorum of the committee is three.

## **5. MEETINGS**

- 5.1. Meetings will take place monthly, with the exception of February when the accounts will be considered as part of the budget meeting.
- 5.2. If not specified in these Terms of Reference the Council's Standing Orders in relation to meetings will apply.

## **6. COMMITTEE SERVICES**

- 6.1. The committee will be serviced by the Clerk or their Deputy. A locum clerk may be engaged if neither the Clerk or their Deputy Clerk can service the meeting.

## **7. DECISION MAKING**

- 7.1. Decisions will be made by consensus, where possible
- 7.2. In the absence of consensus, decisions will be made by majority vote
- 7.3. In the event of a tie the Chair holds a casting vote, which they may exercise to break a tie.
- 7.4. Each member shall have a single vote, apart from the chairperson who will have, in addition, a casting vote.
- 7.5. The Chair retains the right to change their decision if they wish.
- 7.6. A named vote will be requested if so requested by any member of the committee.

## **8. ROLES AND RESPONSIBILITIES**

### **8.1. Accounts**

- 8.1.1. To approve the payments and receipts monthly.
- 8.1.2. To review and note the monthly banking reconciliations.
- 8.1.3. To review expenditure against budget and report any significant under or overspends to Council.
- 8.1.4. To propose any significant virements to Council.

- 8.1.5. Review the Year End and Annual Statement of Accounts and make a recommendation to Full Council.
- 8.1.6. To monitor the performance of investments.
- 8.1.7. Approval of the Annual Accounts is reserved to Full Council.

## 8.2. Financial Risk Management

- 8.2.1. To identify, evaluate, and report financial risks.
- 8.2.2. To propose contingency plans for potential financial shortfalls.
- 8.2.3. To monitor compliance with awarded grants (both awarded to and by the Town Council).
- 8.2.4. To advise Council on borrowing policy and investment / treasury management policy. Borrowing decisions are reserved to Council
- 8.2.5. To advise on the financial implications of proposed new policies or development of existing policies including sources of revenue.
- 8.2.6. To determine and keep under regular review the bank mandate for all Council bank accounts.
- 8.2.7. To consider reports on outstanding debts due to the Council and to undertake recovery or recommend write off. Writing off of debt is reserved to Full Council.

## 8.3. Procurement

- 8.3.1. To co-ordinate and oversee the Council's Procurement.
- 8.3.2. To explore better value for money from Council contracts.
- 8.3.3. To monitor the performance of the Council's contracts.
- 8.3.4. To make recommendations in relation to procurement, to Council.
- 8.3.5. The award of Contracts and Tenders exceeding Clerk and Mayoral delegated authority are reserved to Full Council.

## 8.4. Budget

- 8.4.1. To oversee the budget process
- 8.4.2. To oversee the budget consultation process.
- 8.4.3. To make recommendations to the Council on budget and precept requirements.

## 8.5. Annual Accountability and Governance

- 8.5.1. To monitor the Council's compliance with best practice.
- 8.5.2. To oversee the Council's compliance with governance procedures and decision making process.
- 8.5.3. To report any concerns to Council.
- 8.5.4. To recommend actions to address any concerns to Council.

8.5.5. Approval of the Annual Governance and Accountability Return is reserved for Full Council.

8.6. Audit

8.6.1. To appoint the internal auditor.

8.6.2. To receive and review the findings of the Council's Internal Auditors.

8.6.3. To receive and review the findings of the Council's External Auditors.

8.6.4. To monitor the implementation of recommendations and report to Council.

**9. KEY DATES.**

September External Audit Report

Budget Consultation

November Draft Budget and recommendations to Council

February Budget proposal

April Year End Accounts

Annual Accounts

AGAR

Internal Audit Report