



## **Finance and Corporate Governance Committee**

### **Terms of Reference**

**Approved: 15<sup>th</sup> May 2025**

**Minute Reference: 008/FC/2526c**

**Review date: May 2026**

***M Eyre***

**Signed by: Chair, Councillor Martin Eyre**

#### **Membership:**

Nine Councillors.

Members will be appointed annually by the council at the Annual Meeting of the Parish Council in May.

- The Chairman and Vice-Chairman of the Committee are to be elected annually by the Finance and Corporate Governance Committee at the first meeting after the Annual Council meeting of Kippax Parish Council and shall hold office until the next Annual Council meeting
- The quorum of the Committee is three voting members.
- Members may, at any time, resign from the Committee by given written notice to the Clerk. The resignation will take immediate effect.
- Full Council may amend the membership and elect additional Councillors onto the Committee at any time

#### **Role**

The Finance and Corporate Governance Committee is responsible for ensuring the Internal Controls (listed below) are carried out in accordance with the council's Financial Regulations and all matters relating to finance and corporate governance are reviewed and referred to the council for consideration.

#### **Meetings**

Meetings of the Finance and Corporate Governance Committee will take place on the second Tuesday of each month. Extraordinary meetings of the Finance and Corporate Governance Committee can be convened by the Chairman of the committee as and when necessary, if the Chairman of the committee does not call an extraordinary meeting within 2 days of having been requested to do so by 2 members of the committee, any 2 members of the committee may convene an extraordinary meeting of the committee.

Members will be summoned to attend meetings which will be held in a venue in Kippax and Public Notice of the Meeting shall be given in accordance with Schedule 12, Para 10(2) or the Local Government Act 1972. The committee shall abide by the Standing Orders adopted by Kippax Parish Council.

The committee Chairman will preside at meeting, or in their absence a Vice-Chairman. If neither the Chairman or Vice-Chairman are present, the first item should be to appoint a member councillor to preside at the meeting as Chairman.

### **Documentation**

Agendas will be prepared by the Clerk and published in accordance with Kippax Parish Council's Standing Orders and Administration of Agendas and Minutes policy. The meeting is not required to include a public forum.

Minutes of the meetings will be recorded by the Clerk and approved by the Finance and Corporate Governance. The minutes will be circulated to full council for information and published on the council's website.

The accounts for payment document and any other relevant documents considered by the committee will be circulated to full council for consideration with the agenda for the next meeting.

### **Accountability**

The Finance and Corporate Governance Committee does not have any delegated powers make decisions and is required to refer all decisions to full council for consideration as well as any matters of concern.

### **Scope**

#### **Internal Controls and Accounts for Payment**

- The committee is responsible for reviewing the cash book prepared by the RFO monthly to ensure it is being kept up to date and is accurate
- The committee is responsible for reviewing the bank reconciliations prepared by the RFO monthly and ensuring it is accurate
- The committee is responsible for cross-referencing the council's bank statements with the bank reconciliations on a monthly basis and the bank statements will be signed by the chairman of the meeting to confirm their agreement to the reconciliation.
- The committee is responsible for checking all accounts for payments to ensure:
  - The purchase has been properly authorised with relevant minutes and purchase orders where necessary
  - The payments correspond with the invoiced and quotes amounts
  - The services/goods have been completed/received before payment is approved, unless the supplier requires payment in advance

If satisfied that all payments are correct the committee will make recommendations to full council to approve payment of the accounts for payments. Where the committee is not satisfied with any accounts for payments, the committee will report their concerns to full council for consideration.

- The committee is responsible for checking all payments raised between meetings to ensure:
  - The purchase has been properly authorised with relevant minutes and purchase orders where necessary

- The payments correspond with the invoiced and quotes amounts,
- The services/goods have been completed/received before payment is approved, unless the supplier required payment in advance.

If satisfied that all payments are correct the committee will resolve to confirm their accuracy. Where the committee is not satisfied with any payments raised between meetings, they will report their concerns to full council for consideration.

- The committee is responsible for checking that all cheques have been completed correctly before being signed and that all online payments have been set up correctly.
- The committee is responsible for checking that all cheque counterfoils are initialled by the signatories
- The committee is responsible for checking that all income due to the council is being collected promptly and in full
- The committee is responsible for checking that all income is being properly controlled pending being paid into the bank (in accordance with the council's Financial Regulations)
- The committee is responsible for checking VAT paid is properly recorded in the cash book
- The committee is responsible for checking VAT refunds are properly submitted in a timely manner. VAT should be reclaimed annually, or as soon as possible when the council has incurred VAT over £1,000 in value.
- The committee is responsible for checking the accuracy of petty cash transactions and that petty cash is being properly controlled and recorded in line with the council's financial regulations monthly
- The committee is responsible for checking the accuracy of Multipay transactions and that they reconcile to the Multipay statement. The statements will be signed by the chairman of the meeting to confirm their agreement to the transactions recorded.
- The committee is responsible for checking that HMRC liabilities have been met, that P32s are accurate and that payments are made correctly
- The committee is responsible for checking that relevant pension contributions are being made by the council monthly.

## **Budgets**

- The committee is responsible for working with the Clerk/RFO to draft the council's annual budget and making recommendations to full council to consider
- The committee is responsible for reviewing the budget monitoring sheet on a monthly basis and reporting back to full council any areas of concern
- The committee is responsible for considering any necessary adjustments to the council budget throughout the year and making recommendations to full council to consider
- The Committee is responsible for reviewing budgets for salaries and wages, including employer contributions at least annually in November for the following financial year

## **Finance Documents, Policies and Audits**

- The committee is responsible for reviewing the council's Financial Regulations on an annual basis (or as legislative provisions or best practice requires) and making recommendations to full council to consider
- The committee is responsible for reviewing the Financial Risk Assessment on an annual basis and making recommendations to full council to consider
- The committee is responsible for checking the Asset Register is updated and accurate and that relevant programmes of inspections and maintenance are being carried out on council assets
- The committee is responsible for reviewing the council's insurance provision and relevant documentation (at least annually) and making recommendations to full council to consider
- The committee is responsible for considering which Independent Internal Auditor to appoint (at least) annually and making recommendations to full council to consider
- The committee is responsible for reviewing the Independent Internal Audit Reports and making recommendations to be acted on to full council to consider
- The committee is responsible for reviewing the External Auditor's Report and making recommendations to be acted on to full council to consider
- The committee is responsible for reviewing the draft AGAR documents and making recommendations to full council to consider
- The committee is responsible for checking that the AGAR documents have been submitted correctly and on time to avoid penalties for the council
- The committee is responsible for reviewing the council's Expenses Policy (for councillors and officers) on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the Investment Strategy on an annual basis and making recommendations to full council for consideration.
- The committee is responsible for reviewing the councils banking arrangements annually for security and efficiency

## **Grant Applications**

- The committee is responsible for reviewing the Grants Awarding Policy, Application Form and Terms and Conditions on an annual basis and making recommendations to full council to consider.
- The committee is responsible for checking that all grant applications adhere to the councils Grant Policy and will submit a briefing note to full council outlining it's assessment of the legitimacy of the application, powers of the council and the budget impact along with the application form
- The committee is responsible for ensuring the Grant Application process is being adhered to including signed terms and conditions and submission of receipts and evaluation report.

- The committee is responsible for reviewing the receipt and evaluation report to confirm completion of the grant. The committee will provide details of the grant and photographs to the councils approved social media users for publication on the website and social media

#### **Data Protection and Freedom of Information:**

- The committee is responsible for reviewing the council's Data Audit on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Records Management Policy on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Privacy notices on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Security Incident Policy on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Security Incident log on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Publication Scheme on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Freedom of Information Policy on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Publication Scheme on an annual basis and making recommendations to full council for consideration
- The committee is responsible for reviewing the council's Retention and Disposal of Disclosures and Disclosure Information Policy on an annual basis and making recommendations to full council for consideration
- The committee will be responsible for checking YLCA and NALC updates are being considered and implemented by the Clerk/RFO, or referred to council for consideration
- Members of the committee may undertake training from time to time to support their role; this will be done in conjunction with the Clerk and with regard to the Council's training budget.

#### **Other Council Policies:**

- The committee is responsible for reviewing all the council's other policies (excluding Personnel policies) on an annual basis and making recommendations to full council for consideration.

#### **Review**

The Committee will review the Finance and Corporate Governance Committee terms of reference annually and make recommendation to full council at the Annual meeting of the Council.