St Athan Community Council
Finance Committee
Terms of Reference

Adoption
These Terms of Reference were adopted by St Athan Community Council
on 5th May 2026.
Minute reference:
Review date: 4th May 2027
Signed:
Name:
Chair of St Athan Community Council

1. Purpose

The Finance Committee is appointed by St Athan Community Council to support sound financial management, budget monitoring, internal control, audit, risk management and financial planning.

The Committee will scrutinise financial matters and make recommendations to Full Council. It may only make decisions where authority has been specifically delegated by Full Council, Standing Orders, Financial Regulations or the Scheme of Delegation.

Full Council remains responsible for the Council's finances, budget, precept, accounts, audit and statutory compliance.

2. Governance

The Committee shall act in accordance with:

- applicable legislation and proper practices for community councils in Wales;
- the Council's Standing Orders;
- the Council's Financial Regulations;
- the Members' Code of Conduct;
- the Council's Scheme of Delegation and adopted policies.

If these Terms of Reference conflict with legislation, Standing Orders or Financial Regulations, those documents take precedence.

3. Membership and Quorum

1. The Committee shall consist of all 12 councillors of St Athan Community Council, appointed by Full Council.
2. The Chair and Vice-Chair of the Committee shall be The Chair and Vice-Chair of the council.
3. As all councillors are members of the Committee, the Chair of Council shall have the same voting rights as other Committee members.
4. Substitute members are not permitted.
5. The quorum shall be four voting members. No business shall be transacted unless the meeting is quorate.

4. Meetings

1. The Committee shall meet at least once each year and at such other times as may be necessary.
2. Meetings shall be called, publicised and conducted in accordance with the Council's Standing Orders.
3. Agendas and papers shall be issued in accordance with the Council's Standing Orders.
4. Meetings shall normally be open to the public, unless confidential or exempt business is being considered lawfully.
5. The Proper Officer and/or Responsible Financial Officer shall facilitate meetings for administrative purposes only and may provide advice, procedural guidance and financial information.
6. The Proper Officer and/or Responsible Financial Officer shall not vote or take part in decision-making.
7. Minutes shall be kept and reported to the next suitable meeting of Full Council.

5. Responsibilities

The Committee shall:

Budget and Precept

- review draft budgets prepared by the Proper Officer/RFO;
- consider future financial pressures, projects, reserves and commitments;
- recommend the annual budget and precept to Full Council;
- monitor the Council's medium-term financial position.

Budget Monitoring

- review regular income and expenditure reports;
- monitor spending against budget;
- consider significant variances;
- review general and earmarked reserves;
- recommend virements or budget adjustments where required.

Payments, Banking and Controls

- review payment schedules, bank reconciliations and financial reports;
- monitor income collection and outstanding debts;
- review banking arrangements, signatories and online banking controls;
- recommend improvements to financial procedures.

Financial Regulations and Internal Control

- review Financial Regulations at least annually;
- monitor compliance with Financial Regulations;
- review internal controls, including authorisation, segregation of duties, procurement, payroll, assets and reconciliations;
- consider arrangements to prevent fraud, error or misuse of public money.
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Audit and Governance

- recommend the appointment of the internal auditor;
- consider internal and external audit reports;
- monitor audit action plans;
- review the draft Annual Return and supporting papers before consideration by Full Council;
- make recommendations on governance and accounting matters.

Risk, Insurance and Reserves

- review financial risks and relevant sections of the risk register;
- review insurance arrangements annually;
- monitor general and earmarked reserves;
- recommend a reserves policy and any changes to reserve arrangements.

Procurement, Contracts, Grants and Assets

- review financial aspects of procurement, contracts and grant applications where referred;
- monitor compliance with procurement requirements;
- consider value for money and affordability;
- review financial planning for Council assets, maintenance and replacement.

6. Delegated Authority

Subject to Standing Orders, Financial Regulations and the approved budget, the Committee may:

1. scrutinise financial reports and request further information;
2. approve virements up to £10,000 if permitted by Financial Regulations;
3. authorise expenditure up to £?? within an approved budget heading, if delegated by Full Council;
4. approve audit action updates that do not require extra expenditure or policy change;
5. make recommendations to Full Council on all other matters.

The Committee may not:

- set the precept;
- approve the final budget;
- approve the Annual Return or Annual Governance Statement;
- borrow money;
- amend Standing Orders or Financial Regulations;
- dispose of significant assets;
- enter contracts above delegated limits;
- decide matters reserved to Full Council by law or Council policy.

7. Reporting

Committee minutes and recommendations shall be reported to Full Council. Any matter requiring Council approval must be clearly identified on the Full Council agenda.

The Proper Officer/RFO shall advise the Committee, prepare financial reports and identify matters requiring Full Council decision.

8. Conduct and Confidentiality

Members must comply with the Code of Conduct, declare interests where required, and withdraw from meetings where necessary.

Confidential, contractual, staffing, legal or personal financial information shall be handled appropriately and considered in private session where lawful.

9. Review and Adoption

These Terms of Reference shall be reviewed annually and may be amended only by Full Council.