

Lowestoft Town Council

Terms of Reference for the Finance and Governance Committee

1. The Finance and Governance Committee is appointed by and solely responsible to Lowestoft Town Council.
2. The Committee's duties, as set out in these terms of reference, are defined and agreed by Full Council, which may vote, at any time, to modify, remove or increase the Committee's terms.
3. Meetings are to be held as and when required. This is likely to be monthly.
4. **Membership** The membership of the Committee will be no fewer than quorum plus one (i.e. five Councillors). Full Council will elect a Chair for the Committee at the Annual Meeting of the Council every May. All members of the Committee are expected to represent the interests of the whole Council area. Any elected member can preside, by agreement, in the Chair's absence. A quorum will be a minimum of four elected members. The Mayor will have automatic membership and full voting rights. Substitutes may be appointed to ensure meetings are quorate. All other members of the Council have the right to attend the meeting and make representations on the matters being discussed within the Public Forum.
5. **Record of Proceedings** The Committee will meet as required to fulfil the responsibilities below. Written minutes will be taken to record the Committee's decisions and will be received at the next full Council meeting and tabled as an appendix. The Clerk will be responsible for arranging the recording and distribution of the minutes.
6. **Responsibilities** The committee has delegated authority from the Council to work with the Responsible Financial Officer and Clerk, as appropriate, to fulfil the following responsibilities, in line with Financial Regulations and any other framework that is required in law or that the Council puts in place:-
 - Making annual estimates of expenditure and income to inform budget recommendations to the full Council
 - Monitoring the Council's approved budget against actual expenditure throughout the year and performing reconciliations as required by Financial Regulations
 - Recommending to full Council the amount of the annual precept demand
 - Ensuring that appropriate risk management, including due maintenance, of the Council's properties and their leases or hires etc., takes place
 - Reviewing the Council's insurance of all the Council's property and liabilities, at least annually, and making connected recommendations as required
 - Ensuring a suitable framework for tendering and purchasing arrangements is set in Financial Regulations and adhered to
 - Making approval of payments on the Council's behalf either made already or in advance of payment, in line with Financial Regulations
 - Reviewing internal audit arrangements and making recommendations to full Council on appointing an independent Internal Auditor
 - Ensuring the Council is fully prepared and cooperative with an audit regime

- Ensuring there is evidence of adequate systems of internal control and audit throughout the year and for presentation for external audit
- Reviewing original audit reports, developing an action plan to address any accepted recommendations from the auditors and ensuring this is presented for consideration and adoption by the Council. Monitoring implementation of the plan.
- Approving of annual financial reports
- Developing and monitoring the Council's Risk Management Strategy
- Developing the Council's strategic objectives and monitor the Council's performance against these objectives
- Developing the Council's Financial Plan
- Developing and reviewing the Council's Investment Strategy and making related recommendations, including on banking, to the Council
- Awarding grants to local organisations as per the Council's *Grant Awarding Policy*
- Reviewing Financial Regulations annually in order to ensure suitable regulations can be recommended to Council for adoption
- Ensuring that essential policies (not covered by other committees) are developed, created, monitored, maintained and adhered to with appropriate recommendations to full Council for amendment and/or adoption.
- Considering and responding to any consultations on significant policy matters and advising the Council, as appropriate.
- Ensuring that the Council is appropriately transparent and accountable with its finances in line with any legislation, mandatory Transparency Codes and any framework set by the Council itself.
- This Committee has delegated authority from Full Council for expenditure of up to £10,000 per decision within maximum budgets set by the Council, excluding those matters delegated to other Committees or reserved by Full Council.

7. Sub-Committees

- The Committee may appoint Sub-Committees to carry out or make recommendations on certain responsibilities.
- The Committee has appointed the Budget and Loan Sub-Committee and the Standing Orders and Policies Sub-Committee.

8. **Climate Emergency** This Committee recognises that its work is fundamental to the Council's ability to respond to the climate emergency. Sustainability and financially robust services and risk management are essential to the Council's approach of acting on the climate emergency, increasing efficiency and reducing undue use of resources and waste. Some 'green' initiatives and products will cost more money and the Council will wish to accommodate this expenditure within its existing budget where possible. Its actions will include ensuring:

- Suitable risk management is in place as reasonably needed to safeguard against adverse environmental impacts arising from the Council's activities or assets
- Suitable emergency and business continuity planning are in place
- Efficient and effective procurement takes place, including, where relevant, joint, bulk and local purchasing and investment where this gains environmental benefits
- Appropriate disposal of items no longer reasonably usable by the Council

- Contract arrangements are established or reviewed, where reasonably possible, to ensure they include appropriate environmental measures and safeguards
- Due consideration of the climate emergency is integrated within office arrangements, e.g. optimum reuse and recycling practises
- Water and energy use is as efficient and environmentally friendly as is reasonably possible, using Salix loans where needed
- Appropriate investment in low risk, sustainable banks or investment funds
- Appropriate recommendations to Council on its budget and policies, e.g. encouraging leisure and use of open spaces and creating sustainable assets and services
- Ensuring efficient water and energy use in public lavatories and other buildings
- Lobby for Government support to town and parish councils, to assist them with the switch to carbon neutrality and environmental friendliness

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