



Adopted: 14 July 2022
Reviewed: 21 July 2026
Next Review: July 2027

FINANCE & STRATEGY COMMITTEE TERMS OF REFERENCE

Membership

1. The committee will consist of a minimum of 4 Councillors and a maximum of 5 to include the Mayor, Deputy Mayor and chairs of all other committees. The Chair of Finance and Strategy to be appointed by the full Council. The Committee to meet a minimum of four times a year, with the Town Clerk and RFO in attendance.
2. A quorum of a minimum of 3 members must be present to hold a meeting. The Mayor or Deputy Mayor must be 1 of those 3 members present.
3. All meetings to be minuted and the minutes circulated to committee members before presentation to the full Council.

Prime objectives

1. To supervise the operational and financial management of the Council as a whole and to ensure that the actions of the Council do not contravene statute or any other regulations.
2. Provide and maintain Standing Orders and Financial Regulations within the committees and the Council. These objectives should be achieved within the constraints of the annual budget.
3. To form a strategy/framework to provide the Council with short and longer term goals/aims. And to structure the reserves in such a way as to provide the financial means to achieve those goals.
4. To formulate an annual budget and precept: and ensure the smooth running of the budget.

Key tasks

1. Strategy
To consider the long-term strategy to be adopted by the Council.
2. Financial
 - a. Prepare an annual budget in November for the following financial year. This to be considered by full Council ready for submission to Colchester City Council in January.
 - b. Monitor progress monthly against the annual budget (via Edge) and to ensure that committees do not overspend against the budget, especially should budgeted income fall within the overall budget. Expenditure may be increased over allocated cost centre funding provided approval is granted by the full Council, on advice from the Finance and Strategy Committee.
 - c. To ensure that all creditors are paid within 30 days and that, wherever possible, payments are made within the appropriate financial year.
 - d. To ensure that debtors pay on time and within the appropriate financial year.
 - e. To monitor the internal working practices for order processing and payments.
 - f. To ensure that the Edge system remains fit for purpose in providing a satisfactory management control system.
 - g. Ensure Financial Regulations are observed.
 - h. Members to authorise payments on behalf of the Council.

3. Contracts and Leases
 - a. To review all contracts and leases drafted by Town Committees in respect to contractual matters and financial viability.
4. Audits
 - a. Ensure an internal audit is carried out 6 monthly, and that all material is available for the external audit.
5. Precept
 - a. Based on the annual budget (1 above), recommend to full Council a level of Precept.
6. Major projects
 - a. In conjunction with other committees, identify projects that would enhance the town and its community.
 - b. Ensure sufficient funds are available in the annual budget, earmarked in reserves or has a suitable sinking fund established in order to fund specific projects.
7. Best value
 - a. Ensure the Council adopts procedures that adhere to the principles of best practice and value.
8. Sound Finance
 - a. Ensure that Council reserves are achieving the highest investment rates possible without putting those reserves in jeopardy.
 - b. Look for maximising cost saving opportunities.
9. S106 funding and other grant applications
 - a. To ensure that all opportunities to maximise possible funding are taken.

Notes

1. Spending limits
 - a. Each committee must keep within the expenditure laid down in the budget, against their cost centre codes.
 - b. Committees holding a budget allocation may spend up to £5000 on an individual item. Any individual spend or contracts with a cumulative value over £5000 must be referred to full Council.
 - c. Contracts over £25,000 per annum will need to be advertised under the Public Contracts Regulations 2015 using the government's Find a Tender service. (formerly OJEU)
 - d. In the event that an urgent or immediate response for spending approval is required then the Town Clerk in conjunction with the Mayor (or in their absence the deputy Mayor) are authorised to spend up to £1000 (excluding VAT).