

North Wales Borough Council

Working Guidance

Title: Finance Committee

This Guidance defines the responsibilities and working practices of the North Wales Borough Finance Committee.

Introduction

The Finance Committee is a committee of Council that is created and staffed by the President of Borough Council. Its membership is limited to two or three members of council with the Council President acting as an additional Ad Hoc member. The Finance Committee works closely with the Borough Manager.

Roles

The *Borough Manager* operates as the executive, with primary responsibility for the day-to-day management of the budget, operations, and compliance within a regulatory framework. The Manager's role is action-oriented, emphasizing the operationalization of the budget, including expenditure control, asset management, and cash flow oversight.

The *Finance Committee*, as a legislative or advisory body, assumes a more strategic role, emphasizing governance, oversight, and fiscal sustainability. They are tasked with reviewing the Borough Manager's budget, ensuring alignment with both immediate service delivery and long-term financial health. Their role involves critical assessment, providing checks and balances on revenue projections, spending trends, and debt management strategies.

Meetings

Meetings are not regularly scheduled nor advertised but are determined by need. It is recommended that the Finance Committee meet on Quarterly basis, however meeting frequencies and arrangement of same shall be coordinated with the administrative staff at the discretion of the Committee members.

No official decisions are made at these meetings and all budget and finance suggestions will be brought forward to council for public discussion and approval.

Responsibilities

The division of responsibility illustrated below allows for an appropriate balance of operational flexibility (on the part of the Borough Manager) and fiduciary oversight (by the Finance Committee), ensuring both short-term efficiency and long-term sustainability.

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Title: Finance Committee

Responsibility	Borough Manager	Finance Committee
Budget Preparation	Prepares the initial budget draft based on departmental needs and revenue projections.	Reviews the budget's alignment with Borough priorities and financial capabilities.
Revenue Forecasting	Provides revenue and expense estimates based on current trends, historical data, and expected grants or funding.	Reviews and assesses revenue and expense projections for accuracy and feasibility.
Operational Planning	Identifies operational needs, upcoming projects, and expected costs.	Ensures that resources are allocated to the most important projects based on available funds.
Spending Control	Oversees daily spending, manages department expenditures within the approved budget.	Monitors overall spending and compares it against the budget to flag potential deviations.
Cash Flow Management	Manages day-to-day cash flow, including payroll, vendor payments, and operational expenses.	Monitors overall cash flow to ensure the Borough maintains financial sustainability.
Debt Management	Ensures timely repayment of debt and provides regular updates on outstanding obligations.	Oversees the Borough's debt levels and repayment schedules to maintain financial sustainability.
Compliance with Regulations	Ensures day-to-day compliance with financial regulations and policies.	Reviews compliance documents (e.g. the annual audit) and recommends corrective actions if needed.
Asset Management	Oversees the use and maintenance of Borough assets like buildings, equipment, and vehicles.	Monitors the portfolio of Borough assets to assess Manager's requests for purchase, sale, or major maintenance projects.

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Document Change History

Previous Doc Number	New Document Number	Date	Editor	Reason for Change

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Foot Notes