



Report: Retention of the Finance & General Purposes Committee
Author: Jo O'Donoghue (Town Clerk & RFO)
Date: 27/05/2026

Introduction

This report considers the proposal to disband the Finance & General Purposes Committee ("F&GP Committee") and transfer its responsibilities to Full Council meetings held every two months.

Having reviewed the current Terms of Reference, operational responsibilities, governance requirements, and practical implications for a larger Town Council, this report concludes that the Finance & General Purposes Committee should be retained.

The Committee currently provides an essential governance and operational function within the Council structure and plays a significant role in ensuring effective financial oversight, timely decision-making, confidentiality in staffing matters, and robust audit and governance arrangements.

Current Role of the Finance & General Purposes Committee

Under the existing Terms of Reference, the Committee is responsible for:

- Budget monitoring and financial oversight
- Internal and external audit management
- Grants administration
- Staff welfare and performance management
- Property and land matters
- Councillor and staff training
- Oversight of salaries, pensions, insurance, subscriptions, and operational expenditure
- Monitoring expenditure against a budget exceeding £215,000 within the committee remit

The Committee currently consists of councillors appointed at the Annual Town Council Meeting held on 18th May 2026 with delegated powers and a quorum of 3 members.

Governance Considerations

While there are potential advantages in involving all councillors directly in operational and financial decisions, the breadth and complexity of the responsibilities currently delegated to the F&GP Committee indicate that a dedicated committee structure remains the most effective governance model for the Council.

The Council operates with:

- Significant financial responsibilities

- Staffing and employment obligations
- Ongoing audit and compliance requirements
- Operational and property management matters
- Grant administration responsibilities

These areas require regular oversight, detailed scrutiny, and the ability to respond promptly to emerging issues.

Reasons for Retaining the Finance & General Purposes Committee

1. Maintains Strong Financial Oversight

The Committee provides regular and detailed monitoring of budgets, expenditure, audits, grants, and operational spending.

Retaining the Committee ensures:

- Frequent scrutiny of expenditure and income
- Early identification of financial risks or overspending
- Improved monitoring of budget performance
- Better financial control and accountability
- Dedicated oversight of audit recommendations and compliance matters

Reducing oversight to bi-monthly Full Council meetings could weaken the Council's ability to respond quickly to financial concerns.

2. Supports Efficient and Timely Decision-Making

The Committee can meet as required to deal with urgent operational matters, including:

- Staffing issues
- Procurement decisions
- Legal matters
- Grant deadlines
- Emergency expenditure
- Audit recommendations

A Full Council meeting cycle of every two months may delay operational decisions and reduce the Council's responsiveness.

Retaining the Committee provides operational flexibility while maintaining democratic oversight.

3. Protects Confidentiality in Staffing and HR Matters

The Committee currently oversees staff welfare, recruitment, performance, and employment matters.

Although Full Council can legally consider confidential matters in exempt session, a smaller committee structure is generally more appropriate for sensitive staffing discussions.

Retention of the Committee helps:

- Protect employee confidentiality

- Reduce procedural complications
- Encourage candid and constructive discussion
- Maintain appropriate employment governance arrangements

This is particularly important where staffing matters involve performance management, welfare concerns, or disciplinary issues.

4. Prevents Full Council Meetings Becoming Overloaded

The Committee currently manages a broad operational remit, including:

- Audit and governance matters
- Grants
- Staffing
- Insurance
- Property and land issues
- Training
- Procurement
- Health and safety
- Pensions

Transferring all of these responsibilities to Full Council would likely result in:

- Significantly longer meetings
- Increased councillor fatigue
- Reduced quality of debate
- Less time for strategic discussion
- Difficulty managing detailed operational business effectively

A dedicated committee allows operational matters to be considered in greater depth while enabling Full Council to retain focus on wider strategic priorities.

5. Retains Specialist Knowledge and Experience

Finance and governance committees often develop specialist expertise in areas such as:

- Local government finance
- Audit compliance
- Procurement
- Employment law
- Budget monitoring
- Governance procedures

Retaining the Committee allows councillors to build knowledge and continuity in these complex areas, improving the quality of scrutiny and decision-making.

This specialist oversight is particularly valuable for councils with larger budgets and staffing structures.

6. Strengthens Governance and Audit Assurance

The current committee structure demonstrates:

- Clear delegated scrutiny
- Separation of responsibilities
- Regular financial monitoring
- Dedicated governance oversight
- Robust internal control arrangements

External auditors generally regard such governance arrangements positively.

Disbanding the Committee could create concerns if:

- Financial monitoring becomes less frequent
- Operational oversight becomes diluted
- Increased reliance is placed on officer delegated powers
- Full Council agendas become unmanageable

Retaining the Committee supports good governance practice and organisational resilience.

7. Reduces Reliance on Officer Delegated Authority

Without the Committee, urgent operational matters arising between Full Council meetings may increasingly require decisions to be made under officer delegated authority.

While delegated powers are necessary in some circumstances, excessive reliance on officer delegation may:

- Reduce member oversight
- Limit transparency
- Increase governance risks
- Reduce opportunities for member scrutiny

The Committee provides an important mechanism for member involvement in operational decision-making between Full Council meetings.

- Finance
- Audit
- Staffing
- Urgent operational matters

while transferring some lower-risk matters directly to Full Council.

Conclusion

Having considered the operational, governance, financial, and practical implications, the recommendation of this report is that the Finance & General Purposes Committee should be retained.

The Committee provides:

- Strong financial oversight

- Effective operational governance
- Timely decision-making
- Appropriate confidentiality for staffing matters
- Specialist scrutiny and expertise
- Robust governance and audit assurance
- Improved organisational resilience

Given the scale of responsibilities currently delegated to the Committee, including finance, audit, staffing, grants, and property management, transferring all functions to bi-monthly Full Council meetings could create governance, operational, and financial risks.

While improvements to reporting arrangements or committee structure may be considered, retaining a dedicated Finance & General Purposes Committee remains the most balanced and effective governance model for the Council.

Recommendation

It is recommended that:

1. The Finance & General Purposes Committee be retained.
2. The current committee structure continue to provide delegated oversight of finance, audit, staffing, governance, grants, and operational matters.
3. Full Council continue to receive regular reports from the Committee to ensure transparency and wider member engagement.