Clun Town Council with Chapel Lawn
Finance Committee
Terms of Reference

1. Objective

   The Finance Committee shall oversee the financial well-being of the Council and shall report to the Council as early as possible any concerns that it may have, including but not limited to any risk that the Council may exceed its full-year total expenditure as contained in the approved Budget.

2. Membership

   The Committee shall consist of four members who shall be appointed each year by the Council at the Annual Town Council Meeting or at the next convenient meeting of Council thereafter.

   At the same meeting, the Council shall appoint one of the members to be Chair of the committee.

   The terms of office for members shall end either with the appointment of their successors or on the fourth day after an ordinary election of the Town Council, whichever occurs first.

   The quorum shall be three members.

3. Meetings

   The Committee shall meet at least quarterly, or as required. Meetings shall be conducted in accordance with the Town Council's standing orders, policies and procedures.

   At its meeting in November, the Committee shall agree a recommended Budget and Precept requirement for the forthcoming financial year, which shall be presented at the next practicable meeting of the Council with recommendations for approval.

   Minutes of meetings shall be presented and noted at the next practicable meeting of the Council.

4. Delegated Powers

   The Committee has delegated authority to consider and make decisions on matters related to:

   - financial governance (including the Council's Financial Regulations and financial controls);
   - financial issues in general;
   - banking and investment arrangements.

   The Committee has delegated authority to instruct the Responsible Financial Officer to take such actions as it deems necessary to meet its responsibilities.

   The Committee has delegated authority to authorise expenditure in accordance with the Budget approved by Council and to authorise exceptional expenditure in support of independent audits of the Council's financial affairs should it deem this necessary.

   The Committee shall, in exercising its delegated authority, always comply with the Town Council's standing orders, financial regulations, policies and procedures.

5. Responsibilities

   The Committee shall:

- prepare and agree a recommended annual Budget and associated Precept requirement for approval by Council;
- review expenditure against an approved Budget;
- review and, if necessary, amend the Council's Financial Regulation to ensure that they remain appropriate to the Council's operating needs and in line with legislative requirements, reporting all amendments at the next practicable meeting of the Council;
- undertake quarterly inspections of the Council's financial affairs and operating practices, including contracts, reporting on this at the next practicable meeting of the Council;
- ensure that the Council complies with its Financial Regulations;
- ensure that banking and investment arrangements are appropriate to the current and future needs of the Council;
- ensure that Earmarked and General Reserves are maintained at an appropriate level to meet the future needs of the Council;
- ensure that the Council meets its obligations to timely publication of all required data on its website, reporting back to the Council annually at its July and October meetings to confirm that all obligations have been met;
- ensure that contingency arrangements are in place to manage a situation in which the Proper Officer/RFO is unable to or fails to discharge their responsibilities, including but not limited to (a) raising payments and managing the Council's

banking arrangements, (b) holding copies of all contracts, and (c) holding a copy of login details that permit the committee to access the Council's HMRC PAYE account if necessary.

Adopted: 2nd June 2026 (Minute 107-2026)
Review: June 2027