

GREAT BUDWORTH PARISH COUNCIL

FINANCE COMMITTEE

TERMS OF REFERENCE

Approved by Great Budworth Parish Council on 7th September 2015

COMPOSITION

The committee shall comprise at least 3 councillors.

Membership of the committee is reviewed annually at the Annual Council Meeting in May of each year. Changes in the composition of the committee are minuted.

CHAIRMAN

The council shall appoint the committee chairman and internal controller from time to time and, in the absence of the committee chairman from a meeting, one of the other councillors shall be elected by the committee to chair the relevant meeting.

QUORUM

A quorum shall comprise not less than 3 councillors or one-third of the membership of the committee whichever is the greater, and all apologies for absences shall be recorded.

MEETINGS

Meetings will be held at least bi monthly before the meeting of the Parish Council in January, March, May, July, September and November and any other time considered necessary by the committee.

ATTENDANCE

The committee may invite such other persons to attend its meetings as it deems necessary such as the external accountants who prepare the council's annual accounts and the external auditors, the internal auditor and the internal controller – especially when any of their respective reports or recommendations are being considered.

CLERK

The council clerk, or such other person as may be approved by the committee, shall be the clerk to the committee and responsible for the preparation of committee meeting agenda and minutes.

MINUTES

The proceedings of all meetings shall be minuted. Minutes shall be circulated to all other parish councillors as part of the next council meeting's agenda and papers and, at the discretion of the committee chairman, to those required to be in attendance.

REVIEW

These terms of reference are determined by the council, but the committee shall review them at least once a year and make recommendations for any change to the Council.

ANNUAL ACCOUNTS

The committee will review the annual report and accounts prior to their approval by the council.

BUDGET

The committee will prepare, evaluate and recommend to the council an annual budget covering the councils' projected income and expenditure for each financial year ending 31st March.

BUDGET REVIEW

The committee will monitor and review every 2 months adherence to budget and overall financial performance.

AUDIT

The committee will review the councils' arrangements for internal audit and make recommendations to the council for the appointment and reappointment of internal auditors.

FEES

The committee will review annually and, as necessary, approve the terms of engagement and fee proposals put forward by the internal auditor for the provision of audit services.

RISK

The committee will review the adequacy of the council's system of financial control applicable to the council's income and expenditure, including its arrangements for evaluating risks in relation to its existing and future activities.

RECORDS

The committee will consider the adequacy of the council's accounting records and accounting controls and will make recommendations for improvement when necessary.

AUDIT SCOPE

The committee will review the effectiveness of the council's internal accountants, and internal audit functions including an assessment of the scope of work performed and ensure that no unjustified restrictions or limitations have been placed on their scope.

COMPLIANCE

The committee will ensure that the council’s financial control systems¹ address all laws and regulations that affect its activities such as, for example, the requirements of Customs & Excise (for VAT), data protection, employment legislation and health and safety regulations.

INSURANCES

The committee will review annually and as necessary the insurances effected by the council and consider their appropriateness and make recommendations to Council should amendment be deemed necessary.

TERMS OF BUSINESS

The committee will review annually or as required the terms and conditions of all contracts for services provided by or to the council.

DELEGATION

The committee will review annually or as appropriate the schedule of delegated authorities and mandates conferred by the council on the clerk and the council’s committees.

REPORTS

The committee will receive, review and report to the council on any management letter, internal or external audit reports and assessment provided to the committee.

Note: Consider for inclusion at Annual Parish Council meeting in May 2016:

CONTRACTS OF EMPLOYMENT

The committee will review as appropriate the provisions and terms of contracts of employment, including any pension entitlement, of all staff employed by the council to ensure that all obligations are met.

Signed:.....

**Peter McAndrew
Chairman of Great Budworth Parish Council
7th September 2015**

¹ The Financial Control Systems are set out in the accompanying document ‘Great Budworth Financial Regulations’