

Terms of Reference Finance Committee

1. Membership/Attendance

1. The Committee shall comprise of at least two non-executive Board Members of whom one will be appointed as Chair. The Chief Executive of the Lanarkshire Board who is the Principal of the Regional College will be a member. Any other member of the College's Senior Management Team must not be a member of the Committee though they may be in attendance at Committee meetings at the discretion of the Committee.
2. The Committee may, if it considers it necessary or desirable, co-opt non-executive members who are not members of the Board of Management but have particular relevant experience or expertise. Such members will not normally be appointed Chair of the Committee and will not have a vote.
3. Members may be excluded from membership of the Committee if (based on objective criteria) their membership is perceived as compromising the Committee's objectivity or independence. Such a decision will require the approval of the Board of Management. Members of this committee would not normally be members of the Audit Committee.
4. Individuals may remain members of the Committee for as long as they are Board Members.

2. Quorum

The quorum for meetings of the Finance Committee shall be three members.

3. Proceedings of the Committee

1. The Committee shall meet not less than three times per year timed to coincide with the reporting deadlines for meetings of the Board of Management.
2. The Committee has the authority to consider any matters within its terms of reference.
3. The Secretary to the Board of Management will normally act as Secretary of the Committee unless the Lanarkshire Board decides that this is inappropriate.
4. The Committee will receive reports from the appropriate committee of SLC and when discussing Regional Strategic Body business the Chair of the SLC committee or nominee can attend the meeting or there may be a joint meeting with the SLC committee.

4. Reporting by the Committee

The Chair of the Committee will report on every meeting of the Committee to The Lanarkshire Board. This will include circulation of Committee Meeting minutes to Board Members.

5. Duties of the Finance Committee

The Committee shall take the Code of Good Governance into full consideration in the conduct of its business and shall be responsible for the following matters:-

- Specifically approve the New College Lanarkshire Annual Operational Budget prior to submission to The Lanarkshire Board for formal approval and to receive monitoring reports on the regional budget
- Monitor and control New College Lanarkshire's performance in terms of issues relating to Value for Money and to receive monitoring reports on regional performance.
- Review the New College Lanarkshire's Annual Report and Accounts and to receive reports on the regional position
- Receive financial reports on a quarterly basis to ensure the appropriate and effective use of New College Lanarkshire funds and to receive reports from SLC to ensure the appropriate and effective use of regional funds.
- To receive reports and information from the Assigned College SLC necessary to fulfil the committee's Regional Strategic Body responsibilities as defined by the enabling legislation.

6. Effectiveness of the Finance Committee

Assessment of the effectiveness of the Committee will comprise:

- (a) Self-assessment by the Committee and feedback from the New College Lanarkshire's senior management.
- (b) Feedback from Internal and External Auditors
- (c) A review by The Lanarkshire Board.
- (d) The assessment will include checking compliance with the Code of Good Governance.

The assessment may be carried out by external consultants provided that they are not the provider of the internal or external audit service.

Approved by the Board 21st March 2016