
BLMK & Northants LPC Finance Subcommittee

Terms of Reference

The purpose of the Finance Subcommittee shall be to ensure effective control of LPC finances; consider annual budgets, accounts, and processes; develop effective financial management information and monitor performance; consider any financial matters that may need a referral to the LPC Governance subcommittee.

Membership

1.1 At least three members of the main committee shall be appointed by the committee to the Finance Subcommittee, in addition to the LPC Treasurer. Membership should be drawn from each of the different representative groups (independents, CCA and AIMp).

1.2 In the event that a Finance subcommittee member ceases to be a member of the LPC, the committee shall appoint a new Finance subcommittee member for the remaining term of office.

1.3 The members of the main Committee shall appoint a Chair.

Accountability

2.1 The Finance subcommittee shall be accountable to the main committee.

2.2 The Finance subcommittee shall meet quarterly but can further determine the frequency of its meetings to discharge its duties. The subcommittee may need to meet more frequently should a specific issue arise which needs further discussion and agreement.

2.3 The Finance subcommittee shall report its discussions and outcomes to the main committee.

2.4 A Finance subcommittee member with a conflict of interest should step down temporarily, in which case the subcommittee shall co-opt an additional member from the main committee.

2.5 The subcommittee, may invite the LPC Chief Officer or other officer or member to part or all of one or more of its meetings if their input is required to deal with a specific issue.

2.6 The quorum at meetings of the Finance Committee shall consist of a minimum of three committee members. If a quorum is not reached at any meeting, that meeting may be adjourned by the members attending to a date no earlier than the third Business Day following the date of the original meeting date and no later than 7 Business Days after such original meeting date, in which case, provided notice of such adjourned meeting has been given to all members of the committee as soon as possible, the quorum shall be constituted

by the members present. Committee members may attend meetings in person or by telephone or video conference.

Actions

The Finance subcommittee will:

- 3.1 Refer directly to the Governance subcommittee, or Governance lead any matter of governance relating to committee members' or officers' expenses claims.
- 3.2 Approve the LPC budget for recommendation to the main committee, including any change to the LPC levy or levy holiday. Consideration having been given to conducting a zero-based budget.
- 3.3 Ensure that annual accounts are prepared and presented to the LPC and for final approval by contractors in accordance with the LPC constitution. The subcommittee will also approve the Treasurers annual report to contractors.
- 3.4 Review the LPC expenses policy and adherence; ensure that appropriate systems are in place to approve expense claims.
- 3.5 Review commercial contracts entered into by the LPC.
- 3.6 Keep under review, financial management systems and internal controls to ensure the LPC can monitor LPC finances.
- 3.7 Oversee the work of the LPC Treasurer ensuring the duties set out in the Treasurer's job description, such as that provided by CPE, are attended to.
- 3.8 Manage financial aspects of LPC restructuring and mergers, and the approval and recovery of loans to a provider company.
- 3.9 Support the management of remuneration of LPC staff, officers, and consultants.
- 3.10 Monitor adherence to the LPC Finance Guide (such as that provided to LPCs by CPE).
- 3.11 Oversee the appointment of external qualified Accountant (and Auditor if applicable) and liaise with the external accountant and consider any recommendations they might make.
- 3.12 The Composition of the Finance Subcommittee will be reviewed annually.

Agreed by BLMK&Northants LPC on 27th September 2023