

3 December 2015

Ms Anne Peat
Clerk to the Committee
Public Audit Committee
Scottish Parliament
EDINBURGH
EH99 1SP

Dear Ms Peat

New College Lanarkshire – Response to the Official Report of the Public Audit Committee of 18 November 2015

At the Public Audit Committee meeting on 18 November 2015, Derek Banks, former finance director at Coatbridge College made several statements regarding his severance arrangements and referred to a 'retainer' being in place with New College Lanarkshire.

To clarify this from the perspective of New College Lanarkshire, there was an understanding on the part of New College Lanarkshire that Mr Banks, as the outgoing finance director, would be available to be contacted regarding *ad hoc* queries that may arise in the preparation of the final Coatbridge College accounts for the year to 31 March 2014, given that he was leaving at the financial year end. However, there was no request from New College Lanarkshire that he should be offered any retainer arrangement. New College Lanarkshire did not determine the financial settlement offered to Mr Banks, which remained the responsibility of the Board of Management of Coatbridge College.

Mr Banks (at column 11 of the official report) makes reference to a retainer and states that he provided assistance and advice to New College Lanarkshire until May this year, which we have taken as referring to May 2015. While Mr Banks did provide some assistance with queries in relation to the preparation of the accounts and the audit process, his *ad hoc* involvement in these processes ceased in August 2014.

Yours sincerely

Brian Gilchrist
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[on behalf of New College Lanarkshire]

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