

THE BOARD OF MANAGEMENT FINANCE AND RESOURCES COMMITTEE REMIT

Constitution and Membership

The Board of Management will establish a Committee of the Board to be known as the Finance and Resources Committee.

The Committee and its Chair will be appointed by the Board. There shall be not less than four members, one of whom shall be the Principal. A quorum shall be a minimum of three members of the Committee.

Committee membership should, preferably, comprise at least 50% of the membership as being non-executive members but all decisions must be taken with a non-executive majority of those present and voting. The Chairing Member of the Board is ex officio a member of the Committee and as such is considered to be a non-executive member as defined in Annex 1 of the Code of Governance.

As there will normally be at least one Executive Board Members serving on this Committee it is expressly provided that Student Members, Staff Members and Trade Union Members need not expressly declare an interest by virtue of that status and that a Declaration of Conflict of Interest need not require a conflicted member to withdraw if, at the discretion of the Committee Chair with the advice of the Governance Professional, the input of that member can usefully contribute to the proceedings. For the avoidance of doubt the test for a Conflict of Interest which would preclude participation in decision making and/or require withdrawal is as follows:

The objective test for determining a significant conflict of interest is whether or not a member of the public with knowledge of the relevant facts would reasonably regard the interest so significant that it is likely to prejudice decision making.

Terms of Reference

These Terms of Reference ensure that the Finance and Resources Committee has specified authority and resources to form an opinion and to make recommendations and report to the Board.

Proceedings

The Committee should meet four times per year. The Vice Principal responsible for Finance will attend as a specialist advisor along with such senior staff as may be appropriate from time to time to offer specialist advice. One of these meetings will be to recommend approval of the College Financial Statements to the Board of Management and the Chair of the Audit Committee should be in attendance at this meeting.

Duties

The duties of the Committee shall include:

- Monitoring and advising on the financial and institutional sustainability of the College.

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- Maintain a strategic overview of all matters concerned with Finance and the maintenance and development of the College estates and to advise the Board of Management accordingly.
- Review the College's finance and procurement strategies, with a view to recommending their acceptance to the Board of Management.
- Advise the Board on the overall strategy and planning for the College's property and estates, with a view to recommending any strategy documents to the Board of Management for their approval.
- Consider the appropriateness of and approve the College's Accounting Policies for use within the Annual Report and Financial Statements.
- Consider the College's Annual Report and Financial Statements and, in conjunction with the opinion of the Audit Committee on the report of the external auditor, recommend these for approval to the Board of Management, and, as required, to the Funding Body.
- Approving annual operating plans and budgets prior to their submission to the Board of Management, ensuring that they reflect the College's strategic plan – taking account of key risk areas as identified in the Risk Register.
- Consider and advise the Board of Management on relevant aspects of the Scottish Public Finance Manual.
- Monitoring management accounts as compared to plans and budgets.
- Review submissions / reports made by the Head of Finance on financial and estates-related matters prior to presentation to the Board.
- Monitor all financial and estates-related returns requested by outside bodies, in particular, the Scottish Funding Council.
- Advise the Principal regarding expenditure on services to the College.
- Ensuring that funds provided by the Scottish Funding Council and other funders are used in accordance with the terms and conditions specified in the appropriate offers of funding.
- Examine College policies on financial and estates-related issues, ensuring that they retain currency and relevance.
- Approve the College Financial Regulations and related documents.
- Monitor any Financial Memoranda with the Regional Strategic Body or their successor body as appropriate
- Advise the Board on the progress of capital and estates programmes and on the efficient and effective maximisation of the College properties.
- Examine any issues which may have financial / estates implications or which may be referred to it by the Board of Management.

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- Review the College's Annual Climate Change Duties Report
- Review the College's Mid-Year Return (MYR) and Financial Forecast Return (FFR) for submission to the Scottish Funding Council, recommending their acceptance by the Board of Management.
- To engage with other Committees and escalate matters for their review and consideration as appropriate.

Reporting Procedures

The Committee should direct the minutes and appropriate papers of its meetings to the Board of Management.

After approval, the Committee's Minutes and appropriate papers should be directed, if required, Funding Body and be published on the South Lanarkshire College website.

Effectiveness of the Committee

The Committee shall refer to the Code of Good Governance for Scotland's Colleges and:

- Perform an annual self-evaluation exercise
- Prepare an Annual Report for the Board of Management on the performance and duties undertaken by the Committee