

Performance and Resources Committee Meeting

Date of Meeting	Monday 30 September 2020
Paper Title	Flexible Workforce Development Fund 2019-20
Agenda Item	10
Paper Number	PRC2-E
Responsible Officer	Jim Godfrey, Finance and Resources Director
Recommended Status	Disclosable
Action	For Noting

1. Report Purpose

- 1.1. The purpose of this report is to provide an update in respect of the Flexible Workforce Development Fund 2019-20.

2. Recommendations

- 2.1. The Committee is invited to **note** that:

- £796,000 of Flexible Workforce Activity (that had been contracted in 2018-19) was delivered in 2019-20.
- A further £2,026,000 of Flexible Workforce activity (from the 2019-20 allocation) was contracted/agreed at 14 September 2020¹.
- Of the 2019-20 allocation, £721,000 worth of training had been delivered/commenced at 14 September 2020. Therefore £1,305,000 of training is still to be delivered from the funding allocation for 2019-20.

3. Report

- 3.1. The Colleges and GCRB have actively promoted the Flexible Workforce Fund since it was introduced in September 2017 with levels of activity increasing significantly up to March 2020.

Flexible Workforce Fund	Funds Available £'m	Funds Used/Contracted £'m	(Over)/Under-utilisation £'m	% of funds used
2017-18	£1.92	£1.07	£0.85	56%
2018-19	£1.92	£1.89	£0.03	98%
2019-20	£1.92	£2.03	(£0.11) ²	106%

¹ For the period from 1 August 2019 to 14 September 2020

² In reality the over-utilisation shown here will be met from the 2020-21 allocation once this is issued by the Scottish Government/SFC

- 3.2.** Flexible Workforce Activity was significantly curtailed in March 2020 with a limited amount of training delivered in the remainder of the financial year. The majority of contracted activity (for 2019-20) had to be cancelled or postponed. There is £1.3m of training activity that has been agreed for 2019-20 but is awaiting delivery in 2020-21.
- 3.3.** In accordance with the monitoring arrangements set out in the SFC guidance, GCRB has submitted returns on behalf of the region at the end of September, November 2019, January and May 2020.
- 3.4.** The Colleges also provided an update report to GCRB in September 2020 and this is summarised below:

Flexible Workforce Fund 2019-20	City of Glasgow College £'000	Glasgow Clyde College £'000	Glasgow Kelvin College £'000	Total £'000
Initial allocation	£894	£632	£393	£1,919
Value of training delivered/started at 14 September 2020	£340	£226	£154	£720
Balance remaining	£554	£406	£239	£1,199
Percentage of activity remaining	62%	64%	61%	62%

- 3.5.** The following table shows the amounts drawdown by each college (at 14 September 2020):

Flexible Workforce Fund 2019-20	City of Glasgow College £'000	Glasgow Clyde College £'000	Glasgow Kelvin College £'000	Total £'000
Cash Drawdown	£224	£101	£371	£696
Percentage of funds claimed	25%	16%	94%	36%

- 3.6.** It is important to note that the amount of funding drawn by City of Glasgow College and Glasgow Clyde College is less than the value of training delivered. The amount of funding drawn by Glasgow Kelvin College (at 31 July 2020) is similar to the total allocation for the year (and £217,000 higher than the value of actual training delivered/started at 14 September). At present, this advance of funding is helping to support the cash position of the college.

4. Risk Analysis

- 4.1.** The arrangements set out in this report, and those previously considered by the Board, are designed to minimise the risks. In particular, these actions are intended to minimise the risk (002) that “Effective working relationships are not developed/maintained with key partners”.

- 4.2. The backlog of training (£1.3m) will require the commitment of significant college resources in 2020-21. It will be extremely challenging for colleges to deliver the backlog of training and also the additional allocation of funding for the current financial year.
- 4.3. Glasgow Clyde College and City of Glasgow College are now able to drawdown funding to meet future training costs. Glasgow Kelvin College have received funds in advance to meet the cost of future training. There is a risk that colleges may not be able to deliver the volume of training (and therefore drawdown funding) given the current operating limitations. As such, there is an increased risk that “Financial sustainability is jeopardised by a reduction in funding and/or an increase in costs).

5. Equalities Implications

- 5.1. There are no equalities implications as a direct result of this report.

6. Legal Implications

- 6.1. No legal implications are identified.

7. Resource Implications

- 7.1. The financial implications of the Flexible Workforce Fund are outlined in the report.

8. Strategic Plan Implications

- 8.1. The curriculum delivery, supported by these funds, will provide significant support to the achievement of ambitions set out in the Glasgow Region Strategic Plan. Delivery supported by the Flexible Workforce Fund makes a significant contribution to meeting the aim of meeting Glasgow’s ambitions working with employers to deliver a range and depth of training opportunities.