

## Performance & Resources Committee Meeting

Date of Meeting	Wednesday, 8 December 2021
Paper Title	Flexible Workforce Development Fund
Agenda Item	10
Paper Number	PRC2-E
Responsible Officer	Jim Godfrey, Finance and Resources Director
Status	Disclosable
Action	For Noting

### 1. Executive Summary

1.1. This report provides an update in respect of the Flexible Workforce Development Fund.

### 2. Recommendations

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

- Of the 2019-20 allocation (£1,919,000), training totalling £1,690,000 has been delivered. The balance of funding (£229,000) has been forgone.
- Of the 2020-21 allocation (£2,878,000), training totalling £1,852,000 has been delivered with £519,000 of available funds contracted. The balance of funding (£507,000)<sup>1</sup> has been forgone.
- Of the 2021-22 allocation (£2,868,000), training totalling £76,000 had been delivered/commenced at 30 November 2021, with a further £353,000 contractually agreed.

<sup>1</sup> A reconciliation of this amount is currently taking place with the Scottish Funding Council and is therefore subject to change.

### 3. Background

- 3.1. The colleges and GCRB have actively promoted the Flexible Workforce Fund since being introduced in September 2017 with levels of activity increasing up to March 2020. Flexible Workforce Activity was curtailed in March 2020 with activity impacted by Covid-19. In accordance with the monitoring arrangements set out in the SFC guidance, GCRB has submitted the latest regional returns at 30 November 2021.

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	£1.69	£0.23	88%
2020-21	£2.88	£2.33	£0.55	81%
2021-22	£2.87	£0.43	£2.44	15%

### 4. 2019-20 Allocation

- 4.1. The Colleges provided update reports to GCRB in November 2021 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 30 November 2021	£836	£450	£404	£1,690
Balance	£58	£182	(£11)	£229
Percentage of activity delivered	94%	71%	103%	88%
Value of training not used and therefore forgone	£58	£182	(£11)	£229
Funding paid at 30 November 2021	£783	£450	£393	£1,626
Funding to be paid December 2021	£53	£0	£11	£64

- 4.2. SFC have advised that the value of training not used will be rolled forward into the allocation for 2021-22. In effect, the value of training not used (£229,000) has been lost to the region for 2019-20.

## 5. FWDF Allocation 2020-21 – Phase 1

5.1. On 21 October 2020, the Scottish Funding Council provided the programme guidance on the Flexible Workforce Development fund for colleges in 2020-21. The total amount allocated (phase 1) was £2.46m, an increase of £0.54m compared to the previous year.

5.2. The Colleges provided an update report to GCRB at 30 November 2021 and this is summarised below:

<b>Flexible Workforce Fund 2020-21 – Phase 1</b>	<b>City of Glasgow College £'000</b>	<b>Glasgow Clyde College £'000</b>	<b>Glasgow Kelvin College £'000</b>	<b>Total £'000</b>
<b>Initial allocation</b>	£1,147	£811	£505	<b>£2,463</b>
<b>Value of training delivered/started at 30 November 2021</b>	£788	£309	£407	<b>£1,504</b>
<b>Balance</b>	£359	£502	£98	<b>£959</b>
<b>Percentage of activity delivered</b>	69%	38%	81%	<b>61%</b>
<b>Value of training contracted with start date confirmed</b>	£399	£53	£0	<b>£452</b>
<b>Value of training not used and therefore forgone</b>	(£40)	£449	£98	<b>£507</b>
<b>Funding paid at 30 November 2021</b>	£632	£113	£249	<b>£994</b>
<b>Funding to be paid December 2021</b>	£156	£196	£158	<b>£510</b>

5.3. In accordance with the latest FWDF guidance (published by SFC on 17 August 2021) activity that was not contractually agreed at the 31 July 2021 will be rolled forward into the allocation for 2021-22. In effect, the value of training not used i.e. £507,000 has been lost to the region for 2020-21.

## 6. FWDF Allocation 2020-21 – Phase 2

- 6.1. On 16 November 2020, the Minister for Business, Fair Work and Skills announced that a further “£5m will be distributed by the Scottish Funding Council to support SMEs through a college and Open University partnership”. The allocation provided to the Glasgow college region is £415,302. The initial allocation to each college was previously approved by this Committee.
- 6.2. The Colleges provided an update report to GCRB at 30 November 2021 and this is summarised below:

<b>Flexible Workforce Fund 2020-21 – Phase 2</b>	<b>City of Glasgow College £'000</b>	<b>Glasgow Clyde College £'000</b>	<b>Glasgow Kelvin College £'000</b>	<b>Total £'000</b>
<b>Initial allocation</b>	£193	£137	£85	<b>£415</b>
<b>Value of training delivered/started at 30 November 2021</b>	£130	£133	£85	<b>£348</b>
<b>Balance</b>	£63	£4	£0	<b>£67</b>
<b>Percentage of activity delivered</b>	67%	97%	100%	<b>84%</b>
<b>Value of training contracted with start date confirmed</b>	£89	£4	£0	<b>£93</b>
<b>Value of training not used and therefore foregone</b>	£0	£0	£0	<b>£0</b>
<b>Funding paid at 30 November 2021</b>	£100	£96	£53	<b>£249</b>
<b>Funding to be paid December 2021</b>	£30	£37	£32	<b>£99</b>

- 6.3. It is important to note that all training (within the FWDF Phase 2 allocation for 2020-21) must be contractually agreed by 31 July 2021 and commence by 30 November 2021.

## 7. FWDF Allocation 2021-22 – Phase 1

- 7.1. On 17 August 2021, the Scottish Funding Council provided the programme guidance on the Flexible Workforce Development fund for colleges in 2021-22. The total amount allocated (phase 1) is £2.44m. This represents a small reduction (£23,000) compared to the previous year.
- 7.2. The initial allocation to each college was previously approved by GCRB. The Colleges provided an update report to GCRB at 30 November 2021 and this is summarised below:

<b>Flexible Workforce Fund 2021-22 – Phase 1</b>	<b>City of Glasgow College £'000</b>	<b>Glasgow Clyde College £'000</b>	<b>Glasgow Kelvin College £'000</b>	<b>Total £'000</b>
<b>Initial allocation</b>	£1,137	£803	£500	<b>£2,440</b>
<b>Value of training delivered/started at 30 November 2021</b>	£0	£0	£25	<b>£25</b>
<b>Balance remaining</b>	£1,137	£803	£475	<b>£2,415</b>
<b>Percentage of activity delivered</b>	0%	0%	5%	<b>1%</b>
<b>Value of training contractually agreed but not started at 30 November 2021</b>	£59	£15	£246	<b>£320</b>
<b>Value of training agreed in principal (not contracted) and not started at 30 November 2021</b>	£0	£84	£240	<b>£324</b>
<b>Funding paid at 30 November 2021</b>	£0	£0	£6	<b>£6</b>
<b>Funding to be paid December 2021</b>	£0	£0	£19	<b>£19</b>

- 7.3. It is important to note that all training (within the FWDF Phase 1 allocation for 2021-22) must be contractually agreed by 31 July 2022 and must commence by 31 August 2022.

## 8. FWDF Allocation 2021-22 – Phase 2

- 8.1. The allocation provided to the Glasgow college region is £428,270. This represents a small increase (£13,000) compared to the previous year. The initial allocation to each college was previously approved by GCRB.
- 8.2. The Colleges provided an update report to GCRB at 30 November 2021 and this is summarised below:

<b>Flexible Workforce Fund 2021-22 – Phase 2</b>	<b>City of Glasgow College £'000</b>	<b>Glasgow Clyde College £'000</b>	<b>Glasgow Kelvin College £'000</b>	<b>Total £'000</b>
<b>Initial allocation</b>	£199	£141	£88	<b>£428</b>
<b>Value of training delivered/started at 30 November 2021</b>	£3	£15	£33	<b>£51</b>
<b>Balance remaining</b>	£196	£126	£55	<b>£377</b>
<b>Percentage of activity delivered</b>	2%	11%	38%	<b>12%</b>
<b>Value of training contractually agreed but not started at 30 November 2021</b>	£14	£5	£14	<b>£33</b>
<b>Value of training agreed in principal (not contracted) and not started at 30 November 2021</b>	£0	£45	£27	<b>£72</b>
<b>Funding paid at 30 November 2021</b>	£0	£0	£25	<b>£25</b>
<b>Funding to be paid December 2021</b>	£3	£15	£8	<b>£26</b>

## **9. Risk and Compliance Analysis**

- 9.1.** The arrangements set out in this report, and those previously considered by the Committee, are designed to minimise risks. In particular, these actions are intended to minimise the risk that “Effective working relationships are not developed/maintained with key external stakeholders” (Risk 002).
- 9.2.** 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 income and/or an increase in costs”. (Risk 006).
- 9.3.** There are no legal, or compliance, implications identified in this report.

## **10. Financial and Resource Analysis**

- 10.1.** The financial implications of the Flexible Workforce Development Fund are outlined in the report.

## **11. Equalities Implications**

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

## **12. Learner Implications**

- 12.1.** 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.