

Performance and Resources Committee Meeting

Date of Meeting	Monday 30 September 2020
Paper Title	Flexible Workforce Development Fund 2020-21
Agenda Item	15
Paper Number	PRC2-J
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 2020-21.

2. Recommendations

- 2.1.** The Committee is invited to **note** that:
- There is the potential for an allocation of £2.5m for Flexible Workforce Development Fund activity in 2020-21.
 - The outstanding training from 2019-20 (£1.3m), coupled with the allocation of new funding, presents a significant challenge (in terms of delivery) for the Glasgow college region in the current financial year.

3. Report

- 3.1.** From 2017-18 to 2019-20 the Glasgow College Region has been allocated £1.92m to deliver training and development to employees of companies who pay the Apprenticeship Levy¹. The regional allocation equates to just over 19% of the funds allocated nationally.

- 3.2.** The allocation for 2020-21 has not yet been formally published by the Scottish Funding Council. However, a statement was made by the Cabinet Secretary for Economy Fair Work and Culture on 7 August 2020 which stated:

“...the Flexible Workforce Development Fund....will be increased from £10m to £20m for 2020-21” and

¹ The Apprenticeship Levy is payable by companies with an annual pay bill over £3m. The Flexible Workforce Development Fund is not open to smaller companies.

“...an initial £13m will be available immediately through colleges who will continue to expand their current support for employers. The Scottish Government will work with businesses and stakeholders to ensure the further £7m of Flexible Workforce Development Funding builds on the success of this fund and expands the opportunities for business to engage.”

- 3.3.** It is reasonable to assume that the amount allocated to college regions will increase by around 30%, which would provide an allocation of almost £2.5m to the Glasgow college region for 2020-21.
- 3.4.** As noted in the report for 2019-20, the colleges already have £1.3m of training that was scheduled for 2019-20 but is now to be delivered in 2020-21². There is the potential for a total of £3.8m of training activity to be delivered in the remainder of 2020-21. Even in ‘normal times’ this would be a very optimistic target. However, given that national restrictions (as a result of Covid-19) are likely to be in place throughout the winter of 2020, the ambition to deliver £3.8m of training is aspirational.
- 3.5.** One assumption that underpins the previous paragraph is that the delivery model going forward is the same as the past. It may be possible to increase the volume of activity if the delivery model was changed. For example, there could be opportunities to expand provision by increasing the volume of e-learning content to a wider audience.

4. Risk Analysis

- 4.1.** The backlog of training (£1.3m) and the new allocation (potentially £2.5m) 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. There is a risk that colleges may not be able to deliver the volume of training (and therefore drawdown funding) within 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.

² This activity was postponed as a result of the Covid-19 pandemic and subsequent closure of workplaces.