

## Performance and Resources Committee Meeting

Date of Meeting	Wednesday 7 March 2018
Paper Title	Flexible Workforce Development Fund – Progress Report
Agenda Item	10 (a)
Paper Number	PRC4-F
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.

### 2. Recommendations

- 2.1. The Committee is invited to **note** that:
- 55 employers have signed training contracts with the Glasgow colleges;
  - the value of training to be provided exceeds £0.5m, which equates to 27% of the total funds available; and
  - the balance of available funds will not be fully utilised by the cut-off date.

### 3. Report

- 3.1. The Colleges and GCRB are working closely to monitor progress and respond positively to the Fund requirements.
- 3.2. The Committee considered reports on the Flexible Workforce Fund at its meetings on 4 September, 6 October and 1 December 2017.
- 3.3. In accordance with the monitoring arrangements set out in the SFC guidance, GCRB has submitted returns to SFC on behalf of the region. Returns are submitted every two weeks which show the number of training contracts agreed with levy paying employers. The latest return identifies that a total of 55 employers have agreed a training contract and the region will deliver training to over 2,400 employees. This represents 73% of the regional target. A summary of the latest return (submitted on 26 February 2018) is provided below:

<b>Flexible Workforce Fund</b>	<b>City of Glasgow College</b>	<b>Glasgow Clyde College</b>	<b>Glasgow Kelvin College</b>	<b>Total</b>
<b>Initial Allocation</b>	£894,240	£631,775	£393,260	<b>£1,919,275</b>
<b>Contracted Training at 26 February 2018</b>	£178,223	£286,758	£46,452	<b>£511,433</b>
<b>Balance Remaining</b>	£716,017	£345,017	£346,808	<b>£1,407,842</b>
<b>Percentage Remaining</b>	80%	55%	88%	<b>73%</b>

- 3.4.** In addition, the Colleges have also provided GCRB with a schedule of organisations that they are currently engaged with but who have not yet signed a training contract. It is hoped, that a significant number of these organisations will access the Fund in the future. To reach this stage, the College have undertaken a large amount of promotional activity and invested a lot of time building partnerships.
- 3.5.** The regulations and Fund guidance are presenting a number of challenges to levy payers and the Colleges. Based upon our collective experience of the Fund, the Glasgow Region submitted a response to the Scottish Funding Council on 15 November 2017. The aim of this response was to propose some changes to try to ensure that the Flexible Workforce Fund had the best chance to be successful. The key changes recommended are:
- Publicity and Promotion of the Fund at a National Level
  - Changes to the Timescales
  - Changes to the Funding Cap
- 3.6.** On 20 November 2017, GCRB received a copy of an email which was sent by SFC to all Principals. The email confirmed an extension of the reporting timescale from 15 December 2017 to 28 February 2018. It also confirmed that training could take place beyond 30 June 2018, as long as the training was contractually committed to by this date.
- 3.7.** SFC sent our proposals to Colleges Scotland who in turn sought the views of individual colleges. Feedback was provided to us in February 2018, which indicated broad support for the proposals that we had put forward. Colleges Scotland also indicated that the Scottish Government is unlikely to make further changes to the Fund in the current year.

- 3.8.** It is understood that SFC will make a payment of funds in March 2018. This will be equivalent to the costs incurred delivering the training to date. In other words it will be a percentage of the value of Contracted Training at the end of February 2018. The Colleges have indicated that the cost of training delivered is as follows:

<b>Flexible Workforce Fund</b>	<b>City of Glasgow College</b>	<b>Glasgow Clyde College</b>	<b>Glasgow Kelvin College</b>	<b>Total</b>
<b>Contracted Training at 26 February 2018</b>	£178,223	£286,758	£46,452	<b>£511,433</b>
<b>Value of Training Undertaken at 26 February to be paid as a grant in March</b>	£60,000	£49,500	£6,000	<b>£115,500</b>

#### **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 that “Effective working relationships are not developed/maintained with key partners”.
- 4.2.** The potential risk to the Flexible Workforce Development Fund is a concern as it is a one-year pilot. The risks to these funds beyond the current year could impact on the risk that “Financial sustainability is jeopardised by a reduction in funding”.

#### **5. Legal Implications**

- 5.1.** No legal implications are identified.

#### **6. Resource Implications**

- 6.1.** The financial implications of the additional grants are outlined in the report.
- 6.2.** The requirement to submit regular monitoring information to SFC in respect of the Flexible Workforce Development Fund has a resource implication for GCRB. This is a significant additional administrative burden.

#### **7. Strategic Plan Implications**

- 7.1.** The curriculum delivery supported by these additional 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 will make a significant contribution to meeting the aim of meeting Glasgow’s ambitions working with employers to deliver a range and depth of training opportunities.