

Performance and Resources Committee Meeting

Date of Meeting	Thursday 7 June 2018
Paper Title	Flexible Workforce Development Fund – Progress Report
Agenda Item	9 (a)
Paper Number	PRC5-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.

2. Recommendations

- 2.1. The Committee is invited to **note** that:
- the value of training (provided via the Fund) exceeds £0.8m and equates to 44% of the total funds available.

3. Report

- 3.1. The Colleges and GCRB are working closely to monitor progress and respond positively to the Fund requirements. The Committee considered reports on the Flexible Workforce Fund at its previous meetings.
- 3.2. 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 90 employers have agreed a training contract and the region will deliver training to over 4,000 employees. A summary of the latest return (submitted on 21 May 2018) is provided below:

Flexible Workforce Fund	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	Total
Initial Allocation	£894,240	£631,775	£393,260	£1,919,275
Contracted Training at 21 May 2018	£358,429	£370,879	£116,421	£826,901
Balance Remaining	£535,811	£260,896	£276,839	£1,073,546
Percentage Remaining	60%	41%	70%	56%

- 3.3. Grants have been paid to the colleges in accordance with the value of training undertaken. The following amounts have been paid so far:

Flexible Workforce Fund	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	Total
Contracted Training at 21 May 2018	£358,429	£370,879	£116,421	£826,901
Value of Training Undertaken at 21 May and paid as a grant	£60,000	£193,203	£6,000	£259,203

4. Revised Funding Arrangements

- 4.1. SFC reviewed the funding arrangements and e-mailed colleges in March 2018 to advise colleges that “all FWDF training should be contractually committed by the end of June 2018, although training can continue beyond that date (up to the end of September), and be fully reflected within colleges’ final FES returns”. This date was set to enable SFC to meet our financial obligations to reconcile and report spend against the 2017-18 allocation. However, the original advice was subsequently revised by SFC (following feedback) to state that “all FWDF training associated with the AY 2017-18 programme, contractually committed by the end of June, must start before the end of September.”
- 4.2. Training committed from July 2018 onwards will be funded from the AY 2018-19 allocation.

5. Evaluation of Flexible Workforce Development Fund

- 5.1. As set out in the SFC Indicative Outcome Agreement Funding announcement SFC/AN/06/2018 there will be a continuation of the Flexible Workforce Development Fund in AY 2018-19. An independent evaluation of the pilot year is underway and the outcome will inform the operation and guidance of the fund for 2018-19.
- 5.2. The Scottish Government has commissioned an evaluation of the first year of the Flexible Workforce Development Fund (FWDF) which is delivered through the college network in Scotland. Part of this evidence gathering for this evaluation has included engagement with employer – both those in receipt of funding from the FWDF and that are not currently accessing funding. This is with a view to finding out more about the views of employers in respect of:
- workforce development activities
 - experience of the Fund (college engagement, application process, training needs analysis).
 - if in receipt of funding, to understand more about the training being undertaken and the benefits for the employer and employees.
 - if an employer has not accessed funding, to find out why this might be the case.
 - views on how the Fund could be improved to address current/future skills needs.

6. Parliamentary Cross-Party Group on Skills

- 6.1.** The group met on 1 May 2018 to consider the Flexible Workforce Development Fund. Colleagues from City of Glasgow College and Glasgow Clyde College attended the meeting to provide information on the work that has taken place in Glasgow. In addition, employer representatives, who have been working with colleges also attended. The meeting was very positive and the presentations were well received.

7. Risk Analysis

- 7.1.** 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”.
- 7.2.** 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”.

8. Legal Implications

- 8.1.** No legal implications are identified.

9. Resource Implications

- 9.1.** The financial implications of the additional grants are outlined in the report.
- 9.2.** 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.

10. Strategic Plan Implications

- 10.1.** 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.