

Performance & Resources Committee Meeting

Date of Meeting	Wednesday 29 September 2021
Paper Title	Flexible Workforce Development Fund – 2020-21
Agenda Item	11
Paper Number	PRC1-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 for the year ending 31 July 2021.

2. Recommendations

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

- Of the 2019-20 allocation (£1,919,00), training totalling £1,569,000 had been delivered/commenced at 31 July 2021, with a further £228,000 contractually agreed.
- A further £2,878,000 of Flexible Workforce funding was allocated to the Glasgow college region for 2020-21. Of this, training to the value of £798,000 had been delivered at 31 July 2021, with a further £1,530,000 contractually agreed.
- £672,000 of the available funding is unlikely to be delivered, and at risk of being lost to the Glasgow college region. This is because the activity was not contractually agreed at 31 July 2021. This is principally the result of Glasgow Clyde College delivering less activity than its target.

3. 2019-20 Allocation

- 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 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	£1.80	£0.12	94%
2020-21	£2.88	£2.33	£0.55	81%

- 3.2. Flexible Workforce Activity was significantly curtailed in March 2020 with a limited amount of training delivered in the remainder of the academic year. The majority of contracted activity (for 2019-20) had to be cancelled or postponed.
- 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, October & November 2020 and January, March, May and July 2021.
- 3.4. The Colleges provided update reports to GCRB in July 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 31 July 2021	£743	£450	£376	£1,569
Balance remaining	£151	£182	£17	£350
Percentage of activity remaining	17%	29%	4%	18%
Value of training contractually agreed but not started at 31 July 2021	£159	£51	£18	£228
Value of training agreed in principal (not contracted) and not started at 31 July 2021	£0	£164	£25	£189

3.5. The following table shows the amounts drawdown by each college (at 31 July 2021):

Flexible Workforce Fund 2019-20	City of Glasgow College £'000	Glasgow Clyde College £'000	Glasgow Kelvin College £'000	Total £'000
Cash Drawdown	£765	£407	£348	£1,520
Percentage of total allocation claimed	86%	64%	89%	79%

3.6. At 15 September 2021, the Glasgow colleges had delivered 82% of the FWDF activity from 2019-20 and claimed 79% of the funding available.

4. FWDF Allocation 2020-21 – Phase 1

4.1. 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) is £2.46m. This represents an increase of £0.54m compared to the previous year. The initial allocation to each college was previously approved by this Committee.

4.2. The Colleges provided an update report to GCRB at 31 July 2021 and this is summarised below:

Flexible Workforce Fund 2020-21 – Phase 1	City of Glasgow College £'000	Glasgow Clyde College £'000	Glasgow Kelvin College £'000	Total £'000
Initial allocation	£1,147	£811	£505	£2,463
Value of training delivered/started at 31 July 2021	£330	£113	£168	£611
Balance remaining	£817	£698	£337	£1,852
Percentage of activity remaining	71%	86%	67%	75%
Value of training contractually agreed but not started at 31 July 2021	£821	£121	£353	£1,295
Value of training agreed in principal (not contracted) and not started at 31 July 2021	£0	£129	£0	£129

4.3. It is important to note that all training (within the FWDF Phase 1 allocation for 2020-21) must be contractually agreed by 31 July 2021 and must commence by 30 November 2021.

4.4. 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 difference between the balance remaining above (£1,852,000) and the value of contracted training (£1,295,000) i.e. £557,000 is at risk of being lost to the region for 2020-21.

5. FWDF Allocation 2020-21 – Phase 2

- 5.1. 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.
- 5.2. The Colleges provided an update report to GCRB at 31 July 2021 and this is summarised below:

Flexible Workforce Fund 2020-21 – Phase 2	City of Glasgow College £'000	Glasgow Clyde College £'000	Glasgow Kelvin College £'000	Total £'000
Initial allocation	£193	£137	£85	£415
Value of training delivered/started at 31 July 2021	£43	£96	£48	£187
Balance remaining	£150	£41	£37	£228
Percentage of activity remaining	78%	30%	44%	55%
Value of training contractually agreed but not started at 31 July 2021	£166	£36	£33	£235
Value of training agreed in principal (not contracted) and not started at 31 July 2021	£0	£0	£0	£0

- 5.3. 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. As shown in the table above, £187,000 of activity has been delivered by 31 July 2021, with a further £235,000 contractually agreed.

6. Risk and Compliance Analysis

- 6.1. 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).
- 6.2. 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).
- 6.3. There are no legal, or compliance, implications identified in this report.

7. Financial and Resource Analysis

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

8. Equalities Implications

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

9. Learner Implications

9.1. 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.