

**Draft Minute of the Performance and Resources Committee held on Thursday 14 March 2019**

<b>Present</b>	
Caroline MacDonald (Chair)	Charlie Montgomery
Paul Buchanan	Shaun McLaughlin
<b>In Attendance</b>	
Robin Ashton (Executive Director)	Karen Corbett, Education Scotland (item 6 only)
Penny Davis (Board Secretary)	Linda McLeod, SFC
Jim Godfrey (Finance and Resources Director)	Alan Sherry, Principal, GKC
Janie McCusker (Chair of the Board)	Stuart Thompson, Vice-Principal, CoGC
Wendy Odedina (Executive Assistant)	Jon Vincent, Principal, GCC
<b>Apologies</b>	
Alastair Milloy	Moira Connolly

**1. Introduction and Welcome**

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Paper Number: Verbal

**1.1 Discussion**

The Chair welcomed all members and attendees to the meeting.

**2. Apologies**

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Paper Number: Verbal

**2.1 Decision**

Apologies were noted for Moira Connolly and Alastair Milloy.

**3. Declarations of Interest**

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Paper Number: Verbal

**3.1 Decision**

The Chair reminded members that it is their personal responsibility to indicate to the Chair at any point during the meeting if they have, or may be perceived as having, a conflict of interest under any item on the agenda.

College colleagues indicated declarations of interest in items 6, 9(c) and 10.

#### 4. Chair's Business

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Paper Number: Verbal

##### 4.1 Decision

The Chair noted that she had attended a meeting with the Board Chair and Committee Chairs.

#### 5. Minute of the Committee Meeting held on 19 December 2018

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Paper Number: PRC3-A

##### 5.1 Decision

The minute of the meeting held on 19 December 2018 was **agreed** as an accurate record.

It was agreed to include further information at item 10 on the minute regarding deferral of this item.

#### 6. College Enhancement Plans and Evaluative Reports

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Paper Number: PRC3-B

##### 6.1 Discussion

The representative from Education Scotland provided an overview of the new quality arrangements which she noted are now in year 2 of implementation. She noted that collaboration is very evident in the Glasgow College region and commended colleagues for their work. She provided high level messages that have emerged nationally through the process and outlined the next phase of progress visits.

The representative from the Scottish Funding Council provided a perspective on the process recognising closer connections being made to the Regional Outcome Agreement which she noted as a positive and important development.

The Executive Director explained that these reports allow GCRB to place reliance on the processes within colleges, with regards to its quality monitoring responsibilities.

The Committee discussed the grading scheme, and how comparable grades are, in relation to being able to take a regional view. It was discussed that this has been a complex matter and will be revised and reviewed moving forward.

##### 6.2 Decision

The Committee:

- **noted** the publication of validated Evaluative Reviews and Enhancement Plans for Glasgow's colleges;

- **noted** that the reports provide validated evidence that the three Glasgow colleges are performing well across all elements of the new national quality assessment framework, with no significant areas of weakness identified; and
- **noted** the assurance the college plans provide regarding progress to deliver regional strategic learning priorities and outcomes.

## 7. 2018-19 Regional Outcome Agreement: Progress Report

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Paper Number: PRC3-C

### 7.1 Discussion

The Executive Director presented the standard monitoring report on progress towards targets within the 2018-19 Regional Outcome Agreement. He noted that the region is broadly on track to meet its credit target as a whole and at institutional level. He highlighted the SIMD10 target as one that the region is currently unlikely to meet.

The Executive Director highlighted two programmes that the region has initiated with SDS which are due to be piloted in August. These relate to level 4/5 Foundation Apprenticeship type programmes (normally at level 6) and also FA programmes for senior phase pupils who have left school and are studying in college. He explained that these programmes have been developed using regional structures, bring in additional resources to the region, and evidence strong partnership working with SDS.

### 7.2 Decision

The Committee **discussed** and **noted** the contents of this progress report.

## 8. 2019-20 Draft Regional Outcome Agreement

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Paper Number: PRC3-D

### 8.1 Discussion

The Executive Director provided an overview of the draft Regional Outcome Agreement for 2019-20. He noted that the Board agreed its Programme for Action and key commitments for 2019-20 at its January meeting and since then, indicative credit and funding allocations have been made to GCRB from the SFC allowing this paper to be developed.

He noted that as the credit allocation is a standstill position, he is not recommending any significant curriculum shifts for 2019-20 therefore previously proposed performance targets would remain the same.

The Executive Director set out an overview of collaborative actions that are proposed to support delivery of the commitments within the Programme for Action and the proposed resource attached to these.

The Principals from Glasgow Clyde and Kelvin Colleges and the Vice-Principal from City of Glasgow College expressed their concern with the resource being proposed for collaborative actions.

After considerable discussion, the committee recognised that the funding allocation is made to the GCRB for delivery of regional priorities and that it is for GCRB to decide how these funds are distributed.

Accepting the conflict of interest for college colleagues, the Committee Chair requested to take the remainder of the item as a Committee and all non-committee members (excluding GCRB officers) left the meeting at this stage.

The Committee members discussed the concerns outlined by colleges in detail however noted that it was important to consider the full allocation of funding rather than a very small percentage and to have transparency in this.

The Committee discussed that in their view, it was reasonable to expect that funding would be required to deliver agreed regional aims. It was also recognised that GCRB has sought match funding where available for collaborative projects and the Executive committed to continuing to seek opportunities for external funding.

The Executive Director provided an assurance that the teaching credit allocation remains the same for 2019-20 and the same level of teaching activity is anticipated to deliver this allocation. The Committee agreed that given the small scale of the resource allocation for the regional collaborative projects within wider college budgets, that the ring fencing of these funds should not impact on college staffing levels for frontline service delivery.

## 8.2 Decision

The Committee:

- **noted** the indicative 2019-20 Credit targets for the Glasgow College Region provided by the Scottish Funding Council;
- **agreed** that given the almost standstill position in overall Credit activity levels, that no changes are made to the ROA performance targets agreed by the Committee at its previous meeting;
- **agreed to endorse** to the GCRB Board the draft operational and resource plan for the 2019-20 Regional Programme of Action.

## 9. Finance Performance 2018-19

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### (a) Flexible Workforce Development Fund (PRC3-E)

#### 9.1 Discussion

The Finance and Resources Director provided an over view of the report on progress on delivery of the Flexible Workforce Development Fund for 2018-19.

He noted that the report shows that there is still roughly half of the funding to be spent which represents a challenge, however he has received assurances from the colleges that they are confident in meeting in their targets.

## 9.2 Decision

The Committee **noted** :

- the value of (Flexible Workforce Development) training agreed for 2018-19 was £0.97m at 28 February 2019;
- the value of (Flexible Workforce Development) training contracted in 2017-18 for delivery by the assigned colleges in 2018-19, was £0.52m.
- on-going discussions are taking place with more than 120 companies with respect to the remaining £0.95m funds that are available for training in 2018-19.
- at 31 January 2019, the 3 Glasgow Colleges confirmed that they will meet their individual college targets for Flexible Workforce Development in 2018-19.

## (b) Capital Funding (PRC3-F)

### 9.3 Discussion

The Finance and Resources Director provided a progress report on capital projects agreed through GCRB for Glasgow Clyde and Kelvin Colleges in 2018-19 noting these are mostly now complete or nearing completion.

The Vice-Principal from City of Glasgow College provided an update on progress of the sale of the North Hanover Street Building noting 30 April as the final deadline for receipt of funds.

### 9.4 Decision

The Committee **noted** :

- the progress made by the colleges in respect of the capital projects in 2018-19.
- the progress in respect of the disposal of the former college building at North Hanover Street, Glasgow (by City of Glasgow College).

## (c) Funding Clawback (PRC3-G)

### 9.5 Discussion

The Finance and Resources Director provided an overview of the report with respect to funding clawback from the SFC in respect of ESF, student support funds and national bargaining.

In relation to ESF, he noted that the initial clawback amount has been reduced further to dialogue on this matter and in relation to student support funds, he noted that this has been off-set in the majority by a subsequent funding allocation representing a limited additional burden to colleges.

With regard to the clawback associated with national bargaining, the Finance and Resources Director explained that this has been a matter between the Employers Association and the SFC.

The Principal of Glasgow Kelvin College noted that he has written to the Chief Executive of the SFC to express his significant concerns with this clawback with regard to consistency in SFC's approach. He noted that he has yet to receive a response and the representative from the SFC present at the meeting agreed to follow this up.

## 9.6 Decision

The Committee:

- **Noted** the positive outcome in respect of the position regarding ESF and Student Funding for 2017-18.
- **Noted** the recent SFC announcement in respect of the clawback of funds for national bargaining in 2018-19, and the risks associated with this, and **agreed** to further consider this matter following receipt of the SFC response to GKC's letter.

## (d) GCRB Running Costs (PRC3-H)

### 9.7 Discussion

The Finance and Resources Director presented the standard GCRB running costs report noting no matters to bring to the Committee's attention.

### 9.8 Decision

The Committee **noted** the running costs for 2018-19.

## (e) Monitoring Arrangements (PRC3-I)

### 9.9 Discussion

The Finance and Resources Director presented the standard monitoring arrangements report noting positive engagement and no issues to bring to the Committee's attention.

The Committee discussed the significant positive collaboration in this area and noting it may be a beneficial for this group to work collaboratively to explore options for long term financial savings.

### 9.10 Decision

The Committee **noted** the financial monitoring activity undertaken in the last three months.

## 10. Funding 2019-20

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### (a) Indicative Regional Funding Allocation (PRC3-J)

#### 10.1 Discussion

The Finance and Resources Director presented the indicative regional funding allocation noting no real surprises to what was anticipated in that the region and the sector as a whole is facing significant financial pressures moving forward.

The Committee discussed that it would be helpful for GCRB as a funding body to receive this allocation from SFC earlier, to allow it to be considered and cascaded to assigned colleges at an earlier stage.

#### 10.2 Decision

The Committee:

- **Noted** the Indicative Funding Allocations for 2019-20 issued by the SFC
- **Requested** that the Indicative Regional Funding Allocations for 2019-20 are presented to the Board for consideration on 25 March 2019.

### (b) Regional Funding Proposal (PRC3-K)

#### 10.3 Discussion

The Finance and Resources Director presented the regional funding proposal.

He noted that matters relating to the Programme of Action and National Bargaining have been covered in earlier discussions on the Committee's agenda.

He noted that the proposed allocation of capital funding is still to be determined and will be based on a range of matters including information awaited on the Glasgow Clyde College estates strategy and also the SFC's response with regards to funding from the sale of the North Hanover Street building.

The Finance and Resources Director recognised requests from the Colleges with regard to early discussions on this matter and committed to working with colleges colleagues to expedite this as quickly as possible.

#### 10.4 Decision

The Committee **agreed to recommend** to the Board :

- A simplified approach for allocating the core revenue funding of £89.884m to the three colleges is adopted for 2019-20. Included within the core revenue funding is the cost of national bargaining (£2.259m) which has been allocated to the colleges in accordance with the analysis of costs produced by Colleges Scotland and the Scottish Funding Council.

- The capital grant for Lifecycle Maintenance (£1.915m) will be allocated to the three colleges based upon their share of credit activity.
- The capital grant for Infrastructure (£1.623m) will be used to address high priority backlog maintenance. The respective allocation between the colleges is to be determined.
- The ESF funding is £4.596m which represents an increase of 2% per credit of activity. The funding has been allocated to each college in accordance with the agreed level of ESF activity for each college (as per the draft ROA for 2019-20).
- Student funding for each college will be increased by 15.36% for each college (using the core student funding for 2018-19 as the baseline).
- In respect of the any other funds, GCRB expects to follow Scottish Funding Council guidance in respect of each.
- That the paper is amended to include additional information on comparative information, harmonisation and capital for presentation to the Board.

## 11. Committee Terms of Reference

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Paper Number: PRC3-L

### 12.1 Discussion

The Board Secretary presented background information with regard to the proposed amendments to the Committee terms of reference further to discussions at the last committee meeting.

She noted that the information seeks to clarify points made with regard to the role of a non-executive member and the proposal for a quorum of non-executive members on the Committee.

She noted also that GCRB will require to take an overarching review of its governance arrangements further to implications arising from the outcome of the Scottish Government consultation on good governance.

### 12.2 Decision

The Committee **agreed** to recommend to the Board the proposed amendments to its terms of reference.

## 12. Long Term Agenda

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Paper Number: PRC3-M

### 12.1 Decision

The Committee agreed the long term agenda.



## 13. Date of Next Meeting

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### 13.1 Discussion

The date of the next meeting was **agreed** as Wednesday 5 June.