

Board Meeting

Date of Meeting	Monday 19 April 2021
Paper Title	Recommendations from Performance and Resources Committee
Agenda Item	14
Paper Number	BM7-H
Responsible Officer	Chair of Performance and Resources Committee
Status	Disclosable
Action	For Decision

1. Report Purpose

- 1.1.** To ask the Board to approve several items arising from the recent Performance and Resources Committee meeting in respect of additional funding for the Financial Year 2020-21.

2. Recommendations

- 2.1.** With reference to the Minutes of the Committee meeting held on 31 March 2021, the Board is invited to **approve** the:
- Revised allocation of additional funding to support National Transition Training Fund and Young Persons Guarantee Funding for 2020-21 (Annex A).
 - Allocation of £277,000 to City of Glasgow College in respect of the Scottish Teachers' Superannuation Scheme for 2020-21 (Annex B).
 - Allocation of £84,500 in respect of the Sanitary Products for 2020-21 (Annex C).
 - Allocation of £2,945,650 to the three Glasgow colleges in respect of the Covid-19 Support for the Financial Year (FY) 2020-21 (Annex D); and the
 - Allocation of £199,384 to City of Glasgow College in respect of income lost in providing student accommodation rent rebates in the Financial Year (FY) 2020-21 (Annex D).

3. Report

- 3.1.** The financial allocations have recently been considered by the Performance and Resources Committee. Following careful consideration, the Committee recommends that the Board approves the allocations set in the report.
- 3.2.** The information, supporting each item, is provided as Annexes to this report.

4. Risk Analysis

- 4.1.** The provision of additional funding provides some scope for colleges to expand the range of services available to students.
- 4.2.** The timescales for delivery of the National Transition Training Fund and Young Persons Guarantee are extremely challenging. This is compounded by the difficulties providing face-to-face learning as a result of Covid-19 restrictions.

5. Equalities Implications

- 5.1.** Funding is available to assist learners access the labour market supports, those who face barriers at present and to support learners with increased needs. Funding is also provided to those to enable colleges to support learners who have been disadvantaged by Covid-19 (rent rebates).
- 5.2.** The provision of funding for sanitary products supports the Scottish Government's commitment to address period poverty. It aims to provide free sanitary products to those on low incomes who can't afford, or access suitable period products.

6. Legal Implications

- 6.1.** There are no new legal implications associated with this report.

7. Resource Implications

- 7.1.** The financial implications are set out in this report.

8. Strategic Plan Implications

- 8.1.** The ability to deliver the Regional Outcome Agreement and Strategic Plan is directly affected by the allocation of additional resources.

Annex A

National Transition Training Fund and Young Persons Guarantee (FY 2020-21)

1. Background

- 1.1. On 18 December 2020, the Scottish Funding Council (SFC) announced additional funding for the Financial Year (FY) 2020-21 to support economic recovery.
- 1.2. In January 2021, the Board considered a paper that recommended a funding allocation to the 3 colleges. This was based upon the information provided at that time by the Scottish Funding Council. On 3 March 2021, the Scottish Funding Council published the final funding allocation and programme guidance. The full publication is available via the following link:

<http://www.sfc.ac.uk/publications-statistics/announcements/2021/SFCAN072021.aspx>

- 1.3. The final allocation contained some changes to the indicative information that was available in January 2021. It is therefore necessary to revisit the previous allocation made by the Board.

2. National Transition Training Fund

- 2.1. The National Transition Training Fund is a government initiative to support training in areas of anticipated growth in the labour market. It is aimed at people who are under threat of redundancy, or have been made redundant from 1 March 2020, and are aged 25 or over.
- 2.2. There is one change between the indicative, and final, allocations which the Board is asked to consider. A revised distribution of student support funding is proposed, following an increase in the final amount allocated by SFC. The final allocations are therefore proposed as follows¹:

National Transition Training Fund FY 2020-21	Additional Credits	Credit Funding	Student Support
City of Glasgow College	776	£224,594	£116,400
Glasgow Clyde College	100	£28,943	£15,000
Glasgow Kelvin College	224	£64,832	£33,600
Total	1,100	£318,369	£165,000

3. Young Persons Guarantee (YPG)

- 3.1. The Young Persons Guarantee is a government initiative to provide the opportunity of a job, placement, training or volunteering for every 16-24 year old in Scotland. It includes opportunities such as:
 - An apprenticeship,
 - Fair employment, including work experience,
 - Formal volunteering programme,
 - Training,
 - Going to university or college.

¹ Please note that the number of credits and value of credit funding is unchanged (from the previous Board report on 5 February 2021).

- 3.2.** The funding provided to colleges/college regions is split into two separate tranches; YPG skills boost and HN Fast Track. The skills boost is intended to provide learners with a ‘boost’ to assist them to access employment. It is expected that learners will receive a ‘boost’ in four areas i.e. industry, meta-skills, digital and employability. The Fast Track programme is intended to enhance existing (HN) course content and/or accelerate delivery. The ambition is that learners will gain skills, and knowledge, within a shorter, more focussed engagement period.
- 3.3.** There are two changes between the indicative, and final, allocations which the Board is asked to consider. The following changes are proposed:
- i. Final distribution of student support funding following confirmation of the amount allocated by SFC.
 - ii. Reduction in the value of credit funding (as a result of removing SAAS fees) for YPG 16-24 HN Fast Track following a revised calculation by SFC.
- 3.4.** The final allocations are therefore proposed as follows²:

YPG 16-24 Skills Boost FY 2020-21	Additional Credits	Credit Funding	Student Support
City of Glasgow College	3,012	£871,753	£451,800
Glasgow Clyde College	300	£86,828	£45,000
Glasgow Kelvin College	856	£247,749	£128,400
Total	4,168	£1,206,330	£625,200

YPG 16-24 HN Fast Track FY 2020-21	Additional Credits	Credit Funding
City of Glasgow College	1,430	£254,617
Glasgow Clyde College	0	£0
Glasgow Kelvin College	0	£0
Total	1,430	£254,617

² The number of credits is unchanged (from the previous Board report on 5 February 2021)

Annex B

Scottish Teachers Superannuation Scheme

1. Background

- 1.1.** Contributions to the Scottish Teachers' Superannuation Scheme (STSS) are paid by the colleges on behalf of teaching staff who are members of the pension scheme. The contribution rate was 17.2% of gross pay up to 31 August 2019, which increased to 23% from 1 September 2019.
- 1.2.** The Scottish Funding Council issued a request for information in June 2019 seeking to ascertain the impact of this increase. All three colleges submitted returns forecasting their costs for the 7 month period (from 1 September 2019 to 31 March 2020). The estimates provided by the 3 colleges are shown in the table below:

	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	GCRB	Total
College forecast (1 Sep 2019 to 31 Mar 2020 months)	787	490	470	3	1,750
Full year forecast for 2020-21	1,349	840	806	5	3,000

- 1.3.** The full-year forecast (shown in the table above) is the 7-month college forecast scaled up for a full year).
- 1.4.** The initial amount allocated to each college (by GCRB) was calculated using the revised estimate for 2020-21 and is shown in the table below:

	City of Glasgow College	Glasgow Clyde College	Glasgow Kelvin College	GCRB	Total
Initial increase in contributions (estimate for 2020-21 above minus actual contributions 2018-19)	1,173	903	647	5	2,728

- 1.5.** The amount remaining was £277,000³ and the Board agreed (in June 2020) that the Performance and Resources Committee would consider an additional distribution in 2020-21.

2. Proposed Additional Allocation

- 2.1.** The original allocations were based upon the college forecasts in June 2019 and the actual costs reported in the college financial statements. These forecasts have been revised over the subsequent years. In broad terms, the forecast of Glasgow Kelvin College over-estimated the actual cost whereas the other two colleges underestimated the cost.
- 2.2.** The first stage is to increase the allocation to City of Glasgow College so that the allocation by GCRB matches the initial forecast provided by the College. The College originally forecast a need for £1,349,000 and the initial allocation by GCRB was £1,173,000.

³ Made up of the balance of £272,000 plus £5,000 originally allocated to GCRB. GCRB did not have any members of the Scottish Teachers Superannuation Scheme after 31 August 2019.

- 2.3. It is therefore recommended that GCRB allocates a further £176,000 to City of Glasgow College. If approved this would mean that GCRB would meet the original request of City of Glasgow College in full.
- 2.4. Glasgow Clyde College identified at an early stage that their original forecast had underestimated the cost. As a result, the college provided a revised forecast in in 2020. This information enabled GCRB to increase the amount allocated to Glasgow Clyde College in 2020-21 by £63,000 (i.e. an increase of 7.5% compared to the original college forecast).
- 2.5. City of Glasgow College provided an updated forecast in 2021 showing a significant increase in forecast pension contributions. The forecast cost is now much higher than that predicted by the college in 2019.
- 2.6. If the available remaining funds⁴ are allocated to City of Glasgow College it would provide an increase of 7.5% above the level originally forecast by the college i.e. this would provide the same percentage increase that was awarded to Glasgow Clyde College.
- 2.7. It is therefore recommended that GCRB allocates a further £101,000 to City of Glasgow College. This enables GCRB to make a further allocation to meet the additional costs of City of Glasgow College.

⁴ £277,000 brought forward from June 2020 minus the proposed allocation of £176,000 in this report.

Annex C

Sanitary Products

1. Background

- 1.1. In 2017 the Scottish Government made a commitment to provide free sanitary products to students in schools, colleges and universities. Additional funding to support this initiative has been provided since August 2018.
- 1.2. For the financial year 2020-21, the Scottish Government has provided additional funding to the college sector. The funding was announced in the Scottish Funding Council circular SFC AN/02/2021, which is available via the following link:

http://www.sfc.ac.uk/web/FILES/announcements_sfcan022021/SFC_AN_02_2021_Access_to_free_sanitary_products.pdf

- 1.3. The funding allocations have been calculated on the following basis:
- Proportion of female student numbers (excluding school pupils) at each institution.
 - An estimated 5% uptake from those students at colleges and a 10% uptake at universities, reflecting the estimated average uptake in Academic Year (AY) 2018-19.
 - An increased cost of 19.4p per product, reflecting the average unit price of sanitary products purchased by colleges and universities during AY 2018-19.
- 1.4. The basis of the allocation is the same as has been used previously and updated for the most recent data. Therefore, the proposed allocation (2020-21) for each college in Glasgow is as follows:

College Funding	Sanitary Products	Administration	Total
City of Glasgow College	£32,647	£2,806	£35,453
Glasgow Clyde College	£26,034	£2,238	£28,272
Glasgow Kelvin College	£19,131	£1,644	£20,775
Total	£77,812	£6,688	£84,500

- 1.5. The Board is asked to approve the allocation of £84,500 in respect of the Sanitary Products for 2020-21.

Annex D

Covid 19 Support

1. Background

- 1.1. For the financial year 2020-21, the Scottish Government has provided £15.3m of additional funding to the college sector. The funding was announced in the Scottish Funding Council circular SFC AN/09/2021, which was issued on Wednesday, 24 March 2021. A copy of the circular is available via the following link:

<http://www.sfc.ac.uk/publications-statistics/announcements/2021/SFCAN092021.aspx>

- 1.2. The Scottish Government/Scottish Funding Council has recognised "...that all colleges are facing financial pressures.." and therefore "...£15 million total has been allocated in proportion to their respective core teaching grant allocations for 2020-21."
- 1.3. It is proposed that a similar methodology is applied in the Glasgow College region. The one small change to the methodology is that the respective allocation is based upon the 'college only' share of the Glasgow regional funding i.e. no funds have been allocated to GCRB. On this basis, the proposed allocation for each college in Glasgow is as follows:

College Funding	Proportion	Allocation
City of Glasgow College	42.59%	£1,254,552
Glasgow Clyde College	33.85%	£997,103
Glasgow Kelvin College	23.56%	£693,995
Total		£2,945,650

- 1.4. The Board is recommended to approve the allocation of £2,945,650 in respect of the additional Covid-19 funding for the Financial Year (FY) 2020-21.

2. Rent Rebates

- 2.1. Additional Scottish Government funding has also been allocated to universities and colleges to offset the loss of income in providing rent rebates to students. SFC issued a call for information on 12 March 2021 and, as a result of information received, have made a specific allocation to affected colleges.
- 2.2. An amount of £199,384 has been allocated to the Glasgow region in respect of the loss incurred by City of Glasgow College.
- 2.3. The Board is recommended to approve the allocation of £199,384 to City of Glasgow College in respect of student accommodation rent rebates for the Financial Year (FY) 2020-21.