
FINANCE AND RESOURCES COMMITTEE MEETING

Date of Meeting	4 October 2017
Paper Title	Capital Expenditure Report
Agenda Item	17.38
Paper Number	17.38A
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	Discuss

1 Report Purpose

- 1.1 This report provides an update on capital expenditure against plan for the period from 1 April 2017 to 31 July 2017.

2 Recommendations

- 2.1 The Finance and Resources Committee is asked to discuss the capital expenditure report against plan.

3 Background

- 3.1 The Scottish Funding Council (SFC) provides formula capital funding to Colleges which can be used towards estates or equipment and this funding is provided on a fiscal year basis, i.e. April to March.
- 3.2 The allocation for 2017/18 for the Region was £4.57Million. GCRB have implemented a new capital funding allocation policy for 2017/18 as previously reported to the Committee and the Board of Management. The GCRB capital allocation policy allocates 50% of the capital funding based on teaching credits volumes for life cycle maintenance for each of the three Glasgow Colleges which allocates £748k to Glasgow Clyde College (and this is split by the College between capital and revenue with £369k being capital and the balance being revenue used for life cycle maintenance). The remaining 50% of the SFC capital funding for the Region is allocated through a bidding process (plus some funds held by GCRB for potential emergency needs). Glasgow Clyde College received funding for two of its four bids which were the bids for Interactive Whiteboards replacement and Local Area Network Replacement.

3.3 The capital expenditure from 1 April 2017 to 31 July 2018 against plan is attached which shows expenditure against the latest capital masterplan as approved at the August Board of Management meeting. The plan includes the GCRB allocation of £369k for life cycle maintenance and the two bids approved by GCRB for 2017/18 as indicated in paragraph 3.2 above. The other items on the capital masterplan for 2017/18 are funded by the Glasgow Clyde Education Foundation.

3.4 The expenditure to end July is shown on the attached and the comments column indicates the progress for each project with several of them completing in summer 2017, although the balance of the expenditure is after the end of July.

4 Risk Analysis

4.1 There is a risk of the new GCRB capital funding allocation policy as there is more volatility in the capital funding for the College, and there is the risk that if the capital masterplan is not achieved then the correct level of investment is not made to maintain a suitable educational experience for the students of Glasgow Clyde College.

5 Legal Implications

5.1 There are no specific legal implications associated with this capital expenditure update.

6 Financial Implications

6.1 The financial values of each of the capital masterplan projects are highlighted within the report.

7 Regional Outcome Agreement Implications

7.1 The Regional Outcome Agreement implications are that each of the Colleges in Glasgow needs to have a suitable, fit-for-purpose estate and this is being emphasised in the funding allocation discussions.

8 Has an Equality Impact Assessment been carried out

8.1 Not applicable.