



# **FINANCE AND RESOURCES COMMITTEE**

**Wednesday 10 March 2021 at 4.30pm**

## **FINANCE AND RESOURCES COMMITTEE**

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A meeting of the Finance and Resources Committee will be held on Wednesday 10 March 2021 at 4.30 pm

### **A G E N D A**

<b>21.01</b>	Welcome and Apologies			D Newall
<b>21.02</b>	Declarations of Interest			D Newall
<b>Minutes of Previous Meeting</b>				
<b>21.03</b>	Minute of the Finance and Resources Committee of 25 November 2020	P	D	D Newall
<b>20.04</b>	Matters Arising Action Grid	P	D	D Newall
<b>Items for Discussion</b>				
<b>21.05</b>	Financial Report year to January 2021 and Forecast to July 2021	P	ND	T Elliott
<b>21.06</b>	Commercial & External Funding Update	P	ND	D MacDougall
<b>21.06A</b>	Commercial Strategy	P	ND	D McDougall
<b>21.07</b>	Update on SFC Funding Model ( from 25 November AOB)	P	ND	J Thomson
<b>21.08</b>	SFC Indicative Funding Allocation for 20-21	V		J Thomson
<b>21.09</b>	GCEF Spending Plan	P	D	J Thomson
<b>Items for Formal Approval</b>				
<b>21.10</b>	Tuition Fee Approval	P	D	T Elliott
<b>21.11</b>	Capital Expenditure & Masterplan Update	P	D	J Thomson
<b>21.12</b>	Glasgow Clyde College Financial Regulations	P	ND	T Elliott
<b>Items for Noting</b>				
<b>21.13</b>	Estates Update	P	D	J Thomson
<b>21.14</b>	Procurement Update	P	ND	T Elliott
<b>21.15</b>	Any Other Business			D Newall

Date of next meeting Wednesday 2<sup>nd</sup> June 2021 at 4.30pm

## FINANCE AND RESOURCES COMMITTEE MEETING

Date of Meeting	10 March 2021
Paper Title	Update on SFC Funding Model
Agenda Item	21.07
Paper Number	21.07A
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	For Discussion

### 1 Report Purpose

The Scottish Funding Council's (SFC) indicative funding allocation for 2021/22 is due to be announced on Wednesday 10 March 2021. This paper provides a summary of the main areas of the SFC funding model for the Committee using the allocation values for 2020/21. The indicative allocations at 10 March will be to Regions hence the Glasgow Region allocation will be for the Glasgow Colleges Regional Board (GCRB) to distribute after that date to each of the three Glasgow Colleges.

### 2 Recommendations

The Finance and Resources Committee is requested to **DISCUSS** the main areas of the SFC Funding Model.

### 3 Background

SFC are the main funding provider for the College sector providing for 2020/21 the following total values to the Glasgow Region and to Glasgow Clyde College

SFC Funding Area	Glasgow Region	GCRB Allocation to Glasgow Clyde
Total Teaching Funding re Core incl ESF	£95,654k	£32,099K
Funding held for Support Staff Job Evaluation	£1,987k	£663k
Flexible Workforce Development Funding – initial allocation which increased later	£1,919k	£500k
Student Support Funding	£28,274k	£11,425k
Capital Funding–Backlog & lifecycle	£5,320k	£1,942k

The SFC main funding letter for 2020/21 is attached for information as sent to the sector on 7<sup>th</sup> April 2020 and is called the College Outcome Agreement Funding Allocations for 2020/21. The financial year referred to (for most SFC funding) is from August 2020 to July 2021 so the allocations which will soon be announced will be from August 2021. This is obviously different from the usual public sector financial year of April to March.

An overview of each of the SFC elements as summarised in the above table is given below in sections 4 to 7 of this paper.

## **4 College Main Teaching Related Funding**

### **4.1 Teaching Funding and Student Activity Credits Target**

This is the main SFC grant element which supports the core teaching activity. Each Region has a core credits target and this is the main target which they need to deliver upon. The core credits target overall for the sector for 2020/21 is 1,686,054 which for the Region is 368,592 credits and 120,556 for Glasgow Clyde College.

The teaching funding model up until several years ago was based on Weighted Sums per Unit of Measurement (WSUMs) which recognized the relative cost weighting of different subjects in 18 different weightings. This was changed a few years ago and now although there are notionally 5 overall price group credit bands the differential in allocation to these bands based on funding has effectively been lost over time and all credits for any College are really at this stage averaged out.

Unfortunately the Glasgow Region has one of the lowest price per overall credits in the sector and has been impacted by the move from the previous model. Over recent years the SFC has gone for percentage changes only each year on the base and have made adjustments to assist some Regions of which Glasgow is not one. In addition from this low price per credit funding base there is a significant level of funding allocated for the Regional related costs which does not affect any other Region. The breakdown of the teaching funding across the three Glasgow Colleges and the Regional Board and project allocations is along with the credits breakdown is summarised below :

Funding & Credits Allocation for Core Teaching	2020/21 Core SFC Funding	2020/21 Core SFC Credits
City of Glasgow College	£40,381,020	170,848
Glasgow Clyde College	£32,099,131	120,556
Glasgow Kelvin College	£22,343,940	77,188
Region Collaborative projects	£351,348	
GCRB	£478,729	
<b>Total</b>	<b>£95,654,168</b>	<b>368,592</b>

The total Core teaching activity in the initial allocation for the Glasgow Region for Core credits activity equates to 21.86% of the total provision in Scotland.

The allocation of credits for 2021/22 will be agreed with the GCRB Chief Executive Officer for each of the three Glasgow Colleges.

#### **Student Activity European Social Fund (ESF) Credits Target**

In addition to the Core credits there is also an amount of credits for the ESF credits target which for the sector is 47,418 ESF for 2020/21, for the Region is 16,383 ESF credits. Again these are allocated across the three Glasgow Colleges and the ESF credits level for Glasgow Clyde College is 6,208 ESF credits.

The ESF related credits element is split across the Region as follows:-

Credits Allocation for ESF for 2020/21	ESF Credits
City of Glasgow College	9,052
Glasgow Clyde College	6,208
Glasgow Kelvin College	2,008
<b>Total</b>	<b>16,383</b>

ESF funding will be affected in future with the Brexit departure and we await to see what funding will be in place however there has been suggestion that this will be replaced at least in part with the UK Prosperity Fund.

The overall funded core and ESF credits for the Glasgow Region has remained broadly unchanged over recent years. It is no longer shown as a split by the SFC in their indicative funding letter however the total value to the Region is £4.52M and the total value to the College in

20/21 allocation is over £1.6M and this is potentially at risk in any year if the College does not achieve its core credits total and is also at risk in future depending on European funding changes.

The total ESF activity in the initial allocation for the Glasgow Region for ESF credits activity of 16,383 credits which equates to 33.99% of the total provision in Scotland.

- 4.2 National Bargaining** – There have been significant impacts as a result of National Bargaining which the sector became part of with a few years ago. This was costly particularly in relation to the teaching staff costs in the “harmonisation” process. National bargaining also affects the support staff and there is now a national Job Evaluation Scheme for support staff although this is complex and is taking a long time to be able to be progressed. An element of funding has been held for 2020/21 in this regard as shown above.

Also there has been some temporary funding associated with national bargaining related to the additional costs for the teaching staff costs uplifts for a three year period which is ending soon. This funding was however not distributed evenly as it was based on the differential pre and post national bargaining so is another item of disparity which will need to be addressed at some point as all Colleges/Regions have been allocated different levels of related national bargaining funding as a result.

- 4.3 Funding model** - The funding announcement in recent years has indicated that over time, SFC intends to return to a “simplified” price x volume model. Previously the funding allocation model showed that the Glasgow Region received significantly less than it should through the simplified model i.e. over £1Million however as the recent years’ models have been an uplift of a % on the prior year has not been addressed.

## **5 Employer Related SFC Funding**

**Flexible Workforce Development Funding** – This funding has been in place annually since 2017/18 and has increased recently for the sector. It is to be allocated in amounts up to £15k for each employer and we need to access as much of it as possible however given the smaller levels per project it can involve a great deal of work to achieve the total sums and timing of the expenditure against allocation year can be a challenge. The total fund was £10M for the sector and was

increased to £15M in 20/21 with a further £3M increase in year. The total to the Region for 2020/21 in the initial allocation was £1.92M.

## 6 Student Support Funding from SFC

There is a significant amount of funding each year allocated by SFC to Regions for student support funding. This is all to be directly used to be allocated to the students and some related course costs and the College acts as an agency for these funds. It has no impact on the income and revenue account bottom line figures unless there is an overallocation in year and the College has to pay for any overallocation.

**Student Support Funding Allocation** – The Student Support Funding for the sector for 2020/21 is £138M in the initial allocation in 2020/21 and for the Glasgow Region is £28.2M. The allocation to Glasgow Clyde College for the initial allocation was £11.4M and Glasgow Clyde College has the largest share of the overall Region at 40.4% due to a combination of the College activity levels and the needs of the student demographic.

There are three funds within these student support funds which are

FE bursary – £9.1M

FE & HE Childcare - £1.6M

FE Discretionary - £686k

There is detailed guidance on the administration of these funds which is managed by the Student Funding Team with close liaison with faculties on specific student cases.

In addition further amounts were allocated during the year (very recently) for hardship and the College is working on the allocation of these.

## 7 Capital Funding

**SFC Capital Funding** – The total capital funding for the sector for 2020/21 is £31.2M which is split into £18.2M of high priority backlog maintenance funding and £13M of life cycle maintenance.

The Glasgow Regional total for 2020/21 is £5.3M which is split into high priority backlog maintenance of £2.4M which is allocated based on need and £2.9M for lifecycle maintenance which is allocated based on share of credits target volumes. The table below shows the split across the Region of the initial allocation for 2020/21.

SFC Capital Allocation for 2020/21	High Priority Backlog Maintenance	Lifecycle Maintenance	Total
City of Glasgow College	N/A	£1,314,815	£1,314,815
Glasgow Clyde College	£1,942,000	£946,490	£2,887,490
Glasgow Kelvin College	£500,000	£590,695	£1,090,695
<b>Total</b>	<b>£2,442,000</b>	<b>£2,878,000</b>	<b>£5,320,000</b>

In addition to the initial capital allocation there was a further allocation in 2020/21 for Economic Downturn Recovery Capital funding which was a specific fund following the COVID crisis and Glasgow Clyde College received an allocation of £599k of this fund which was split into £403k of estates high priority backlog maintenance and £196k of lifecycle maintenance.

## 8 New Government/SFC Funds

During 2020/21 there have also been a number of new funds announced via the Scottish Government which include the National Training and Transitions Fund (NTTF) and the Young Persons Guarantee (YPG) Fund plus arrange of other sums of funding to the HE & FE sector. These funds are broadly in response to the economic situation following the COVID crisis however each one has it own criteria, target groups and timescales which make them challenging to access at this stage.

## 9 University Related SFC Funds

**University Articulation Places (HN Associate places)** – These have been in place for some years and are a split of funding where universities receive



the SFC funding and pass a proportion to College to provide HN places which can then articulate to Universities in years 2 or 3 subject to satisfactory outcome agreement targets with the universities who receive these places. This is over £750k per annum of income for the College in 2020/21.

## **10 Issues**

- 10.1** The main issue from the SFC indicative funding allocation for the Region is that the annual change in the main teaching funding does not provide enough funds to meet the annual pay awards which are a significant cost. Within the annual changes e.g. for 2021/22 overall announcement the figures are stated at a headline level however when broken down the increase in the actual core funding for teaching is much lower than the total stated percentage and this what is essential for the sector and the College's future financial sustainability.
- 10.2** The second issue is that the funding model at the moment does not follow a 'price x volume' allocation and this means the Glasgow Region is receiving lower levels of funding than it would have done from a "simplified" calculated model. SFC have referred to addressing the model over time however it is not yet known how this will be done and what level of transition time there will have to be. From previous years' calculations there would be a significant level of further funding due to the Region if the simplified model had been applied.
- 10.3** Also there is the cost of the top slice deduction from the available Glasgow Regional funding for the running costs of the GCRB and for collaborative projects as already indicated above.
- 10.4** Finally there is a new issue which has emerged during 2020/21 which is due to all the new specific and separate funds which are emerging as indicated above each with their own requirements. This separated pots of funding whilst of course welcomed and the College wishes to maximise access to them will be challenging to plan and achieve them through the required staffing for the courses and training involved whilst still meeting the needs of the annual credits cycle.

## **11 Risk Analysis**

There are risks associated with the SFC funding to the Region which are mainly financial and relate to institutional sustainability depending on the total funding available to the Region and the distribution of these funds to individual Colleges.

**12 Legal Implications**

There are no specific legal implications associated with the SFC Indicative Funding Allocation.

**13 Financial Implications**

The financial implications are that SFC funding is the main element of the College's annual income. The funding to the Region is a challenge annually due to rising staff costs through pay awards and for every 1% there is around £370k of costs added to the College's expenditure.

**14 Regional Outcome Agreement Implications**

The Regional Outcome Agreement implications are that each of the Colleges in Glasgow needs to have institutional sustainability and the funding distribution is a key element of this.

**15 Has an Equality Impact Assessment Been Carried Out?**

Not applicable.



Scottish Funding Council  
Comhairle Maoineachaidh na h-Alba

## College outcome agreement funding allocations for AY 2020-21

# SFC Announcement

Issue Date: 7 April 2020

## College outcome agreement funding allocations for AY 2020-21

Issue date: 7 April 2020

Reference: SFC/AN/06/2020

Summary: Announcement of outcome agreement funding for colleges in Academic Year 2020-21.

FAO: Principals/Directors and Board Secretaries of Scotland's colleges.

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## College outcome agreement funding allocations for AY 2020-21

### Purpose

1. I am writing to announce Scottish Funding Council (SFC) decisions on the allocation of outcome agreement funding to colleges for the forthcoming Academic Year (AY) 2020-21.
2. We are working through unprecedented times, given the current global Coronavirus outbreak. It is also a rapidly shifting environment for students, staff, and the communities around us. We are therefore announcing our funding allocations for AY 2020-21 to help provide some stability for the college sector. As we confirmed in our letter of 19 March to [College Principals COVID-19](#), SFC will maintain existing payment processes to ensure funds continue to flow to colleges.
3. SFC has received near final outcome agreements from colleges and will work from the current versions for AY 2020-21. If there are any exceptions to that we will be in touch with you directly on any outstanding issues.
4. SFC does not have any updated Ministerial guidance at this point. We will provide any updates when we receive them. In the meantime, the existing [guidance letter](#) from the Minister for Further Education, Higher Education and Science of 2 July 2019 stands.
5. The funding decisions set out in this announcement are based on the Scottish Government's [Scottish Budget 2020-21](#), approved by the Scottish Parliament on 5 March 2020.

### Key points

6. The key points in this funding announcement are:
  - SFC's Revenue budget for AY 2020-21 has increased by 6.9% (£42 million) from AY 2019-20 [paragraphs 9-11].
  - Teaching funding has been increased by 5% (£23 million) [paragraphs 12-15].
  - We are providing funding (£17.3 million) towards pension costs over the 16 month period April 2020 to July 2021 [paragraph 14].
  - Student activity (credit) volume for the sector is broadly unchanged (c.1.7m credits) however there are some changes to individual college/regional targets [paragraphs 16-19].

- Student Support funding has increased by 12.4% (£15.2 million) [paragraphs 22-25].
- We have maintained support for the Flexible Workforce Development Fund and our match-funding for our European Social Fund programme [paragraphs 28-33], and will continue to support ongoing commitments to other non-core programmes, which include national sector-wide services and strategic projects [paragraphs 37-38].
- Capital funding budget has decreased by £11.9 million, however due to the recent completion of Forth Valley College's new Falkirk campus funds have been freed-up to allow an increase of £10.2 million for sector-wide capital maintenance [paragraphs 39-42].

### **Scottish budget FY 2020-21**

7. The Scottish Government's approved [Scottish Budget: 2020-21](#) set a College Resource (Revenue) budget for Financial Year (FY) 2020-21 of £640 million; an increase of £33.5 million (5.5%) from FY 2019-20.
8. The College Capital (net) budget was set at £35.7 million; a reduction of £11.9million (25%) from FY 2019-20.

### **Overall funds available for college sector**

9. In setting SFC's Academic Year (AY) budget for 2020-21, we span two Financial Years (FYs): 2020-21 and 2021-22. The revenue budgets for FY 2020-21 announced by the Scottish Government are converted into AY budgets by taking account of the proportion of the FY 2020-21 budgets that are already committed to the current AY 2019-20. It also involves a forecast of the next FY budget for 2021-22, which we have assumed will not increase (in cash terms) beyond the current FY 2020-21 level.
10. Last year, in setting AY 2019-20 budgets, SFC had assumed 'flat-cash' settlements for the following FY 2020-21. The actual increased settlements for FY 2020-21 announced by the Scottish Government therefore further increase SFC's AY 2020-21 budgets.
11. On that basis SFC has set a college revenue budget for AY 2020-21 of £651.7 million (as shown in [Table 1](#)) which represents an increase of £42 million (6.9%) compared with AY 2019-20.

## Teaching funding

12. Total teaching funding for colleges in AY 2020-21 has increased by £23 million (5%) to £487.1 million. As shown in [Table 1](#) this includes an inflationary uplift of £9.7 million and funding for pension costs amounting to £12.9 million. A breakdown of individual allocations is shown in [Table 2](#).
13. Our teaching funding allocations incorporate an element of funding which has been set aside for the costs associated with support staff and middle management job evaluation. This remains an estimated cost (£12.3 million) as the process of job evaluation is not yet complete and an individual breakdown is set out in [Table 6](#). This funding will continue to be held back until the job evaluation process is complete. It should be noted that we are still in discussions with some non-incorporated colleges concerning the embedded National Bargaining funding and therefore these funding levels are subject to change.
14. The balance of the AY/FY conversion (referred to in paragraph 10) has been used to address a funding gap in pension costs. SFC previously provided an uplift for colleges' Scottish Teachers' Superannuation Scheme (STSS) in FY 2019-20; that is, up until the end of March 2020. As set out above, SFC is providing an uplift to STSS pensions for AY 2020-21; that is, from August 2020. To cover the gap between the end of FY 2019-20 and the beginning of AY 2020-21, we are also allocating a further £4.3 million. Effectively, we are adding this amount to colleges' AY 2019-20 funding as shown in [Table 2](#), noting that this will be paid out in the period April – July 2020.
15. We have also provided some additional funding for SRUC and Sabhal Mòr Ostaig (SMO). The uplift of £0.3 million for SRUC is in line with our Financial Forecast Return assumptions, which takes them towards a 'price × volume' funding settlement. SMO is not formula-funded but have received a small uplift above its pension and cost of living award.

## AY 2020-21 activity targets

16. The Scottish Government has reaffirmed its commitment to maintain the circa 116k Full-Time Equivalent (FTE) volume target for college student places in AY 2020-21. The core teaching grant SFC has allocated for AY 2020-21 should enable the sector to continue to meet this commitment by delivering c.1.7 million core credits.
17. SFC has previously used its demographic model to help inform decisions on the allocation of places to colleges/college regions. We updated that model to take account of the increased priority for older learners and part-time study. SFC also undertook a consultative process last year with the sector on revising our demographic model.



18. Based on sector feedback and further discussions with colleges, we intend to continue the work on revising the demographic model and move towards a 'price x volume' funding model post-National Bargaining. The core credit targets for most college/college regions remain unchanged in AY 2020-21 and are set out in [Table 3](#).

### ***Changes to credit targets for individual colleges***

19. We have set out below some changes that have been made to individual credit targets for colleges/college regions in AY 2020-21. These adjustments help to move us toward better alignment with a 'price x volume' post-National Bargaining funding model:
- We have reduced West College Scotland's activity target by 5,000 credits, but have not consequently reduced their associated teaching funding. This reflects discussions SFC has had with the College to recognise their movement towards higher cost activity. As a condition of this change, the College must reduce its third party distance learning activity.
  - We have reduced North East College Scotland's activity target by 3,300 credits, with no corresponding reduction in teaching funding. This moves the College towards the levels of funding it may expect to receive in future years under a 'price x volume' model. Again, as a condition of this change, the College must reduce its third party distance learning activity.
  - We have increased the activity target for the Highlands & Islands Region by 2,000 credits, with no corresponding increase in teaching funding. We have previously signalled to the Highlands & Islands Region that their funding would be reduced by £0.6 million for AY 2020-21 as we move towards a 'price x volume' model. However, the scheduled end of part of the current European Social Fund (ESF) programme in this region would have meant that fewer places would be available for FE students in 2020-21 if SFC did not take action to protect the number of places available across this rural area. We have therefore taken the decision to increase the number of credits funded by SFC by 2,000 to offset those places lost as that part of the ESF programme ends as planned. As we are now asking the region to deliver an additional 2,000 credits, we will not be reducing their funding by £0.6m as previously announced in our planning assumptions.

### **College/university articulation places**

20. Streamlining the learner journey by encouraging articulation between colleges and universities remains a priority for SFC and the Scottish Government. SFC's additional articulation places (associate student) scheme continues to support this priority area, and there are no changes to the scheme for AY 2020-21

(subject to satisfactory outcome agreement targets with the universities that continue to receive these places).

21. Colleges (and universities) should continue with current arrangements to meet Ministerial priorities to expand articulation and ensure it continues to support disadvantaged learners to progress to degree level study. SFC continues to expect 75% of additional articulation/associate student funding for those years in which activity is delivered in colleges, to be transferred from universities to colleges. We will continue to monitor the transfer and impact of this funding.

### **Student Support**

22. SFC announced student support funding of £122.8 million for AY 2019-20, with an additional £10.2 million allocated as part of the [in-year redistribution](#) at the end of January.
23. Student support funding for AY 2020-21 has been set at £138 million, an increase of £15.2 million (12.4%) on what was announced last year. The allocations to individual college/regions are set out in [Table 4](#).
24. This budget should allow colleges to continue to meet Ministerial commitments arising from the implementation of the Independent Review of Student Support recommendations. The main change for AY 2020-21 is the removal of the age cap for the Care-Experienced bursary, previously only available to 16-25 year olds. In addition we have provided an inflationary increase to the maintenance bursary. Care-Experienced students over 16 year olds will continue to receive the higher award of £8,100 per annum.
25. We continue to expect some demographic changes in the college student population, for example continued shift from full-time to part-time provision, which does have implications for student support. We expect therefore that this level of funding, given the demographic changes, will be sufficient to meet Ministerial commitments in AY 2020-21.

### **Expansion of Early Years Education**

26. In support of the Scottish Government's plans to increase entitlement to free childcare, colleges have been delivering additional activity to train childcare professionals over the last two years. This will continue in AY 2020-21.
27. The volume of activity for AY 2020-21 has yet to be finalised but SFC is working with colleagues in the Scottish Government's Early Years Education division to agree on the required volume to meet their target output for trained childcare professionals. This volume will be confirmed in May.

## **European Social Funding**

28. SFC continues its commitment to provide funding for the sector's participation in the ESF programme, 'Developing Scotland's Workforce'. We have therefore set aside £8 million as SFC's 'match-funding' commitment for colleges in AY 2020-21, the same amount as last year.
29. SFC will allocate total funding of around £13 million to colleges (unchanged from last year) for the delivery of additional ESF activity in AY 2020-21. This includes an assumed ESF contribution from the European Commission of around £5 million, which is subject to the submission of successful claims to the Scottish Government. (This excludes UHI-partner colleges in the Highlands & Islands transitional region that are funded separately through HE match-funding via the University of the Highlands & Islands.) Individual ESF allocations and associated activity (credit) targets will be announced in May.

## **Flexible Workforce Development Fund**

30. The Scottish Government and SFC remains committed to enabling UK Apprenticeship Levy-paying employers – and their employees – to benefit from training and up-skilling delivered through the Flexible Workforce Development Fund (FWDF).
31. AY 2020-21 will be the fourth year of the FWDF which was set-up as a pilot programme in AY 2017-18. Its purpose is to provide employers with training opportunities to support inclusive growth through up-skilling/re-skilling employees (in response to feedback from the Scottish Government's consultation on the introduction of the UK Government Apprenticeship Levy).
32. At this point SFC is budgeting for the continuation of the current FWDF programme and we have set aside £6 million from our core budget. We expect an additional £4 million of additional funds will be transferred in-year to maintain a total budget of at least £10 million in AY 2020-21.
33. We continue to monitor this programme and liaise with colleagues in the Scottish Government to refine and improve the efficiency and effectiveness of the programme to meet the Government's objectives.

## **Funding for Counsellors**

34. As part of its Programme for Government in responding to mental ill-health, the Scottish Government committed to providing more than 80 additional counsellors in FE and HE over a four year period from AY 2019-20.
35. Counsellor funding for AY 2020-21 for both colleges and universities will total £3.65 million. Individual allocations and guidance for AY 2020-21 will be

announced in May. Additional ring-fenced funds will be transferred to SFC from the Scottish Government for this purpose.

### Free sanitary provision

36. SFC expects a further year’s funding for the provision of free sanitary products in colleges to be announced in due course and is currently working with the Scottish Government to confirm funding for 2020-21.

### Other programme funding

37. A portion of SFC’s annual funding for colleges is earmarked for other national services (including JISC, CDN, and APUC) and strategic programmes which will allow SFC to meet all current awarded commitments. They will allow us to focus on short-term intervention projects that support transformational change aligned to Scottish Government and SFC priorities (e.g. widening access), and projects where we can facilitate collaboration and leveraging of funds from other partners, as well as financial sustainability requirements.
38. The budget for this funding in AY 2020-21 has been set at £8.3 million.

### Capital

39. The Scottish Government’s FY 2020-21 budget provides a College Capital budget of £35.7 million. SFC has increased funding for sector-wide capital maintenance in FY 2020-21 by £10.2 million to £31.2 million. This is set out below:

<i>Capital budgets</i>	<i>£ million</i>
Capital grant for backlog & lifecycle maintenance	31.2
Fife College - Dunfermline Learning Community Campus development	3.0
Support for business cases for highest priority campuses	1.5
<b>Total Capital funding for colleges</b>	<b>35.7</b>

40. The sector’s backlog and lifecycle maintenance needs continue to far exceed the level of funding available. Therefore the overall aim for SFC’s allocation methodology remains to ensure we provide a contribution towards these two elements of capital need. Both are important because:
- Backlog maintenance needs to be addressed to ensure historic poor condition is addressed.
  - At the same time colleges need to have some capacity to address their lifecycle maintenance requirements, otherwise future backlog maintenance requirements will escalate.

41. SFC's allocation method is similar to last year and is based on a 58/42% split of high priority backlog/lifecycle maintenance costs. This enables SFC to continue making a contribution to both the sector's backlog and lifecycle needs. This continues to represent the most transparent and best value methodology for allocating the available capital funds.
42. Therefore we have allocated the £31.2 million in these proportions, resulting in a total of £18.2 million based on high priority backlog maintenance and £13.0 million based on share of the sector's volume of activity (credit) target. Individual allocations for FY 2020-21 are shown in [Table 5](#).

## Tables

43. We have attached the following tables for AY 2020-21:
  - [Table 1](#) – College sector – overall budget.
  - [Table 2](#) – Teaching funding allocations.
  - [Table 3](#) – Student activity (credit) targets.
  - [Table 4](#) – Student Support funding allocations.
  - [Table 5](#) – Capital funding allocations (FY 2020-21).
  - [Table 6](#) – AY 2019-20 teaching funding set aside for support staff and middle management Job Evaluation.
  - [Annex A](#) – Conditions of funding.

## Further information

44. Given the emerging financial implications from the current COVID-19 crisis, our funding proposals may be subject to change.
45. For more information, please contact Martin Smith, Chief Funding & Information Officer, tel: 0131 313 6528, email: [msmith@sfc.ac.uk](mailto:msmith@sfc.ac.uk).



**Lorna MacDonald**  
Director of Finance

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## **FINANCE AND RESOURCES COMMITTEE**

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Date of Meeting	10 March 2021
Paper Title	GCEF Financial Sustainability Funding Bid Framework Update
Agenda Item	21.09
Paper Number	21.09A
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	For Discussion

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### **1 REPORT PURPOSE**

- 1.1 The purpose of this report is to provide an update on the progress of activity in respect of the agreed reporting framework for the approved College Financial Sustainability Bid from the Glasgow Clyde Education Foundation (GCEF).

### **2 RECOMMENDATION**

- 2.1 Members are invited to **DISCUSS** this paper.

### **3 BACKGROUND**

- 3.1 The Glasgow Clyde Education Foundation (GCEF) is a separate independent charitable organisation from the College. The College can apply for funds to the Foundation providing they meet their charitable objectives however they have a strong governance framework and need to be assured of the overall impact of bids before approval and during implementation of funds.
- 3.2 Glasgow Clyde Education Foundation's charitable objectives as listed on OSCR are as follows:-

*through grant giving (with a view that the organisation will grow its own funds to generate additional income for its beneficiaries) to enhance the learning experience for students, potential students and the communities (including by supporting (financially and otherwise) community and not for profit groups and organisations operating within the communities) served by Glasgow Clyde College (a registered Scottish charity, SC021182). In furtherance of its charitable purposes, the organisation will support (a) the delivery of improved teaching accommodation, facilities, infrastructure and/or equipment; (b) the*

*development of teaching and curriculum resources and opportunities; and (c) staff development for the staff of the Glasgow Clyde College to assist and develop the student learning experience*

- 3.3 A sum of £15M was transferred to the Foundation from the College in two sums between end of March 2014 and March 2015. There have been no further donations since that time. The Foundation had over £5Million remaining after allowing for all previously approved bids to the middle of November 2020 and before the Financial Sustainability Bid referred to in this paper.
- 3.4 The College submitted a substantial funding bid to the Foundation at their meeting on 17 November 2020 for a College Financial Sustainability Funding bid of up to £1.8Million in 2020/21 and for up to £500k in 2021/22. Following full discussion on the bid with the Trustees the bid was approved. These funds are to provide match funding to create a financial bridge for the College to enable it to sustain as far as possible a range of key services for students and some developmental services in the short to medium term to achieve a financially sustainable future. Without this funding there would be an unacceptable reduction in services for students, adversely affecting their learning experience. There would also be a reduction in resources for staff development and support at a time when staff need to acquire new skills and adapt to new ways of working. During the period of these funds the College will be adapting and changing to modernise its structures to best meet the future needs of students including reviewing service delivery of student service related areas, more interactive services for students, and process and systems improvements to deliver business transformation for a future more digitally based College environment. This is a challenging period however with this financial sustainability funding from GCEF the College has a key building block in place to achieve its three-year financial plan and future financial sustainability.
- 3.5 As part of approving this bid GCEF sought that there was a reporting framework in place to enable them to track progress against the planned change programme within the period of this financial bridge. It was agreed that the reporting would be to the Finance and Resources Committee in the first instance and then to the Foundation.
- 3.6 Phase 1 of the framework for reporting deliverables and milestones was to have Board approval of the plan to achieve financial sustainability through reducing recurrent staff costs by over £1.1M by the end of academic session 2020/21, to agree the GCEF funding College financial sustainability proposal, for the College to put in place a change and modernisation programme to enable the agreed three year financial plan to be achieved, and to agree the Reporting Framework. Following these deliverables being agreed and met to

the requirement of phase 1 GCEF released the first £900k of funding in December.

- 3.7 This is now phase 2 and the key deliverable and milestones within the framework are highlighted and reported upon within the attached paper. After full discussion at the Committee this framework will then be submitted to the Foundation. Phase 2 should enable the release of a further £450k of the total funding.

#### **4 RISK ANALYSIS**

- 4.1 There are no specific risk implications associated with this paper.

#### **5 LEGAL IMPLICATIONS/FINANCIAL IMPLICATIONS/REGIONAL OUTCOME AGREEMENT IMPLICATIONS**

- 5.1 GCEF is a separate charitable organisation and hence is a separate legal entity. The financial implications related to this paper relate to the agreed the funding of this project, which is important for the future financial plans for the College.

#### **6 HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT?**

N/A



## **GCEF College Financial Sustainability Funding Reporting Framework – Stage 2 as at 3<sup>rd</sup> March 2021**

### **Introduction**

As part of the approval process for the Financial Sustainability Funding from Glasgow Clyde College Education Foundation (GCEF) in December 2020 there was an agreed reporting framework put in place.

The College has a three year financial plan as agreed by the Board of Management which includes recurrent staff cost savings to move the College from what would be an increasing financial deficit position annually to a sustainable break even/ small surplus position annually in future by 2022/23. The approved GCEF funding will enable the College to sustain a range of key College services to enhance the student experience through a process of change and modernisation to meet changing student demands and the needs of learning and teaching with a greater focus on on-line and blended requirements.

The governance of this framework for the agreed funding is through reporting to the College Finance and Resources Committee at each meeting on progress against the deliverables and milestones areas, and thereafter reporting on this progress and Committee discussions to the Foundation.

This Stage 2 report as at early March to the Finance and Resources Committee covers the following four agreed areas to be reported upon:

- progress against achievement of planned £260K deficit budget target for 2020/21
- progress against £1.15M staff cost reduction target
- planned developments for the support services areas within the change programme
- update on consultation with unions and staff on change process

### **Section 1 - progress against achievement of planned £260K deficit budget target for 2020/21**

The College is progressing well against the planned financial position of a £260k deficit budget target for 2020/21. The current projection is better than budget with a broadly break even position and showing a small surplus at the end of financial year as projected in the College Management Accounts from the figures at the end of January 2021 i.e. at the six month position.

The key reasons for this updated financial position are that staff costs are on budget in total across the annual teaching and support budget cost centre totals. The College budget included holding staff vacancies of just under £400k and this has been achieved within the staff costs projections. What has not been achieved compared to 2020/21 budget assumptions is that they included around £320k of in year staff costs reductions through the academic management restructure with staff leaving the College from this process during the academic year. The timing for the academic management restructure has had to be revisited based on the ongoing COVID situation, blended learning impacts, and limited staff and students on campus. It was agreed that it would be difficult to deliver this previously planned timing both from staff engagement with the process and whilst maintaining the need to deliver on our overall teaching activity levels which would be impacted if

teaching staff left before the end of the academic session particularly in some curriculum areas. The revised plan is to progress the academic management restructure over the coming months with staff leaving by the end of July.

Also there have been a number of non-staff costs savings achieved against the budgeted position particularly in premises related costs due to staff and students being largely off site which have managed to balance the budget to break even along with some income areas such as commercial and external funding areas performing better than the 2020/21 budgeted level.

## **Section 2 - progress against £1.15M staff cost reduction target**

As indicated above the College is in the process of implementing an academic management restructure which is planned to make substantial recurrent staff costs savings. In addition the College is looking to make some recurrent staff costs savings in the support areas.

There has been a Voluntary Severance scheme issued to staff following agreement from GCRB and SFC being received in January. The scheme has three time based tranches at the moment the first of which closed on 12<sup>th</sup> February with decisions to applicants planned to be provided by 5<sup>th</sup> March. These decisions may be either Yes, No or deferred at this stage and then the next two tranches follow approximately a month thereafter.

Some support staff are still waiting on pension strain costs in relation to their possible interest in voluntary severance so will not apply until they have that information to assess their overall thoughts on the sums they would receive. This is not the same for teaching staff where there is no pension strain. Overall so far there has been much more interest in the scheme in tranche 1 applications from teaching staff than support staff and the academic management restructure may be a factor in this.

The staff costs reduction target savings for 2021/22 onwards of £1.15M and rising for 2022/23 annually are based on voluntary severance being at a maximum of one years' salary and the saving will be staff costs plus on costs (which are over 30% for the College), however recognising that there may have to be some backfill for posts at a lower level within the business case. The current position is that the approved scheme end date via the paperwork submitted to GCRB and SFC is December 2021 so could offer again in a further tranche (s).

There are also staff vacancies being held at the moment which are all in the support staff areas and these will be reviewed in relation to staff costs savings for the future to assess whether there are any long term business cases to operate differently in those areas although we will need to consider possible impacts on service.

## **Section 3 - Developments for the support services areas within the change programme**

There are a range of developments which have taken place and are planned for the student support services related areas within the change programme and the main ones are summarised below:

### **3.1 Student Journey Improvements**

The College has introduced improvements to systems supporting the application process and the student journey. The developments in the application process make it easier for students/commercial clients to complete their application, providing a more streamlined experience and gathering more relevant evidence e.g. residency data. The enhancements are also beneficial for staff, enabling decision making about applications to be more automated where appropriate. This reduces the impact on administrative staff requirements and the time for Senior Lecturers and other staff in reviewing applications. Both the customer and staff ends of the process are more automated, and this enables faster responses to be provided. The plans now are to build on this with greater “keep warm” messaging for students once accepted for the College and awaiting start of their course as the next stage. A workstream is being set up on the keep warm process which is being led by the Head of Marketing.

Online enrolment, piloted in previous years, has been rolled out for almost all course enrolment starting from mid July 2020. Since then over 11,000 students have successfully enrolled online. Students are now able to upload photos for ID cards and key documents such as fee-waiver evidence during the enrolment process. This has also saved on some staffing costs where previously the College had used enrolment temps for a number of months at the start of each academic session. The College plans to bring forward the date for opening up on line enrolment from previously an August date to June from 2021 which will enable us to make earlier connection with students, and provide a range of welcome and settling into College information at an earlier stage.

There is also a review of the processes involved in “Student onboarding” to join up digital access for any new students. The aim is that once students enrol the onboarding would wrap up enrolment, network and VLE access, induction resources and access to other general materials. This is being worked upon jointly with E Learning, ICT and Student Services. The process previously was rather fragmented across the various areas and the plan is to join this all up which should bring some economies of scale with more effective deployment of resources from the summer of 2021.

### **3.2 On line learning and teaching**

College staff have introduced new methods of learning and teaching in academic session 2020/21 and this has relied on the support of a range of support services teams. The College had already been making the shift to blended learning and benefited from investment in the Delivering Excellence in Learning Teaching and Assessment (DELTA) project which commenced from April 2019. This was an extremely useful springboard when the impacts of the COVID crisis manifested with much greater reliance on off-campus learning and teaching.

The overarching aim continues to be to support the best possible experiences and outcomes for students however the context is completely different. The College has been providing support to staff through this period of intense professional challenge, supporting adjustment and transition to new ways of working and the resilience of the new models of learning and teaching, whilst enabling staff the chance to make sense of their experience.

Through close working from a number of support services teams - particularly e-Learning, Organisational Development, Systems Development and Marketing - the College has provided resources to support the move to greater blended learning. There have been 32 webinars delivered by e-learning in 2020 with over 2500 attendances and there have been almost 800 hours of bespoke training delivered with over 450 staff having received that bespoke training.

The College plans to continue using blended learning models and it is anticipated that there will continue to be fewer students on site in future which provides an opportunity to re-design for more efficient campuses.

A discussion paper was prepared for the College Innovation and Transformation Committee last month on Post Pandemic Learning Teaching and Assessment and this is due to be considered by the Senior Leadership Team. The landscape for teaching and assessment approaches is changing and will need to meet rapidly evolving student expectations. This will involve a new balance between physical and digital learning with greater flexibility expected to balance an individual's study, family and work needs. There will be greater personalisation of learning and the College needs to design its services and its courses to meet this changing demand e.g. changed timetables, more flexibility of approaches, and a strong system of support services.

Three themes are being considered in depth by the College: blended and hybrid approaches to teaching and learning; staff support and training through the changing process; and the student experience of the new models. All of these are very reliant on the support services areas continuing with the change programme and facilitating related developments.

### **3.3 On line Student Support**

Across a range of student support functions, the College has enhanced its on line service provision to meet the needs of the COVID crisis. This has been an investment with longer-term benefits, because the enhancements will have continuing value once students return to campus. Three examples of on line improvements are described below: from the Student Advice Services, the Learning Inclusion Service, and the Library.

The student advice services have developed ways of working to meet the needs of students where they are not attending on campus. There have been one-to-one and group sessions delivered online through Microsoft Teams and Zoom. These services cover any enquiries as well as planned activity such as UCAS applications, SAAS applications for funding and Careers Education Information Advice and Guidance. A new online careers platform is currently being piloted to enhance the career management of students and their employability. The team have also developed Canvas courses on Employability, Careers, UCAS, Welfare, Funding for students to access.

For the learning inclusion service all students have been needs assessed through one-to-one online engagement and progress reporting has used Microsoft Teams. Study skills have been offered on a one-to-one and group basis for students that have an identified need and support for online classes has been provided by the College classroom assistants.

The Library has been supporting teaching staff to identify e-resources rather than traditional books. A click & collect service has been developed to promote staff and student safety. Library staff have developed significant resources, hosted on Canvas, to support students and staff.

### **3.4 Staff Learning and Development Services**

There has also been a significant level of on line training and support for College staff both for teaching and support staff. There has been planning and delivery of a range of webinars and practice sessions as indicated above in relation to on line learning and teaching however there has also been a range of health and wellbeing support activities with webinars on mental health, mindfulness and other similar topics to help staff working from home where they can be feeling overwhelmed, isolated and under pressure.

### **3.5 ICT - Laptop and Other ICT Equipment Distribution and Monitoring and ICT Support**

Since the beginning of the COVID virus, the College has launched an initiative to provide laptops and other ICT and connectivity equipment to disadvantaged students. The distribution of this equipment has been managed through ICT and other support staff. ]This has been a significant exercise with over 1,700 laptops, Chromebooks and other ICT equipment having been distributed plus a high number of connectivity assistance devices put in place. For 2020/21 there is Scottish Government funding available for addressing digital poverty. This process though has had to be closely monitored to fit within the funding rules and a secure shared area was prepared to enable staff teams to work together to get appropriate digital equipment to approved students within the required criteria. This was achieved by setting up a SharePoint site secured so that only the agreed staff could access it and then creating and formatting a spreadsheet that could be accessed and edited by the staff using the shared area.

There was also a dedicated student helpdesk set up to provide support for learners accessing ICT.

### **3.6 Online Student ID Cards**

Distribution of physical ID cards for students was disrupted due to the shift to online and blended learning. This was causing an issue for some students as they could not access any student discounts related to travel etc. so the Systems Development team created an online process for students to get access to downloadable ID cards. Students were able to log in to the system using their college credentials, and this is used to run a report in the Student Records System to generate the required information for the student ID card which is output in a format that looks like our 'hard copy' ID cards. This can be downloaded or saved as a PDF for printing or display on a mobile device and thus enable access to student card benefits. The team worked closely and collaboratively with the Students Association to test and modify the new system prior to it going into use and it was very successful with thousands of on-line student ID cards being created.

### **3.7 Expansion of access to the Student Early Warning system**

The College has an early warning system in place in its student records system which highlights absence and other factors suggesting that some intervention would be helpful to help to assist and retain these students. Systems development have expanded the availability of the early warning system so that additional staff can get access to the required reports and alerts. These interventions are to achieve the ongoing success of the student and lead to maintenance of SFC credits or other income.

## **Section 4 - update on consultation with unions and staff on change process**

The College have been discussing the change process and the improvements including those listed in section 3 with the various support services staff groups as each development has evolved, and there has been a high level of engagement through the change processes even though staff are working in challenging circumstances in a largely remote environment.

Certainly the assistance of the e-learning team has been integral to the blended learning changes however the involvement and joined up working of many other support teams has been vital and has been appreciated by their colleagues and students.

As indicated above the first feedback phase to applicant for the voluntary severance scheme is 5<sup>th</sup> March and meetings are arranged with the teaching and support unions to provide some information on levels of applications and next steps. One of the vital elements to make the change process a success is to consider any potential workloads impacted by staff leaving the College and how to best address the change process involved in any areas affected.

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## **FINANCE AND RESOURCES COMMITTEE MEETING**

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Date of Meeting	10 March 2021
Paper Title	Capital Expenditure Update against Masterplan
Agenda Item	21.11
Paper Number	21.11A
Responsible Officer	Janet Thomson, Vice Principal Resources and College Development
Status	Disclosable
Action	For Discussion

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### **1 REPORT PURPOSE**

- 1.1 This report provides an update on capital expenditure for the period from 1 April 2020 to end February 2021 against the approved capital plan for the College.

### **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 capital funding to GCRB who then allocate it to the Glasgow Colleges and this funding is provided on a fiscal year basis, i.e. April to March.
- 3.2 The Glasgow Regional capital funding allocation for Glasgow Clyde College in 2019/20 was £1.65Million, being £630k for life cycle maintenance and £1.023Million for very high priority estates maintenance. The life cycle maintenance allocation element is utilised within the College's revenue budget for premises related expenditure.
- 3.3 The SFC/GCRB funding for very high priority estates maintenance for 2019/20 was allocated to fund five projects. These were Chiller Plant and Air Handling Units replacement, Disabled Access Lifts and Flat Roof and Lighting replacements all at the Cardonald campus, plus the replacement of the boiler plant at the Mary Stuart building at the Langside campus. Some of this allocation was carried forward to complete works in 2020/21 following the

COVID virus and College closure and these are included on the attached capital expenditure update against plan.

- 3.4 For 2020/21, the initial SFC/GCRB funding for estates maintenance to Glasgow Clyde College was £2.88Million which was £945k for life cycle maintenance and £1.94Million for very high priority estates maintenance. The 2020/21 very high priority estates maintenance funds were allocated to six project areas as shown on the attached capital masterplan (priority lines 1 to 6 of the report). These are Lighting Replacement phase 2 at Cardonald, External Drainage & Lightning Protection at Cardonald, Mary Stuart Building Lighting & Fire Intruder Alarm Replacement, College Building Management System Replacement/ Upgrade, Anniesland Heating & Ventilation Works, and Floorcoverings Replacement. A design team was appointed and the six projects were progressed through design team and then to tender and award stage.
- 3.5 There have been some challenges in moving these projects forward to conclusion partly due to the prior year carry forward from 2019/20 projects having to be completed and also due to having to carry out these works in year and in the current environment which adds extra challenges.
- 3.6 There has been some review of the emerging priorities for estates high priority maintenance in the year as some tendered amounts were lower than first estimates and due to some other projects being flagged as a priority and these are shown in the updated plan under priority lines 7, 8 and 9 of the attached.
- 3.7 In addition to the £2.88Million indicated in paragraph 3.4 there was a further capital allocation from SFC/GCRB for 2020/21 which was an economic recovery funding allocation and Glasgow Clyde College got additional funding from this of £599k of which £403k was high priority maintenance in that allocation. This was proposed to be used towards funding Student Space refurbishment works at Anniesland or other priority maintenance works. A tender for this work was issued before Christmas however the College were later informed that there was a stage of the planning process that needed to be revisited. These works have not yet commenced on site and there has been some communication with GCRB and SFC about timescales for taking these forward. This project is shown on priority line 10 of the attached.
- 3.8 In addition to the SFC funding for 2020/21 there is a further project which has been undertaken from the plan in year which has been funded by the Glasgow Clyde Education Foundation. This was for some capital maintenance and was a total funding of £250k which was mainly used for the



complete redesign of Science Lab facility to provide for enable better disabled access.

- 3.9 The capital expenditure from 1 April 2020 to end February 2021 against capital plan is attached, which shows expenditure against the plan as approved at the October Board of Management meeting. The proposed updated for 2020/21 is shown which will be taken to the March Board of Management meeting for approval. The College will now also roll forward the plan to measure future expenditure against the outline 2021/22 plan particularly for estates high priority maintenance.

#### **4 RISK ANALYSIS**

- 4.1 There is a 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 project 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 emphasised in discussion on any related funding allocations. The College expenditure against SFC/GCRB allocations is reported to each GCRB Performance and Resources Committee.

#### **8 HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT?**

- 8.1 Not applicable.

Priority	Project Description - Capital Projects	Funded by	2019/20 Capital Projects Plan c/fwd as approved at October Board of Management	2020/21 Capital Projects Plan as approved at October Board of Management	Total October Board Approved 2 year Capital Projects plan 19/20 c/fwd and 20/21	2020/21 Capital Expenditure April 2020 to February 2021	Total Expenditure 19/20 and 20/21 to Feb 2021	Total Updated 2 year Capital Projects plan 19/20 c/fwd and 20/21	Comments
19/20 project c/fwd	Cardonald Chiller Plant and Air Handling Units replacement	SFC/GCRB very high priority works capital funding 19/20	£247,000	£200,000	£447,000	£182,481	£429,508	£447,000	Chiller plant and AHU across Cardonald campus Tower building. Works were due to be completed by end March 2020 however had to be stopped due to College closure as a result of COVID 19. This project is now completed with some retentions remaining.
19/20 project c/fwd	Disabled access lifts at Cardonald	SFC/GCRB very high priority works capital funding 19/20	£69,000	£64,000	£133,000	£92,921	£115,492	£133,000	Three disabled access lifts in the Tower building and Business Centre at Cardonald being replaced. Two of the three lifts were to be completed by end March 2020 with the third completing in April. These had some delays due to College closure as a result of COVID 19 virus. This project is now completed.
19/20 project c/fwd	Replacement of flat roof area at Cardonald	SFC/GCRB very high priority works capital funding 19/20	£96,000	£42,000	£138,000	£4,548	£100,225	£138,000	Replacement of the one remaining flat roof area at Cardonald as high priority estates project. These works were affected by poor weather in Jan/Feb 2020 & then COVID. Small c/fwd to 2020/21. This project is now completed.
19/20 project c/fwd	Replacement of boiler plant at Mary Stuart /Litehouse at Langside and replacement of some lighting at the Cardonald campus	SFC/GCRB very high priority works capital funding allocation 19/20	£45,000	£260,000	£305,000	£237,268	£268,703	£305,000	Two projects from 19/20 estates high priority maintenance SFC/GCRB funding allocation. Tender requested completion by end March 2020. Carried forward due to College closure as a result of COVID 19 virus closure. These projects are now completed.
last stage project c/fwd	Cardonald Campus Lifts project final stages	Foundation Approved	£116,000	£34,000	£150,000	£0	£115,695	£150,000	Funding approved from Foundation for total three part large scale plant upgrade project. Main lifts replacement concluded August 2018. Phase 1 of heating and ventilation, and mechanical and electrical services completed in summer 2017. Final stage option being reviewed for some lift lobby artworks.
1	Cardonald Lighting Replacement - Phase 2	SFC/GCRB very high priority works capital funding allocation 20/21	N/A	£500,000	£500,000	£28,500	£28,500	£424,000	Second phase of lighting replacement at the Cardonald campus. The replacements are modern more efficient lighting and will result in lower utilities costs and lower maintenance costs.
2	Cardonald External Drainage & Lightning Protection	SFC/GCRB very high priority works capital funding allocation 20/21	N/A	£175,000	£175,000	£11,700	£11,700	£175,000	The external drainage and lightning protection equipment at the Cardonald campus are in need of replacement/upgrading.
3	Mary Stuart Building Lighting & Fire Intruder Alarm Replacement	SFC/GCRB very high priority works capital funding allocation 20/21	N/A	£260,000	£260,000	£7,000	£7,000	£106,000	The lighting and the fire intruder alarm system at the Mary Stuart Building in the Langside campus needs replacement/upgrading.
4	College Building Management System Replacement/Upgrade	SFC/GCRB very high priority works capital funding allocation 20/21	N/A	£145,000	£145,000	£9,300	£9,300	£139,000	The College Building Management System (BMS) controls the settings of all the associated estates equipment across the College and has a major impact on the efficiency of the operation of all of these. The BMS needs upgraded/replacement in the Skills Centre at Cardonald to enable greater use to be made of its potential benefits for the College.
5	Anniesland Heating & Ventilation Works	SFC/GCRB very high priority works capital funding allocation 20/21	N/A	£145,000	£145,000	£10,000	£10,000	£145,000	There are a couple of areas within the Anniesland campus where the heating and ventilation has been causing some issues. This project is to investigate these areas further and enable any potential necessary works.
6	Floorcoverings - range of replacements in each of the three campuses	SFC/GCRB very high priority works capital funding allocation 20/21	N/A	£717,000	£717,000	£29,000	£29,000	£437,000	There are many areas of floorcovering across the College which need to be replaced and this proposed project will complete as many of these replacements as the funding will allow. The total condition survey estimate for floorcoverings was much higher than the figure shown.
7	Health and Safety Improvements - Fire Alarm upgrades, fire evacuation upgrades	SFC/GCRB very high priority works capital funding allocation 20/22	N/A	N/A	N/A		£0	£80,000	These are two projects to complete fire alarm upgrades in refuge areas at the Anniesland campus and to improve the fire evacuation route in part of the Langside campus
8	Emerging High Priority Maintenance projects - External timber cladding repairs, student car park repairs	SFC/GCRB very high priority works capital funding allocation 20/23	N/A	N/A	N/A		£0	£156,000	These are two projects to undertake repairs to the Skills Centre building cladding and to undertake car park repairs at the Langside campus
9	Other Estates High Priority Maintenance Projects	SFC/GCRB very high priority works capital funding allocation 20/21	N/A	N/A	N/A	£209,741	£209,741	£280,000	This is for a range of Estates Maintenance works to March 2021 being allocated to Capital
10	Student Space Project at Anniesland.	Economic Recovery SFC/GCRB Priority Maintenance 2020/21	N/A	£403,000	£403,000	£0		£403,000	Limited student space at Anniesland campus compared to the other two campuses. Design in place and supported by GCCSA.
19/20 project c/fwd	Capital maintenance for works 2019/20 - Main project is Science Lab Upgrade at Langside to improve disabled access	Foundation funded of £250k agreed for 19/20 and c/fwd to 20/21.	£44,000	£206,000	£250,000	£165,633	£203,776	£250,000	Funding of £250k approved for lifecycle maintenance works. Projects being undertaken on a prioritised basis as per specific lines in this plan. Any future works would have to be part of SFC/GCRB high priority maintenance. Funding of £250k approved by GCEF. Any further works would have to be subject to a future bid.
Current projects shown in lines above	Condition Survey Estimates of Works. Actual for 19/20 and plan for 20/21 shown above as specific projects. Future years will be dependent on funding.	Future years funding as available.	N/A	N/A	N/A	£0		N/A	Figures from approved plan with projects for 2019/20 and 2020/21 shown as separate lines above. Future years projects will be taken forward on a prioritised basis which would be progressed based on affordability and available funding.
<b>Capital Masterplan projects total</b>			<b>£617,000</b>	<b>£3,151,000</b>	<b>£3,768,000</b>	<b>£988,092</b>	<b>£1,538,640</b>	<b>£3,768,000</b>	

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**FINANCE AND RESOURCES COMMITTEE MEETING**

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Date of Meeting	10 March 2021
Paper Title	Estates Update
Agenda Item	21.13
Paper Number	21.13
Responsible Officer	Janet Thomson, Vice-Principal: Resources & College Development
Status	Disclosable
Action	For Discussion

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**1 REPORT PURPOSE**

The purpose of this report is to provide a summary of the main current estates matters for Glasgow Clyde College.

**2 RECOMMENDATION**

2.1 Committee Members are invited to discuss this paper.

**3 CURRENT PROJECTS**

3.1 The College's major Capital works are based on the College Estates Capital Masterplan, the College Estates Condition Survey of all the College buildings (as completed in 2014), plus College plans in discussion with the Faculties and Units on any emerging needs.

3.2 There were five main projects being progressed during 2019/20 as reported to previous Committee meetings, which were all related to estates high priority backlog maintenance works projects. These were the replacement of chillers and air handling units, disabled access lifts and flat roof replacement all at the Cardonald campus, plus the replacement of the boiler plant for the Mary Stuart and Lighthouse building at the Langside campus, and some lighting replacement at the Cardonald campus.

3.3 The conclusion of all of the five high priority projects for 2019/20 had to be put on hold as the College closed due to lockdown in March 2020 as a result of the COVID 19 virus. The projects were recommenced when it was possible to do so again in June 2020, and are now all complete with some retention payments remaining as normal.

3.4 For 2020/21 the College has £2.88M of initial capital allocation from SFC/GCRB which is £945k of lifecycle maintenance and £1.94M of high priority maintenance. There are six Estates projects which the College agreed to be the main priorities under the heading of this initial estates high priority maintenance allocation which are as below :-

- Cardonald Lighting Replacement Phase 2;
- External Drainage & Lightning Protection at Cardonald;
- Mary Stuart Building Lighting & Fire Intruder Alarm Replacement;
- College Building Management System Replacement/ Upgrade;
- Anniesland Heating & Ventilation Works; and
- Floorcoverings Replacement.

3.5 The original anticipated amounts for some of the projects was higher than the tenders which were received and the College has now reviewed the high priority allocations for the revised amounts and to take account of some emerging estates high priority maintenance items. There are as a result three further project areas being progressed within the overall high priority maintenance allocation for 2020/21 with the following now being included :-

- Health and Safety Improvements - Fire Alarm upgrades in the refuge areas at Anniesland , and fire evacuation upgrades at one of the areas of the Langside campus;
- Emerging High Priority Estates Upgrades – repairs to the external timber cladding at the Cardonald Skills Centre, and repairs to the student car park at Langside;
- Use of further funds for Estates Capital Maintenance Items - there are a range of areas included in this project line.

3.6 There has been a challenge in completing all of the works for the 2019/20 carry forward and the 2020/21 projects both in terms of normal logistics through the number of projects and through timing of allocation of funding through to award of contract. Also due to the issues of working on site in a COVID related environment including construction closing for a period of time and works which had to be undertaken in the College in relation to reopening.

3.7 Further to the above there was also an additional SFC/GCRB estates capital allocation in 2020/21 to support economic recovery. The College received £403k of this funding for high priority maintenance and £196k for lifecycle maintenance. This was planned for use on the refurbishment of the Student Space at Anniesland. A tender was issued however there was a late issue flagged relating to planning which has now been

resolved and this contract has not been awarded yet. There are discussions with SFC and GCRB on timescales for this project.

#### **4 COVID 19 VIRUS IMPACTS ON ESTATES**

- 4.1 As indicated above the COVID 19 Virus had an impact on the College's 2019/20 Estates projects with work on these projects halted during the first lockdown and it took some time to mobilise again once contractors were allowed back on campus. There have also been tight timescales to complete the 2020/21 projects plus ensuring all relevant documentation is in place and there has had to be some review of timescales for starting several projects on site.
- 4.2 As part of the College planning for reopening in August 2020 the Estates Team worked very closely with the Health and Safety Team on any matters including risk assessments and on following national guidelines for the reopening of the College buildings. This involved a great deal of work to achieve this with new items to be purchased and installed e.g. signage, tapes, sanitisers, to prepare the campuses for reopening in September.
- 4.3 The campus team and the cleaning team within Estates were on site as necessary through this process with some partial furlough and some full furlough depending on activity on site. The campuses have been closed throughout January and February 2021 hence the majority of the cleaning team have been on furlough.
- 4.4 The catering team at the Cardonald campus are also within the College Estates Department. The College has had limited staff and student footfall on campus, and the Cardonald catering staff have been on furlough for most of the period since March 2020.
- 4.5 By way of a positive note on this matter the College had a virtual Peoples Excellence Award on 19<sup>th</sup> February to recognize staff efforts during time. The Campus team won the People Centred Award and the Cleaning Team won the Team of the Year Award both for their exceptional contributions for the College throughout the time and challenges of the COVID period.

#### **5 HEAD OF ESTATES, FACILITIES AND ENERGY ROLE**

- 5.1 There is a significant staffing update for the estates area which is that after ten years at Langside College and Glasgow Clyde College the Head of Estates, Facilities and Energy resigned and left the College to take up a

new role. He finished on 26<sup>th</sup> February and the College moved quickly to appoint a replacement on an interim period for six months and I am pleased to advise that the new incumbent commenced from 1<sup>st</sup> March to help to take us forward at this busy time with a range of projects being managed, as well as ongoing operations.

## **6 RISK ANALYSIS**

- 6.1 There is a risk that if the estates planned works are not progressed annually then the College estate will not be fit-for-purpose.

## **7 LEGAL IMPLICATIONS/FINANCIAL IMPLICATIONS/REGIONAL OUTCOME AGREEMENT IMPLICATIONS**

- 7.1 There are no legal implications from this paper and the capital financial implications are captured above and in the College capital masterplan. There have been additional financial implications from the COVID 19 virus situation with a range of additional items purchased for reopening in September.

## **8 HAS AN EQUALITY IMPACT ASSESSMENT BEEN CARRIED OUT?**

- 8.1 N/A.