



FINANCE AND RESOURCES COMMITTEE

**Wednesday 13 March 2024 at 4.30pm
via teams**

FINANCE AND RESOURCES COMMITTEE

Date of Meeting	13 March 2024
Paper Title	Key Performance Indicators – Committee Monitoring
Action	For discussion
Prepared by	Tracy Elliott, Interim Vice Principal Resources & College Development
Agenda Item	24.07
Status	Disclosable

1 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to provide Committee members with an update on the set of previously agreed Committee Monitoring Key Performance Indicators. These KPIs will continue to be reported to the Committee on an on-going basis.

2 ACTION FOR THE COMMITTEE

- 2.1 The Committee is requested to discuss the Finance and Resources Committee Monitoring KPIs and decide whether any of them should be reported to the Board of Management at its March meeting as a matter of note or concern.

3 BRIEF BACKGROUND INFORMATION

- 3.1 The Board of Management agreed that the Committees would monitor an agreed set of Key Performance Indicators at each meeting and report by exception any of those which should be highlighted to the next meeting of the Board of Management.
- 3.2 The Finance and Resources Committee KPIs as at the end of the second quarter of 2023/24 are attached in annex 24.07A. These show the latest information as monitored on a quarterly or annual basis, compared to target and compared to the previous periods as available.
- 3.3 A red, amber, green (RAG) indicator system is used on the KPI table as an indicator of performance level assessed against target to alert/assure the Committee of the current position.

RED – significant concern that the current target will not be met

AMBER – some concern that the current target will not be met

GREEN - target met or exceeded

3.4 The following KPI's are worth highlighting in Quarter two of 2023/24:

3.4.1 ***Forecast/Actual annual operating financial position surplus/(deficit)***

As at January 2024, the forecast annual operating position is a balanced outturn which is a significant improvement against the 2023/24 budgeted position of a £1,775k deficit.

The College has taken a range of cost reduction measures during the first two quarters of academic year, in line with the Board of Managements' expectations that such measures to reduce ongoing running costs would be balanced against the SFC expectation of meeting current and/or forecast teaching delivery volume targets. Further detail is provided on the forecast outturn position in paper 24.05 in the Committee agenda.

3.4.2 ***Commercial income (incl. FWDF) against target***

As at January 2024, the latest update from Business Development Unit indicates that the 2023/24 target of £3.27M is unlikely to be met. The updated income forecast for the year to July 2024 is now £2,756k. Further detail is provided on the Commercial Update paper 24.08 in the Committee agenda.

3.4.3 ***Number of FA starts against target***

2023/24 has been a volatile year for FAs in a number of ways. Firstly, a retrospective change to the credit 2022/23 guidance was announced in October 2023 which reversed the previous decision around the ring-fencing of the 2,300 FA credits. This meant that the college was allowed to use unspent FA credits on other types of activity to the same value, which meant that the college ended up exceeding its global credit target in 22/23 despite only delivering 1,200 credits of FA work, almost half the intended target.

However, the recruitment for the 2023/24 FA intake fell again by another 50% and it seems likely that the college will fail to hit either the recruitment or the credit target for FAs. This has been due to a sea change in interest in FAs regionally, due in part to travel issues, reduction in SDS marketing budgets for FAs, and the logistical challenges of delivering the product. This reduction was experienced by all 3 Glasgow Colleges, to varying degrees.

4 **SUPPORTING DOCUMENTATION/ FURTHER INFORMATION**

4.1 The list of Finance and Resources KPIs is reported to allow Committee members to review the performance of the College and an overview of the approach for each KPI is given below under each of the four KPI indicator category headings of financial performance, teaching and training delivery contract fulfilment, resource utilisation, and sustainability and recycling. These have been reported on in the attached annex 24.07A.

4.2 Financial Performance Indicators

Each of the agreed financial performance indicators is listed below showing the basis of the information for the indicator.

Financial Performance Indicators	Basis of Information
Forecast/Actual annual operating position	This is the forecast full year's surplus/ (deficit) position which is reported to each Committee and now included in KPI table
Number of days' expenditure fundable by cash balances	This is the cash balance at the end of each quarter divided by the College estimated daily business cash requirements. As the College is mainly funded by the Scottish Funding Council and this is a monthly funding drawdown process this has a relatively low base level
Forecast percentage total income from non-SFC sources	This is all the non-funding council income as a percentage and as well as commercial income includes other areas e.g. external funded income, catering income, nursery income
Commercial income and contribution level against target	This previously proposed KPI has been split into two separate KPIs to show commercial income as the first and commercial contribution as the second on the grid

4.3 Contract Fulfilment Performance Indicators

Each of the previously proposed contract fulfilment performance indicators is listed below showing the basis of the information for the indicator.

Contract Fulfilment (for Teaching Delivery Performance Indicators	Basis of Information
Percentage delivery against SFC Credit target	This indicates performance against the Scottish Funding Council's credits (i.e. measure of teaching hours delivery) target. For the 2021/22 year this target is 129,328 credits of delivery. This information is available directly from the College Student Records System so can be monitored by staff in real time.

Number of MA starts (college managing agent) against target	This shows the number of Modern Apprenticeships against target where the College manages the delivery through offered places from Skills Development Scotland (SDS)
Number of FA starts against target	This shows the number of Foundation Apprenticeships against target which are part of a Regional arrangement and are now part of overall credits activity having previously been controlled by SDS
FWDF income against target	This shows the level of Flexible Workforce Development Fund against target. These funds come from SFC.

4.4 Resource Utilisation Performance Indicators

There are three proposed resource utilisation performance indicators which are lecturer utilisation, assessor utilisation and room utilisation. As previously indicated, these are to be developed so the KPI lines have been included in the grid however these are not available yet.

4.5 Sustainability and Recycling Performance Indicators

Each of the previously proposed sustainability and recycling performance indicators is listed below showing the basis of the information for the indicator.

Sustainability and Recycling Performance Indicators	Basis of Information
Tonnes of CO2 emissions	This is the measure of the College Carbon Dioxide equivalent emissions which is done through a conversion factor against a range of areas. The biggest areas by far are electricity and gas consumption.
Volume of paper consumed	This has not been measured as such to date. This information has been requested from our paper supplier.
Number of print copies (both mono and colour)	This information is provided quarterly by our photocopier/printer supplier.
Tonnes of waste generated	This is measured by the volume of waste uplifted.

5 RISKS

The model of KPI reporting for the College and the Board of Management is intended to act as a mitigation measure to reduce the likelihood and impact of any key risks.

6 ANY OTHER SIGNIFICANT IMPACT e.g. STUDENT EXPERIENCE/ LEGAL / FINANCIAL/ EQUALITY& DIVERSITY

There are no significant impacts from this report however it should enable the Committee to monitor these key indicators as previously discussed and to escalate any related matters to the Board of Management.

Key Performance Indicator	Reporting to Committee	Target	2018/19	2019/20	2020/21	2021/22	2022/23	Quarter 1 2023/24	Quarter 2 2023/24	Quarter 3 2023/24	Quarter 4 2023/24
FINANCIAL PERFORMANCE											
Forecast/Actual annual operating financial position surplus/ (deficit)	Quarterly	Annual target should be breakeven. Rebased Budget for 23/24 was deficit of £1,775k (22/23 Budget Deficit £478k)	£107k	£267k	£571k	£786k	(£496k)	(£764k)	Nil		
Number of days' expenditure fundable by cash balances	Quarterly	22/23 Onwards 25 days (Previously 20 days)	23	43	62	75	72	41	40		
Forecast percentage total income from non-SFC sources	Annually	23/24 Budget 21.4% (22/23 Budget 24.0%)	23.3%	22.4%	22.8%	21.1%	21.1%	N/A	N/A		
Commercial income (incl. FWDF) against target	Quarterly	23/24 Budget £3.27M (22/23 Budget £3.0M)	£2.4M	£1.9M	£1.7M	£2.3M	£2.75M	£1.48M	£2.00M		
Commercial contribution level to overhead against target after all costs	Quarterly	23/24 Target £1,012k (22/23 Target £932k)	£680k	£248k	£250k	£718k	£813k	N/A	N/A		
CONTRACT FULFILLMENT (FOR TEACHING DELIVERY)											
Percentage delivery against SFC Credit targets	Quarterly	SFC credits target (incl 2% tolerance from 22/23)	100.6%	100.9%	98.5%	96.3%	98.9%	102.0%	103.0%		
Number of MA starts against target (where college is managing agent)	Quarterly	23/24 Target 117 + 50 = 167 (22/23 Target 134)	107	112	123	119	137	92	167		
Number of FA starts against target - enrols	Quarterly	23/24 Target 104 (22/23 Target 132)	TBC	398	208	133	148	61	56		
Number of FA starts against target - credits Yr 1s	Quarterly	23/24 Target 40 (22/23 Target 36) (Note 1)	N/A	N/A	N/A	N/A	105	25	24		
FWDF ytd income against target	Quarterly	23/24 Budget £600k (22/23 Budget £750k)	£421k	£438k	£434k	£652k	£787k	£276K	£262K		
RESOURCE UTILISATION											
Lecturer utilisation level	Termly	Being developed	Not avail	Not avail	Not avail	Not avail	Not avail	Not avail	Not avail		
Assessor utilisation level	Termly	Being developed	Not avail	Not avail	Not avail	Not avail	Not avail	Not avail	Not avail		
Room utilisation level	Termly	Being developed	Not avail	Not avail	Not avail	Not avail	Not avail	Not avail	Not avail		
SUSTAINABILITY AND RECYCLING											
Tonnes of CO2 emissions	Quarterly	Target to reduce by 3% to 5% annually	2,468	2,024	2,080 (note 2)	2,015	1976 (Note 3)	387	764		
Tonnes of waste generated	Quarterly	Target to reduce by 3% to 5% annually	422	225	134	204	200	53	35		
Volume of paper consumed	Quarterly	Target being developed	Not measured	Not measured	Not measured	4.62M (equiv to 554 trees)	4.39M (equiv to 527 trees)	0.96M (equiv to 115 trees)	0.95M (equiv to 114 trees)		
Number of print copies (both mono and colour)	Quarterly	Target being developed	14.20M	10.67M	1.02M	3.07M	6.94M	1.47M	1.40M		

Notes

(1) New measure added from quarter 2 2022/23 as FAs credits now based on credits from this year hence for year 1s. Year 2s will still be based on enrols.

(2) Although there were closures due to COVID in 2020/21 CO2 Emissions increased in that year due to a new metric for estimating the impact of Homeworking

(3) 2022/23 emissions include F gas emissions of 48 which were not previously reported on. Therefore, when these are excluded the 2022/23 emissions were 1,928 meaning there was a real terms reduction of 87 which equates to 4.3%

(4) Print volumes in 22/23 increased due to the return to more normal pre-COVID operations. However volumes remain lower than pre-COVID levels.

FINANCE AND RESOURCE COMMITTEE

Date of Meeting	13 March 2024
Paper Title	Estates, Capital Expenditure and Masterplan Update
Action	For Approval
Prepared by	Tracy Elliott, Interim Vice Principal Resources and College Development
Agenda Item	24.09
Status	Disclosable

1. PURPOSE OF THE REPORT

1.1 The purpose of this report is to provide a summary of the main current estates matters for Glasgow Clyde College, including an update on the 2023/24 capital projects progress against plan, the first draft 2024/25 capital projects plan and on any other significant estates related matters.

2. ACTION FOR THE BOARD OF MANAGEMENT

2.1 Members are invited to approve the updated Capital Masterplan.

3. BRIEF BACKGROUND INFORMATION

3.1 The College’s major Capital works are based on the College Capital Masterplan, the College Estates Condition Survey information for all College buildings, plus College plans for addressing emerging needs in discussion with Estates, and Faculties and Units.

3.2 COLLEGE CAPITAL PLAN FOR 2023/24 AND 2024/25

3.2.1 The College’s SFC/GCRB capital maintenance funding allocation for 2023/24 was a total of £3.036M which consists of £947k of revenue lifecycle maintenance funding and £2.089M of capital high priority maintenance funding. In addition to this funding, SFC/GCRB previously approved a further £640k of additional capital funding for 2023/24 to support the necessary works in respect of the Anniesland windows repair and replace project and other previously displaced projects. An update on the Capital Masterplan for 2023/24 is shown in the attached **annex 24.09A**. The annex also outlines potential projects for 2024/25.

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- 3.2.2 The College is working with Doig & Smith, the appointed project management team to progress the projects in the 2023/24 capital plan. Doig and Smith were previously appointed via McBains following a tender process. The College's capital plan has been prepared based on the College Estates Condition Survey, which was completed in 2021 for all College buildings, combined with judgement and knowledge of projects which need to be prioritised to address emerging needs of the College.
- 3.2.3 The Condition Survey 2021 which was completed by the Oakleaf Group indicated £9.9M of estates works to be completed (with the breakdown being £3.2M at the Anniesland campus, £4.7M at the Cardonald campus, and £2.0M at the Langside campus) over the five-year period following the survey. These figures exclude VAT and professional fees hence the total figure based on the survey would be over £13M.
- 3.2.4 Following on from the above assessment there were a range of priority areas to be progressed within the College's capital plans and the capital masterplan for 2023/24 and 2024/25.
- 3.2.5 There are two key projects being taken forward in 2023/24. The first of these is the Anniesland windows repair and replace project which is being progressed as a priority following the recent survey work. This project is to repair or replace as required the windows related elements for the main three storey building at the Anniesland campus which are the worst affected areas. The other key project is the Cardonald Campus Lifts Project which was awarded earlier in 2023 and continued through the second half of 2023 on a phased basis. The purpose of this project is to address significant issues with the five lifts at the ten storey Tower Building at the Cardonald campus which previously did not function properly, and whilst safe, there have been problems in the effective functioning of their combined controls including frequent breakdowns sometimes with student and/or staff entrapments.
- 3.2.6 Furthermore, on 9 August 2023, further to increasing public awareness of concerns regarding RAAC, SFC wrote to colleges to request information on the presence of RAAC in college estate buildings. RAAC is a lightweight, aerated form of concrete that was that was most used in buildings from the 1960s up to 1990, with some instances of it being used earlier and into the 90s. RAAC panels were used within the structure of the roofs, walls or floors. Issues with these panels have been known for a number of years and RAAC is no longer manufactured or used as a construction material in Scotland.

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- 3.2.7 The College commissioned the relevant survey reports and, in September 2023, received reports that confirmed there is no RAAC at either the Anniesland or Langside campuses. However, RAAC has been identified in the boiler room and sport changing rooms at the Cardonald campus. In those areas where the College technical advisors have recommended access restrictions these have been implemented. Further survey work is currently ongoing and, as such, updates on required works will be factored into the 2024/25 Capital Masterplan going forward.
- 3.2.8 Other projects which are in progress and planned for completion within fiscal year 2023/24 are also outlined in the attached capital masterplan.
- 3.2.9 In addition to the SFC/GCRB funded capital projects for 2023/24, the previous version of the Capital Masterplan included the GCEF College Learning Spaces project. However, since the last capital plan update, this project has been deferred and the related funding reprioritised by GCEF in collaboration with the College. Further information will be provided when a revised scope and timescale has been agreed in partnership with GCEF.

3.3 ESTATES CLEANING PROVISION

- 3.3.1 The cleaning contract for the Anniesland and Langside campuses was due to expire on 6th May 2023. Work had been ongoing to prepare for a new tendered contract with the College's APUC representatives. Once the tenders were received they were at a significantly increased cost and the College reconsidered its options for the future cleaning service at the two campuses. It was then decided to bring these services in-house and an extension of the current contract was agreed to the 13th October 2023 after which the College would take over the management of this service.

The transfer of the cleaning services at the Anniesland and Langside campuses is now complete. All staff have been TUPE transferred from the previous contractor, ISS, to the College and the in-house cleaning service and all associated services have been mobilised successfully. Work on the development of the in-house service will be ongoing.

4. RISKS

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

**5. ANY OTHER SIGNIFICANT IMPACT e.g., STUDENT EXPERIENCE/
LEGAL/ FINANCIAL IMPLICATIONS/EQUALITY AND DIVERSITY**

- 5.1 There could be legal implications from this paper in respect of the projects for the Cardonald campus lifts and the Anniesland windows repair works relating to the issues with the previous works undertaken. A summons has been served in respect of the Cardonald lifts project to the previous contractor and the Project Management Team at that time. The capital financial implications are captured above and in the College capital masterplan. Estates changes will, if course, take account of benefits to the student experience and any equality and diversity matters.

LEARNING AND TEACHING COMMITTEE MEETING

Date of Meeting	13 March 2023
Paper Title	Finance and Resources Committee Remit
Action	For noting
Paper Number	24.12
Prepared by	Kirsty Mavor, Clerk to the Board
Status	Disclosable

1. PURPOSE OF THE REPORT

To ask the Committee to approve the proposed changes to the Committee’s remit.

2. BACKGROUND

2.1 As required by the College’s Articles of Governance, each Committee must act in accordance with detailed Terms of Reference and it is good governance practice to regularly review remits. The Finance and Resources Committee’s current remit is attached at Appendix 1.

2.2 This Committee’s remit has been reviewed and the proposed changes relate to clarifying the Committee’s role in reviewing and approving the capital masterplan and including the role of Chief Operating Officer.

3. ACTIONS FOR COMMITTEE

The Committee is asked to note the remit.

4. RISKS

N/A

5. ANY OTHER SIGNIFICANT IMPACT e.g. STUDENT EXPERIENCE/ LEGAL / FINANCIAL/ EQUALITY& DIVERSITY

Ensuring that the Committee remit is accurate is essential to ensure competency of decisions.

FINANCE AND RESOURCES COMMITTEE

REMIT OF COMMITTEE

These functions are delegated by the Board of Management to the Finance and Resources Committee

REMIT

Having regard to the need for financial stability of the College:

- To ensure the maintenance of a robust long-term financial strategy
- To ~~ensure monitor~~ the capital masterplan, ensure it is aligned with the College's estates strategy and consider any matters arising which may require to be raised at Board level
- To monitor financial performance on a regular basis
- To review the performance against target of commercial activities
- To monitor expenditure against the agreed capital masterplan
- To monitor cash balances
- To approve tuition fees
- To approve Financial Regulations

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To fulfil this function the Committee will

Make recommendations to the Board of Management on:

- the annual revenue budget
- the financial statements
- capital expenditure and the capital masterplan
- the estates strategy
- financial policies
- any other issues relating to the management of finance and physical resources

The Finance and Resources Committee will liaise as appropriate with the Audit Committee, Board of Management and all other Committees

MEMBERSHIP

The membership of the Committee is six Board members including the Principal, with one of the Board members providing the role of Chair of the Committee, and one to act as Vice Chair as elected. The Chair of the Committee is elected by the Board and the Vice Chair is elected by the Committee. There should be no overlap of Board members with membership of the Audit Committee. The Board reviews the membership every four years.

The ~~Vice Principal, Resources and College Development~~ Chief Operating Officer and the Assistant Principal Finance and Infrastructure attend the Committee as advisers. The Committee meets four times per year.



QUORUM

The quorum set by the Committee is three members of which at least two should be Non-Executive members.

VERSION REVIEWED AND APPROVED ~~DECEMBER 2022~~MARCH 2024

Finance & Resources Committee Schedule of Work 2023/24

STANDING ITEMS
For Discussion/Decision
Key Performance Indicators
Estates, Capital Expenditure & Masterplan Update
Commercial & External Funding Update Outturn 2023/24
Restructure Update (if required)
Savings Plan Report (if required)
For information/Noting
Glasgow Clyde Education Foundation Update
College Strategic Risk Register – Financial Risks
Any relevant SFC or other publications
Committee Remit and Schedule of Work
4 OCTOBER 2023
For Discussion/Decision
Draft Primary Financial Statements for y/e 31 July 2023
2023/24 Budget Update
Update on Draft Five Year Plan
2023/24 SFC Financial Forecast Return (<i>depends on SFC timescales</i>)
30 NOVEMBER 2022
For Discussion/Decision
Draft Financial Statements for y/e 31 July 2023
Financial Report – Year to October 2023 and Forecast to July 2024
Tuition Fee Approval
15 MARCH 2023
For Discussion/Decision
Financial Report – Year to January 2024 and Forecast to July 2024
SFC Indicative Funding Allocation for 2024-25
Update on Draft Five Year Plan
Annual Procurement Update
7 June 2023
For Discussion/Decision
Financial Report – Year to April 2024 and Forecast to July 2024
Draft Revenue Budget for 2024-25
Financial Forecast Return