



For the future you want

## POLICY & RESOURCES COMMITTEE

### AGENDA

A meeting of the Policy & Resources Committee will be held at 15:00 hours on Tuesday 10 November 2020 via Microsoft Teams.

|     |   | Lead Speaker | Paper        |
|-----|---|--------------|--------------|
| 1   | WELCOME & APOLOGIES   | Chair        |              |
| 2   | DECLARATIONS OF INTEREST  | Chair        |              |
| 3   | MINUTES OF PREVIOUS MEETING                                     |              |              |
| 3.1 | <a href="#">Minutes of Previous Meeting</a> <i>for approval</i> | Chair        | A            |
| 3.2 | Closed Minutes of Previous Meeting <i>for approval</i>          | Chair        | B            |
| 4   | MATTERS ARISING REPORT  | Chair        | C            |
| 5   | 'A FUTURE PROOFED COLLEGE' REPORT                               |              |              |
| 5.1 | Principal & Chief Executive Update                              | A Cumberford | Verbal       |
| 5.2 | Environmental Sustainability Strategy 2020-25 Update            | N Croft      | Presentation |

*Item 5.1 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs*

|     |   |           |                   |
|-----|---|-----------|-------------------|
| 6   | RECRUITMENT & RETENTION DASHBOARD                                     | J Pearson | D <b>Attached</b> |
| 7   | FINANCE REPORT  |           |                   |
| 7.1 | Annual Accounts and Financial Statements to 31 July 2020 Update       | L Towns   | E                 |
| 7.2 | Management Accounts to September 2020                                 | L Towns   | F <b>Attached</b> |
| 7.3 | Tuition Fees 2021/22 <i>for approval</i>                              | L Towns   | G <b>Attached</b> |
| 7.4 | <a href="#">Annual Procurement Report 2019/20</a> <i>for approval</i> | L Towns   | H                 |

*Item 7.1 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.*

|   |                        |         |   |
|---|------------------------|---------|---|
| 8 | HUMAN RESOURCES REPORT | S Clyne | I |
|---|------------------------|---------|---|

*Item 8 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

|   |                              |              |   |
|---|------------------------------|--------------|---|
| 9 | REVIEW OF WATERFRONT NURSERY | A Williamson | J |
|---|------------------------------|--------------|---|

*Item 9 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

|    |   |              |        |
|----|---|--------------|--------|
| 10 | CONSTRUCTION & TECHNICAL INSTITUTE: OUTLINE<br>BUSINESS CASE UPDATE | A Williamson | Verbal |
|----|---|--------------|--------|

|    |  |                            |   |
|----|--|----------------------------|---|
| 11 | EQUALITY OUTCOMES REPORT 2021-25: EARLY<br>INDICATION UPDATE | K Heathcote /<br>B Parsons | K |
|----|--|----------------------------|---|

*Item 11 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.*

|    |                              |
|----|------------------------------|
| 12 | ANY OTHER COMPETENT BUSINESS |
|----|------------------------------|

|    |                 |
|----|-----------------|
| 13 | FOR INFORMATION |
|----|-----------------|

|      |                                     |                   |
|------|-------------------------------------|-------------------|
| 13.1 | IT Policies Update                  | L                 |
| 13.2 | Horizon Scanning Report             | M <b>Attached</b> |
| 13.3 | Committee Programme of Work 2020/21 | N <b>Attached</b> |

|    |  |
|----|--|
| 14 | DATE OF NEXT MEETING: 23 February 2021 |
|----|--|

| FOR INFORMATION / DISCUSSION |                                       |                   |           |
|------------------------------|---------------------------------------|-------------------|-----------|
| Meeting                      | Policy & Resources Committee 10.11.20 |                   |           |
| Presented by                 | Jonny Pearson                         |                   |           |
| Author/Contact               | Jonny Pearson                         | Department / Unit | Executive |
| Date Created                 | 30.10.20                              | Telephone         | -         |
| Appendices Attached          |                                       |                   |           |
| Disclosable under FOISA      | No                                    |                   |           |

## 2020/21 RECRUITMENT, RETENTION & CREDITS UPDATE

### 1. PURPOSE

This paper aims to provide the Board with an updated overview of the College's performance against its 2020/21 activity target focusing on recruitment and retention data.

### 2. DETAIL

#### 2.1 AY 2019 / 20 Activity Target

| Core Credits | ESF Credits | Total Credits |
|--------------|-------------|---------------|
| 186,612      | 1,257       | 187,869       |

Our 20/21 Activity Target shows a decrease of 78 ESF credits but still includes a target of 4,015 Early Years credits (at specified SCQF Levels) as part of the 186,612 core.

#### 2.2 Enrolment

The following table shows 3-year recruitment and retention comparison (as of 29 October 2020):

| 29/10/2018 |               |            |             | 29/10/2019 |               |            |             | 29/10/2020 |               |            |             |
|------------|---------------|------------|-------------|------------|---------------|------------|-------------|------------|---------------|------------|-------------|
| Mode       | Enrolled      | WD         | WD%         | Mode       | Enrolled      | WD         | WD%         | Mode       | Enrolled      | WD         | WD%         |
| FT FE      | 5,075         | 267        | 5.3%        | FT FE      | 5,069         | 294        | 5.8%        | FT FE      | 5,287         | 194        | 3.7%        |
| PT FE      | 5,988         | 56         | 0.9%        | PT FE      | 7,063         | 73         | 1.0%        | PT FE      | 6,263         | 51         | 0.8%        |
| FT HE      | 3,752         | 83         | 2.2%        | FT HE      | 3,422         | 91         | 2.7%        | FT HE      | 3,689         | 90         | 2.4%        |
| PT HE      | 1,464         | 28         | 1.9%        | PT HE      | 1,445         | 19         | 1.3%        | PT HE      | 1,304         | 32         | 2.5%        |
|            | <b>16,279</b> | <b>434</b> | <b>2.7%</b> |            | <b>16,999</b> | <b>477</b> | <b>2.8%</b> |            | <b>16,543</b> | <b>367</b> | <b>2.2%</b> |

\*Withdrawals = WD

#### 2.3 Retention Update

Figures are extremely promising and all staff deserve great credit. The vast majority of students are learning on-line with Curriculum Managers front-loading theory work in Semester 1. Small, socially-

distanced groups are on campus daily - we are currently running at about 10% capacity. This has undoubtedly kept Covid-19 infection rates low but we will have to increase numbers on Campus from January 2021.

We have over 750 students identified as facing 'digital poverty'. We have a plan in place to provide all of these students with a device (Lap-top / Chromebook) and this process of distribution is underway. As of writing this paper we have given out 175 Chromebooks - we have also made study space (including access to IT) available for all of these students across all campuses.

**3. BENEFITS AND OPPORTUNITIES**

By evaluating last year's retention figures we have implemented changes designed to further improve our PI's for 2020/21. Constant analysis of comparative data has enabled us to make proactive changes to the curriculum e.g. replacing poor recruiting programmes with additional occurrences of more popular provision and assess the effects of early withdrawal on student numbers.

Reflecting on lessons learned from Covid-19 has provided us with excellent opportunities for positive change to curriculum delivery.

**4. STRATEGIC IMPLICATIONS**

The Board is responsible for the financial sustainability of the College. It is Good practice for the Board to monitor all areas of performance that can impact on the College's viability.

**5. RISK**

At the most recent Risk Management meeting it was agreed that the appropriate risk description should be updated to include attainment and progression and the scores updated accordingly.

**6. FINANCIAL IMPLICATIONS**

Bodies fundable by the SFC are required by the Financial Memorandum to deliver their outcome agreement. Failure to achieve targets agreed with the SFC may result in financial clawback.

**7. LEGAL IMPLICATIONS**

Not applicable.

**8. WORKFORCE IMPLICATIONS**

The College continues to review modes of delivery and maximise both staff and the estate.

**9. REPUTATIONAL IMPLICATIONS**

Achieving this level of continued growth improves our reputation and helps both the Scottish Government and the SFC have confidence in the direction of travel of Edinburgh College.

**10. EQUALITIES IMPLICATIONS**

Not applicable.

**CONCLUSIONS/RECOMMENDATIONS**

The Committee are asked to NOTE the information provided by the Vice Principal: Education & Skills.



| <b>FOR INFORMATION / DISCUSSION</b> |  |                   |         |
|-------------------------------------|--|-------------------|---------|
| Meeting                             | Policy & Resources Committee 10.11.20                                      |                   |         |
| Presented by                        | Lindsay Towns  |                   |         |
| Author/Contact                      | Lindsay Towns  | Department / Unit | Finance |
| Date Created                        | 27.10.20   | Telephone         |         |
| Appendices Attached                 | <i>Appendix 1: Management Accounts to September 2020 (with commentary)</i> |                   |         |
| Disclosable under FOISA             |  | Yes               |         |

## **MANAGEMENT ACCOUNTS TO SEPTEMBER 2020**

### **1. PURPOSE**

To provide the Policy & Resources Committee with an update on the financial performance of the College.

### **2. BACKGROUND**

The Policy & Resources Committee are asked to review the management accounts at each meeting, in order to assess the College's current financial position.

### **3. DETAIL**

Contained within Appendix 1.

### **4. BENEFITS AND OPPORTUNITIES**

The Board is responsible for the financial sustainability of the College, and it is considered good practice to monitor all areas of performance that can impact on the College's viability.

### **5. STRATEGIC IMPLICATIONS**

Content inherent within strategic objectives.

### **6. RISK**

Content assists monitoring college's financial performance.

### **7. FINANCIAL IMPLICATIONS**

Inherent within content.

### **8. LEGAL IMPLICATIONS**

Some content may cover legal issues.

### **9. WORKFORCE IMPLICATIONS**

Some content may cover workforce issues.

### **10. REPUTATIONAL IMPLICATIONS**

None.

**11. EQUALITIES IMPLICATIONS**

None.

**CONCLUSIONS/RECOMMENDATIONS**

The Policy & Resources Committee are asked to DISCUSS and NOTE the Management Accounts to September 2020.



## **FINANCIAL REPORT**

### **2 MONTHS TO 30 SEPTEMBER 2020**

#### **CONTENTS**

Report from Chief Operating Officer

1. Executive Summary
2. Credit Activity
3. Income Analysis
4. Expenditure Analysis
5. Staff Costs Analysis
6. Trading Department
7. Cash-flow
8. SFC Reporting
9. Balance Sheet
10. Key Performance Data

#### **Appendices:**

1. Income and Expenditure Account Summary and Detail.
2. Balance Sheet
3. Cash-flow

#### **DISTRIBUTION**

Executive Team  
Board of Management P&R Committee  
Senior Management Group

## 1. EXECUTIVE SUMMARY

### Credits and SFC Grants

- 1.1 The SFC have set Edinburgh College's core activity target for academic year 2020/21 at **186,612** credits (in line with 2019/20), together with an ESF target of **1,257** credits (a reduction of 78 credits from 2019/20), producing a total College target of **187,869** credits. The College's target includes 6,012 of childcare credits for HNCs (an increase of 1,997 credits from 2019/20). The College has achieved **165,445** credits to date.

### 1.2 Adjusted Operating Position

| As per SFC Measurement basis                       | <u>Annual Budget</u><br><u>2020/21</u> | <u>YTD Budget</u><br><u>2020/21</u> | <u>YTD Actuals</u><br><u>2020/21</u> | <u>YTD Variance</u><br><u>2020/21</u> | <u>Previous YTD</u><br><u>2019/20</u> | <u>Full Year Forecast</u><br><u>2020/21</u> |
|--|--|-------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---|
|  | <u>£000s</u>                           | <u>£000s</u>                        | <u>£000s</u>                         | <u>£000s</u>                          | <u>£000s</u>                          | <u>£000s</u>                                |
| <b>I&amp;E Operating Position</b>                  | <b>(1,658)</b>                         | <b>(372)</b>                        | <b>(268)</b>                         | <b>104</b>                            | <b>(315)</b>                          | <b>(1,658)</b>                              |
| <b>Add:</b>  |  |                                     |                                      |                                       |                                       |   |
| Depreciation net of deferred capital grant release | 2,515                                  | 437                                 | 437                                  | -                                     | 604                                   | 2,515                                       |
| <b>Deduct:</b>                                     |  |                                     |                                      |                                       |                                       |   |
| Revenue funding allocated to loan repayments **    | 857                                    | 143                                 | 143                                  | -                                     | 129                                   | 857   |
| <b>Adjusted Operating Position</b>                 | <b>-</b>                               | <b>(78)</b>                         | <b>26</b>                            | <b>104</b>                            | <b>159</b>                            | <b>-</b>                                    |

The College's adjusted operating position excludes non-cash items included in the income and expenditure account (pension, depreciation net of deferred grant release, and gain / loss on disposal of assets, as well as repayments of SFC Grant funding) and capital loan repayments (not included in the I/E account).

### 1.4 Income and Expenditure

|  | <u>Annual Budget</u><br><u>2020/21</u> | <u>YTD Budget</u> | <u>YTD Actuals</u> | <u>YTD Variance</u> | <u>Previous YTD</u> | <u>Full Year Forecast</u> |
|--|--|-------------------|--------------------|---------------------|---------------------|---------------------------|
|  | <u>£000s</u>                           | <u>£000s</u>      | <u>£000s</u>       | <u>£000s</u>        | <u>£000s</u>        | <u>£000s</u>              |
| Funding Council Grants   | 49,880                                 | 4,190             | 4,197              | 7                   | 3,474               | 49,880                    |
| Tuition Fees and Commercial & Other Income   | 12,494                                 | 5,242             | 5,258              | 16                  | 6,535               | 12,494                    |
| Job Retention Scheme (JRS) Income  | -                                      | -                 | 120                | 120                 |                     | 130                       |
| Deferred Income  | 2,486                                  | 446               | 446                | -                   | 384                 | 2,486                     |
| <b>Total Income</b>  | <b>64,860</b>                          | <b>9,878</b>      | <b>10,021</b>      | <b>143</b>          | <b>10,393</b>       | <b>64,990</b>             |
| Staff Costs  | 47,570                                 | 7,737             | 7,767              | (30)                | 7,724               | 47,750                    |
| Other Costs  | 13,946                                 | 1,630             | 1,639              | (9)                 | 1,997               | 13,896                    |
| Depreciation   | 5,001                                  | 883               | 883                | -                   | 987                 | 5,001                     |
| <b>Total Expenditure</b>   | <b>66,517</b>                          | <b>10,250</b>     | <b>10,289</b>      | <b>(39)</b>         | <b>10,708</b>       | <b>66,647</b>             |
| <b>Operating (Deficit) / Surplus pre SSAP24 and pension revaluation adjustments)</b> | <b>(1,658)</b>                         | <b>(372)</b>      | <b>(268)</b>       | <b>104</b>          | <b>(315)</b>        | <b>(1,658)</b>            |

- 1.5 The College's annual budgeted operating position for the year is a deficit of £1.658m, which results in an adjusted operating budget position for the year of **break-even** (refer para 1.3 for details). This includes savings of £2.1m required in the year. The operating position to September shows a deficit of £268k, against a profiled budgeted deficit of £372k. The main variances are:

- A favourable income variance of £120k as a result of Job Retention Scheme (JRS) income.
- A favourable income variance within other income of £16k (Creative Industries fees).
- An adverse expenditure variance within staffing costs of £30k, the net effect of VS budget shortfall.



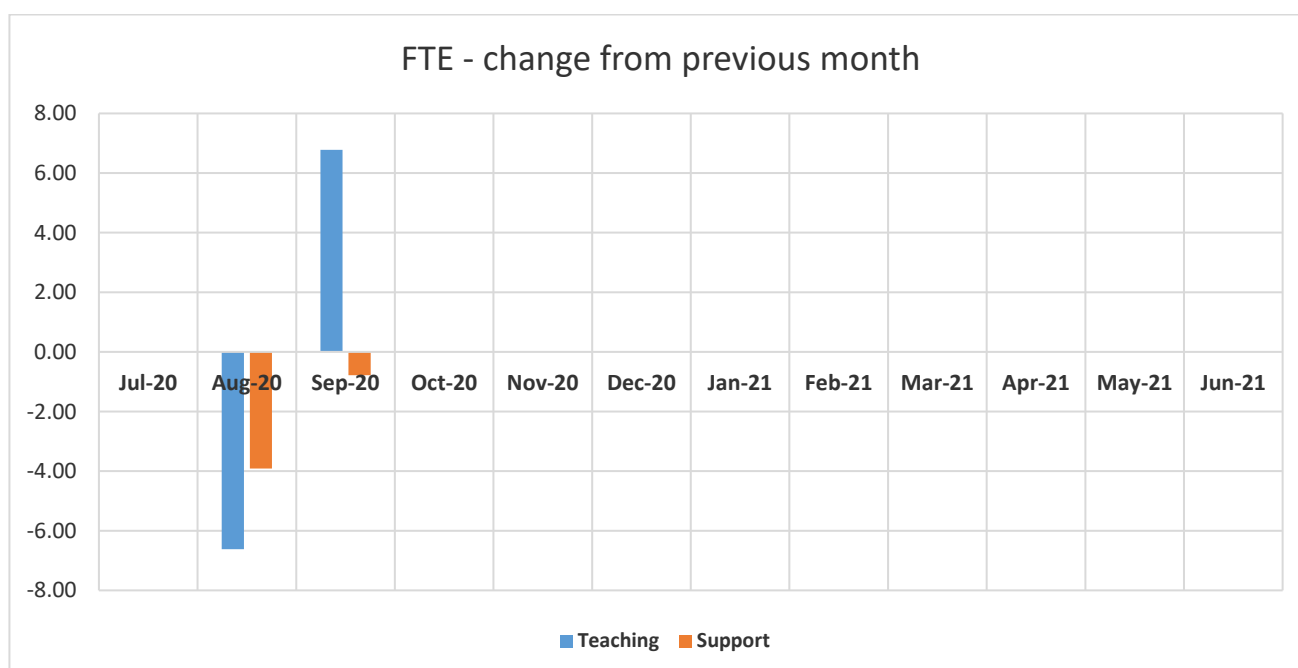
Early discussions with budget managers indicate that most income lines are currently in line with both profiled budget to date and full year target. The majority of non-staff costs are also broadly in line with budget and target. In comparison to the full year budget (at both operating and adjusted operating positions) there is an overall £NIL effect, details shown below:

|   | <u>£k - Fav /</u><br><u>(Adv)</u> |
|---|-----------------------------------|
| JRS Income  | 130                               |
| Staffing (reflects the challenges of extracting VS staff savings) | (180)                             |
| Travel (reduced mileage claims)                                   | 30                                |
| Training & Development  | 10                                |
| VAT   | 10                                |
| <b>Total ytd movement affecting cash:</b>                         | <b>-</b>                          |

#### 1.6 Staff (Full Time Equivalent)

| FTE      | 31/07/20 | 30/09/20 | YTD Movement | 30/09/19 |
|----------|----------|----------|--------------|----------|
| Teaching | 479.0    | 479.2    | 0.2          | 484.0    |
| Support  | 528.7    | 524.0    | (4.7)        | 529.2    |
|          | 1,007.7  | 1,003.2  | (4.5)        | 1,013.2  |

Staff numbers have reduced overall since the beginning of August, following the end of fixed term contracts in August partly offset by recruitment of staff in September. The FTE monthly staff movements are shown below:



#### 1.7 Cash

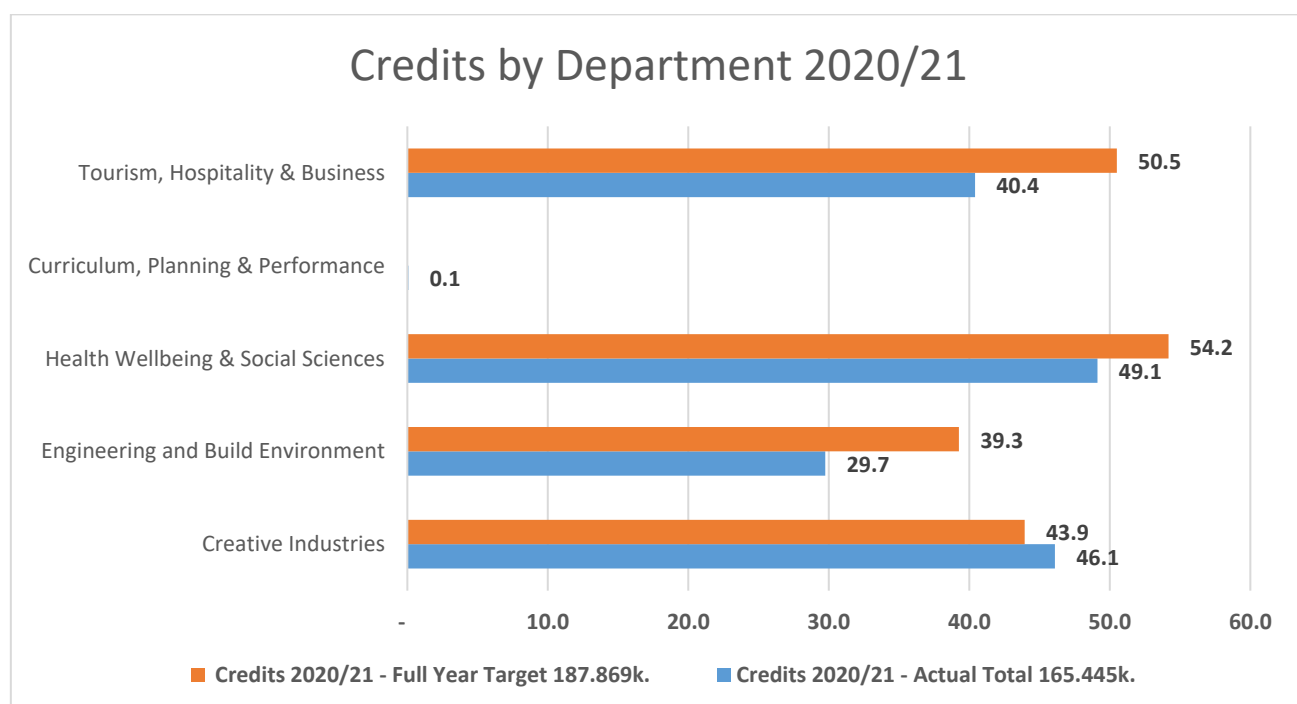
| Opening cash | Year-end cash | Comments   |
|--------------|---------------|--|
| 01/08/2020   | 31/07/2021    |  |
| £'m.         | £'m.          |  |
| 1.52         | (0.84)        | <p>The opening and month-end cash includes £0.4m of 2019/20 underspent student support funds due to be returned to the SFC.</p> <p>The cash flow forecast has been prepared in line with the recent Business Case for VS funding sent to the SFC. Therefore the year-end overdrawn position of £0.8m reflects the pending VS savings from staffing, together with a projected net outflow of £0.3m in relation to student support funds (refer section 7).</p> |

## 1.8 Capital Expenditure

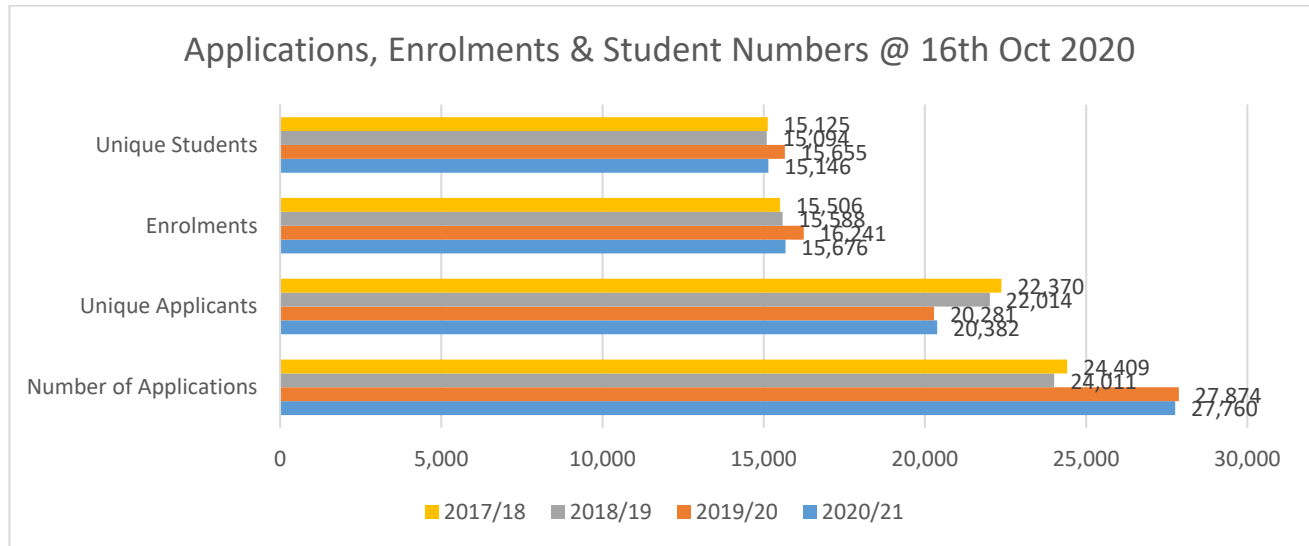
| Opening Fixed Assets | Additions  | Depreciation | Closing Fixed Assets | Comments   |
|----------------------|------------|--------------|----------------------|--|
| 01/08/2020           | 30/09/2020 | 30/09/2020   | 30/09/2020           |  |
| £'m.                 | £'m.       | £'m          | £'m.                 |  |
| 163.8                | 0.6        | (0.9)        | 163.5                | The 2020/21 capital funding is allocated as follows: (1) £0.97m to maintain the College estate (I&E budget), (2) £2.19m for condition survey backlog works and (3) £0.49m for priority capital works. Additional capital funding for 'Return to Work / Economic Recovery' (£0.76m), and new funding to tackle student digital exclusion (£0.22m) has also been allocated. To date £0.6m of work in progress has been incurred since the beginning of the academic year (environmental projects, wellbeing initiatives, plus health & safety and building fabrics works. A further £0.7m of expenditure is committed. |

## 2. CREDIT AND STUDENT ACTIVITY

- 2.1 The College achieved its credit targets (including ESF and additional childcare activity) in 2019/20 with a final figure achieved of 188,030 credits against its target credit level of 187,947 credits. The activity target for 2020/21 is 187,869 credits, which includes 1,257 credits for ESF funding (subject to our core credit target being achieved in the year).
- 2.2 Current enrolment figures are encouraging. However, the College must retain these students beyond the 1st November to secure SFC funding. The College has achieved **165,445 credits** at 19<sup>th</sup> October 2020.
- 2.3 The "Credits by Department" table (below) shows a comparison of faculty performance for the year against full year targets.



2.4 The table below shows Applications, Enrolments and Student No's from 2017/18 to 2020/21 (to date).



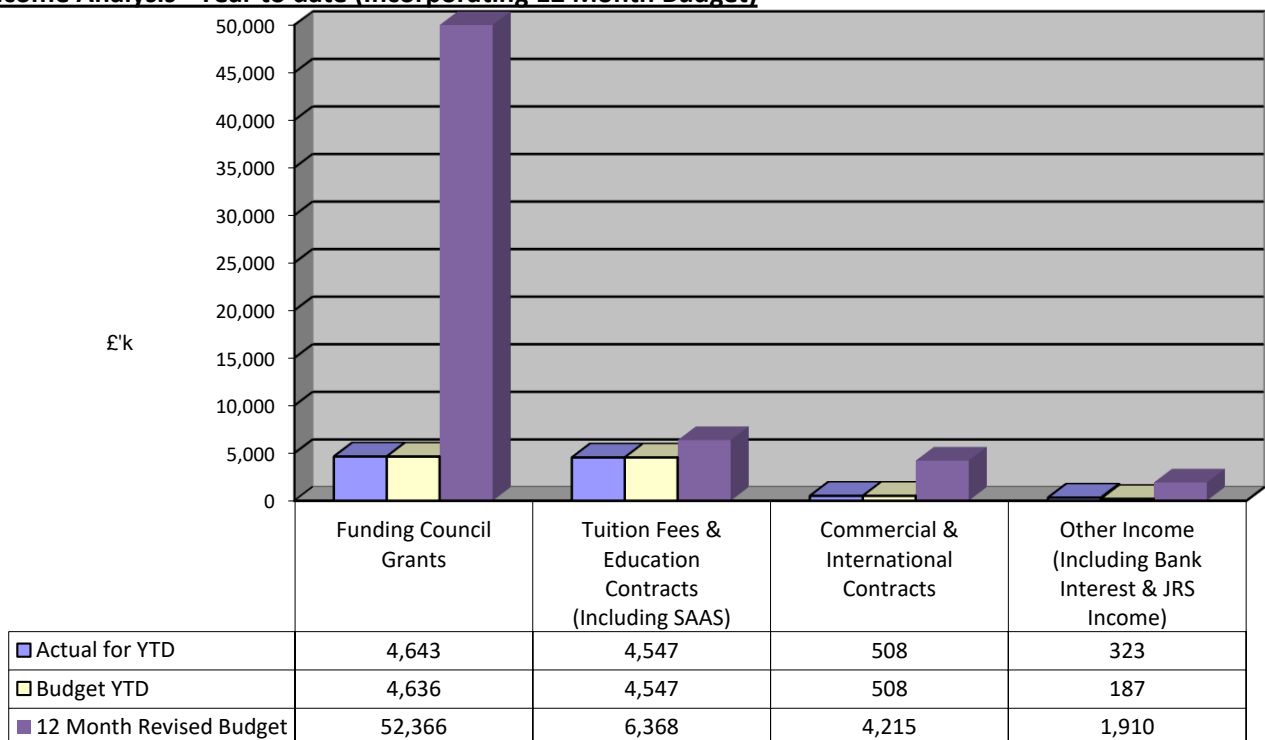
### 3. INCOME ANALYSIS



**Income Expanded Account Detail for the 2 Months to 30th September 2020**

|                                    | Original<br>Annual<br>Budget<br>£000s | Revised<br>Annual<br>Budget<br>£000s | YTD Budget<br>£000s | YTD Actuals<br>£000s | YTD<br>Variance<br>£000s | Previous<br>YTD<br>£000s | Year End<br>Projection<br>£000s |
|------------------------------------|---------------------------------------|--------------------------------------|---------------------|----------------------|--------------------------|--------------------------|---------------------------------|
| <b>INCOME</b>                      |                                       |                                      |                     |                      |                          |                          |                                 |
| Funding Council Grants             | 52,366                                | 52,366                               | 4,636               | 4,643                | 7                        | 3,857                    | 52,366                          |
| Tuition Fees & Education Contracts | 6,368                                 | 6,368                                | 4,547               | 4,547                | (0)                      | 4,707                    | 6,368                           |
| Commercial & International         | 4,215                                 | 4,215                                | 508                 | 508                  | 0                        | 1,550                    | 4,215                           |
| Job Retention Scheme               |                                       |                                      |                     | 120                  | 120                      |                          | 130                             |
| Other Income                       | 1,910                                 | 1,910                                | 187                 | 203                  | 16                       | 279                      | 1,910                           |
| <b>TOTAL INCOME</b>                | <b>64,860</b>                         | <b>64,860</b>                        | <b>9,878</b>        | <b>10,021</b>        | <b>143</b>               | <b>10,393</b>            | <b>64,990</b>                   |

#### Income Analysis - Year to date (Incorporating 12 Month Budget)



3.1 Total income for the year to date is £10m, which is £0.1m higher than the profiled budget of £9.9m.

3.2 Grant-in-Aid income across all credit-bearing areas has been brought to account on the presumption that credit activity is on target.

- 3.3 All tuition fees forecasts are currently in line with profiled budgets.
- 3.4 The Business Development Team are rearranging a large number of training courses that had to be postponed due to the lockdown. In September, approximately 100 virtual FWDF / bespoke training courses were run, which illustrates that rapid progress is being made by the team to recover the position.

The Commercial UK team are fulfilling the remainder of 2019/20 FWDF activity whilst starting to run the 2020/21 programme. The full year budget for FWDF is £1.6m and the 2020/21 FWDF activity has yet to start. There is some optimism that the College could be allocated an extra £0.5m FWDF activity, although this is currently not factored into the College's full year forecast.

Bespoke income to end of September sits at £0.1m (full year budget £0.4m) with £80k activity in the pipeline. The team has also agreed another 2-years Management Development Programme with Raytheon. Scheduled income to date sits at £0.01m (full year budget £0.4m) and is likely to be challenged by restricted access to College campuses. The full year forecasts for both bespoke and scheduled income are currently in line with budget.

SDS income for the year stands at £49k (full year budget £0.6m). Milestones 4 and 5 (straddling financial years 2019-21) are continuing. The team is continuing to focus on 'business as usual' apprentices who represent the majority of the team's caseload, whilst providing a range of support for apprentices who have been negatively affected by Covid-19. More Modern Apprentices (MA's) are currently being recruited than originally forecast, particularly in Health & Social Care. However, for prudence, the full year forecast remains in line with budget.

The 'Club' swimming pool (only) was reopened on Monday 14th September 2020, with restricted numbers to meet current guidelines. A retention model for 'Club' members has been implemented in order to reduce refunds and cancellations due to the current limited facilities. The gym is planning to reopen in early November on the proviso that a new ventilation system is ready and can open in accordance with government guidelines. OPITO students are being accommodated in the Milton Road residencies, together with a small new intake of students (numbers are low due to online delivery and students generally uncertain about using accommodation). No income is currently being generated from facility hires (full year budget £75k) due to current restrictions on campus access. The full year income forecasts for all of the above activities are in line with budgets and will continue to be monitored closely.

International income currently sits at £0.4m against a full year budget of £0.6m. The Hainan HNCFS programme has been deferred until 2021/22 due to the likelihood of continued travel restrictions in the short-mid-term. In addition, a repeat Japanese group from Kagoshima have cancelled their course scheduled for Feb/March 2021. However, the Hainan University programme is starting online, whilst options are currently being explored with GOU (our partner) re:delivery of the Guangzhou 4+4 programme and with GNSPE with regards to a contract postponed from the 2019/20 session.

Discussions are also ongoing with IFARHU and with our Panamanian agent regarding a 6-month course commencing in Edinburgh in January 2021. The team are also finalising the College's offer for Summer School 2021 activity and hope to start promoting this offer soon.

Overall the International Development team are quietly confident that their full year income targets will be achieved with optimism that the target might even be exceeded. However, for prudence the full year forecast is currently in line with budget.

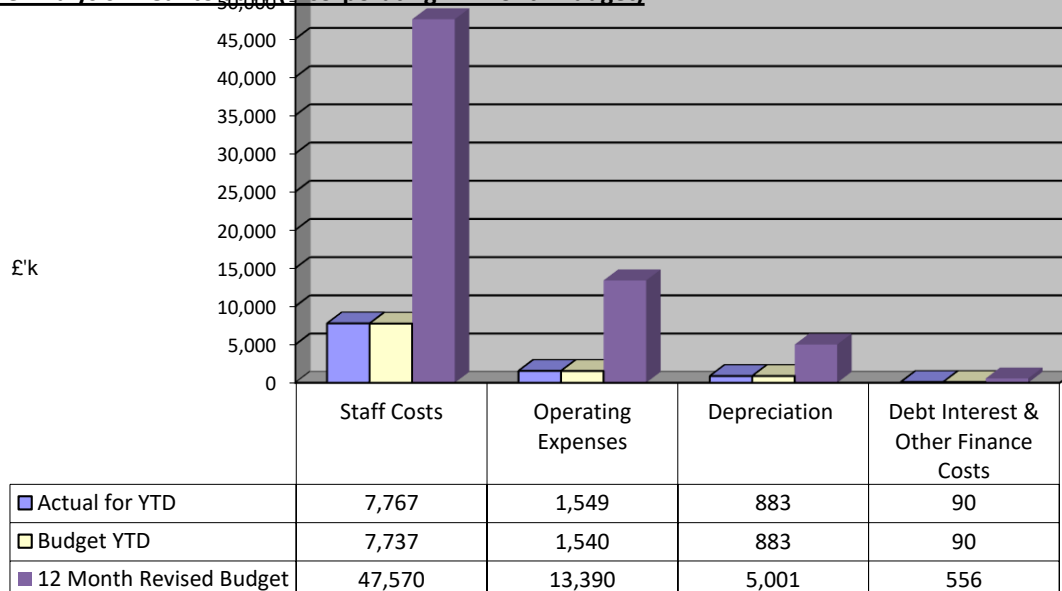
#### 4. EXPENDITURE ANALYSIS



**Expenditure Expanded Account Detail for the 2 Months to 30th September 2020**

|   | <u>Original<br/>Annual<br/>Budget<br/>£000s</u> | <u>Revised<br/>Annual<br/>Budget<br/>£000s</u> | <u>YTD Budget<br/>£000s</u> | <u>YTD<br/>Actuals<br/>£000s</u> | <u>YTD<br/>Variance<br/>£000s</u> | <u>Previous<br/>YTD<br/>£000s</u> | <u>Year End<br/>Projection<br/>£000s</u> |
|---|---|--|-----------------------------|----------------------------------|-----------------------------------|-----------------------------------|--|
| Other Operating Expenses                  | 13,390  | 13,390   | 1,540                       | 1,549                            | (9)                               | 1,901                             | 13,340                                   |
| Depreciation for the year                 | 5,001   | 5,001  | 883                         | 883                              | 0                                 | 987                               | 5,001                                    |
| Debt Interest & Other Finance Costs       | 556   | 556  | 90                          | 90                               | (0)                               | 96                                | 556                                      |
| <b>Total Expenditure (Ex Staff Costs)</b> | <b>18,948</b>                                   | <b>18,948</b>                                  | <b>2,513</b>                | <b>2,522</b>                     | <b>(9)</b>                        | <b>2,984</b>                      | <b>18,898</b>                            |

## Expenditure Analysis - Year to date (Incorporating 12 Month Budget)



- 4.1 Total expenditure for the year to date is £10.3m, which is £0.03m higher than the profiled budget of £10.25m. As the above table illustrates, most 'other operating expenses' budgets are in line with expectations at this early stage of the year.

## 5. STAFF COSTS ANALYSIS



### Staffing Expenditure Account Detail for the 2 Months to 30th September 2020

|                                      | Original<br>Annual<br>Budget<br>£000s | Revised<br>Annual<br>Budget<br>£000s | YTD Budget<br>£000s | YTD Actuals<br>£000s | YTD<br>Variance<br>£000s | Previous<br>YTD<br>£000s | Year End<br>Projection<br>£000s |
|--------------------------------------|---------------------------------------|--------------------------------------|---------------------|----------------------|--------------------------|--------------------------|---------------------------------|
| <b>Staff Costs</b>                   |                                       |                                      |                     |                      |                          |                          |                                 |
| Senior Management                    | 1,591                                 | 1,591                                | 261                 | 255                  | 6                        | 259                      | 1,591                           |
| Academic Departments                 | 25,091                                | 25,091                               | 4,025               | 3,891                | 134                      | 3,994                    | 25,091                          |
| Academic Services                    | 4,956                                 | 4,956                                | 826                 | 796                  | 30                       | 832                      | 4,956                           |
| Admin & Central Services             | 12,976                                | 12,976                               | 2,137               | 2,043                | 93                       | 1,965                    | 12,976                          |
| Premises                             | 1,386                                 | 1,386                                | 231                 | 231                  | (0)                      | 241                      | 1,386                           |
| Catering & Residences                | 101                                   | 101                                  | 17                  | 17                   | 0                        | 6                        | 101                             |
| Temporary, Agency & Staff Bank Costs | 2,294                                 | 2,294                                | 382                 | 346                  | 37                       | 266                      | 2,294                           |
| Other Staffing Expenditure           | 1,303                                 | 1,303                                | 214                 | 189                  | 25                       | 161                      | 1,303                           |
| Savings to Find                      | (2,129)                               | (2,129)                              | (355)               |                      | (355)                    |                          | (1,949)                         |
|                                      | 47,570                                | 47,570                               | 7,737               | 7,767                | (30)                     | 7,724                    | 47,750                          |

- 5.1 Staff costs are currently £0.03m higher than the profiled budget, owing to the challenges of extracting £2.1m of savings currently included in the College's staff cost budget. Full year staff costs are currently forecast to settle the year at £47.8m, which is £0.2m higher than full year budget. College staff continue to be paid in line with Scottish Government guidance and their contractual terms. Since inception, over 250 employees have been through the job retention scheme; £0.1m of JRS income has been recorded for the first 2 months of the current year.

## 6. TRADING DEPARTMENT

|  | Nursery<br>YTD Sep 20         |                         |                          |                                 |
|--|-------------------------------|-------------------------|--------------------------|---------------------------------|
|  | Full Year<br>Budget<br>(£000) | YTD<br>Budget<br>(£000) | YTD<br>Actuals<br>(£000) | Full Year<br>Forecast<br>(£000) |
| Trading Income   | 990                           | 118                     | 118                      | 990                             |
| JRS Income   | -                             | -                       | 2                        | 2                               |
| Total Income   | 990                           | 118                     | 120                      | 992                             |
| Staffing Expenditure                                   | (965)                         | (146)                   | (143)                    | (965)                           |
| Non Staffing Expenditure                               | (37)                          | (5)                     | (5)                      | (37)                            |
| Net (Deficit) Contribution<br>Towards Associated Costs | (12)                          | (33)                    | (28)                     | (10)                            |

- 6.1 The above information provides an overview of the current nursery trading position, which includes £2k of JRS income for furloughed Nursery staff (which ended for the vast majority of these colleagues in August, with the last member of Nursery staff ending furlough in early September).

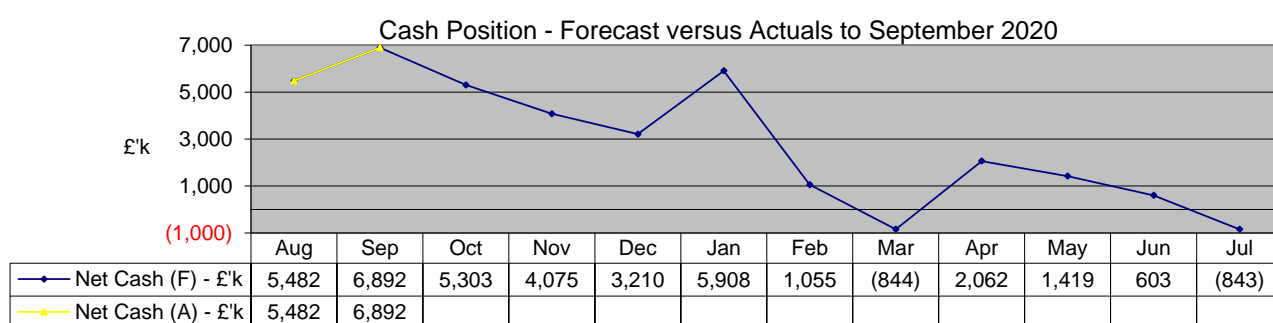
- 6.2 A review of forecast income and staff costs is currently in progress. In these accounts, the trading income is forecast to be in line with budget for the year. Marketing campaigns remain in place to increase the current intake where opportunities arise.

## 7. CASH-FLOW

- 7.1 The cash balance at the end of September is £6.9m, which includes £2.1m of student support funds.

The cash flow forecast has been prepared in line with the recent Business Case sent to the SFC. The year-end overdrawn position of £0.8m reflects the challenges of extracting savings from the budget, together with a projected net outflow of £0.3m for student support funds. However, SSF payments are projected to exceed the associated 2020/21 SFC student support grant allocation, but shows breakeven in 2020/21 which is subject to the College receiving additional funding from the SFC's in-year grant redistribution.

The College has requested cash from the SFC totaling £851k to bridge the liquidity issues at March and July 2021 as shown below. The chart below shows the forecast (blue) cash position through the year compared to the actual (yellow) cash position.



## 8. SFC REPORTING

- 8.1 The SFC October 2020 cash flow is in line with the forecast included in these accounts.

## 9. BALANCE SHEET

| <b>Balance Sheet as at 30 Sep 2020</b> |                                  | <u>At 30 Sep</u><br><u>2020</u> | <u>At 31 July</u><br><u>2020</u> | YTD Mvmt     |
|--|----------------------------------|---------------------------------|----------------------------------|--------------|
|  |                                  | <u>£'000</u>                    | <u>£'000</u>                     | <u>£'000</u> |
| Fixed Assets                           | Land and Buildings               | 155,743                         | 155,925                          | (182)        |
|  | Fixtures, fittings and Equipment | 7,719                           | 7,840                            | (121)        |
|  |                                  | <u>163,462</u>                  | <u>163,765</u>                   | <u>(303)</u> |
| Current Assets                         | Stock                            | 81                              | 89                               | (8)          |
|  | Debtors                          | 6,480                           | 4,678                            | 1,802        |
|  | Cash - Main                      | 4,799                           | 1,075                            | 3,724        |
|  | Cash - Student Support           | <u>2,093</u>                    | <u>445</u>                       | <u>1,648</u> |
| Total                                  |                                  | <u>13,453</u>                   | <u>6,287</u>                     | <u>7,166</u> |
| Creditors                              |                                  | (71,641)                        | (64,463)                         | (7,178)      |
| Bank Loans                             |                                  | (9,338)                         | (9,338)                          | -            |
| Provisions                             |                                  | (63,301)                        | (63,348)                         | 47           |
|  |                                  | <u>32,635</u>                   | <u>32,903</u>                    | <u>(268)</u> |
| Funded by:                             |                                  |                                 |                                  |              |
| Reserves                               |                                  | 32,635                          | 32,903                           | (268)        |
|  |                                  | <u>32,635</u>                   | <u>32,903</u>                    | <u>(268)</u> |

- 9.1 The movements in Cash and Fixed Assets are shown in the sections above. The increase in debtors is due to the invoicing of fees at the start of the year, whilst the increase in creditors largely represents SFC Grant-in-Aid cash received but not released into the Income Statement.

## 10. KEY PERFORMANCE DATA

### Financial Performance Monitoring Template

|   | 2019/20<br>Annual<br>Target |                             |                             |  | 2020/21<br>Annual<br>Target | 2020/21<br>YTD<br>Actuals |                 | 2019/20<br>Year-End |
|---|-----------------------------|-----------------------------|-----------------------------|--|-----------------------------|---------------------------|-----------------|---------------------|
| Credits                                     | 186,612                     |                             |                             |  | 186,612                     | 165,445                   |                 | 186,674             |
| Credits ESF                                 | 1,335                       |                             |                             |  | 1,257                       | -                         |                 | 1,356               |
|   |                             |                             |                             |  |                             |                           |                 |                     |
|   | 2019/20<br>Annual<br>Budget | 2020/21<br>Annual<br>Budget | Revised<br>Annual<br>Budget |  | 2020/21<br>YTD<br>Budget    | 2020/21<br>YTD<br>Actuals | YTD<br>Variance | Previous<br>YTD     |
|   | £k                          | £k                          | £k                          |  | £k                          | £k                        | £k              | £k                  |
| Adjusted Operating Position                 | -                           | -                           | -                           |  | (78)                        | 26                        | 104             | 159                 |
|   |                             |                             |                             |  |                             |                           |                 |                     |
| Commercial & International<br>Contracts     | 6,256                       | 4,215                       | 4,215                       |  | 508                         | 508                       | -               | 1,550               |
|   |                             |                             |                             |  |                             |                           |                 |                     |
| Income                                      | 67,345                      | 64,860                      | 64,860                      |  | 9,878                       | 10,021                    | 143             | 10,393              |
| Expenditure                                 | 69,080                      | 66,517                      | 66,517                      |  | 10,250                      | 10,289                    | (39)            | 10,708              |
| Operating Surplus / (Deficit)<br>pre SSAP24 | (1,735)                     | (1,658)                     | (1,658)                     |  | (372)                       | (268)                     | 104             | (315)               |
|   |                             |                             |                             |  |                             |                           |                 |                     |
| Net Cash Inflow / (Outflow)                 | (1,589)                     | (326)                       | (326)                       |  | 5,372                       | 5,372                     | -               | 3,217               |
| Bank Balance                                | (563)                       | 1,194                       | 1,194                       |  | 6,892                       | 6,892                     | -               | 4,153               |
|   |                             |                             |                             |  |                             |                           |                 |                     |
| Fixed Assets                                | 154,565                     | 160,221                     | 160,221                     |  | 163,462                     | 163,462                   | -               | 158,772             |
| Net Current assets / (liabilities)          | (4,957)                     | (3,189)                     | (3,189)                     |  | (4,403)                     | (4,403)                   | -               | (5,110)             |
| Creditors and Provisions                    | (91,807)                    | (125,787)                   | (125,787)                   |  | (126,424)                   | (126,424)                 | -               | (95,790)            |
| Net Assets                                  | 57,801                      | 31,245                      | 31,245                      |  | 32,635                      | 32,635                    | -               | 57,872              |
|   |                             |                             |                             |  |                             |                           |                 |                     |
| Pay costs % of Income                       | 72.7                        | 73.3                        | 73.3                        |  | 78.3                        | 77.5                      | (0.8)           | 74.3                |
| Current Ratio                               | 0.57                        | 0.69                        | 0.69                        |  | 0.75                        | 0.75                      | -               | 0.7                 |
| Cash Days in Hand                           | (31)                        | (19)                        | (19)                        |  | (29)                        | (29)                      | -               | (32)                |
| Borrowings as % of reserves                 | 8.0                         | 11.8                        | 11.8                        |  | 10.8                        | 10.8                      | -               | 8.5                 |



# I&E Account for the 2 Months to 30th September 2020

|   | <u>Original<br/>Annual<br/>Budget<br/>£000s</u> | <u>Revised<br/>Annual<br/>Budget<br/>£000s</u> | <u>YTD<br/>Budget<br/>£000s</u> | <u>YTD<br/>Actuals<br/>£000s</u> | <u>YTD<br/>Variance<br/>£000s</u> | <u>Previous<br/>YTD<br/>£000s</u> | <u>Year End<br/>Projection<br/>£000s</u> |
|---|---|--|---------------------------------|----------------------------------|-----------------------------------|-----------------------------------|--|
| Funding Council Grants                                    | 49,880  | 49,880   | 4,190                           | 4,197                            | 7                                 | 3,474                             | 49,880                                   |
| Deferred Capital Grant Releases                           | 2,486   | 2,486  | 446                             | 446                              | (0)                               | 384                               | 2,486                                    |
| Tuition Fees and Education Contracts (inc SAAS            | 6,368   | 6,368  | 4,547                           | 4,547                            | (0)                               | 4,707                             | 6,368                                    |
| Commercial and International Contracts                    | 4,215   | 4,215  | 508                             | 508                              | 0                                 | 1,550                             | 4,215                                    |
| Job Retention Scheme Income                               |   |  |                                 | 120                              | 120                               |                                   | 130                                      |
| Other Income  | 1,910   | 1,910  | 187                             | 203                              | 16                                | 279                               | 1,910                                    |
| <b>Total Income</b>                                       | <b>64,860</b>                                   | <b>64,860</b>                                  | <b>9,878</b>                    | <b>10,021</b>                    | <b>143</b>                        | <b>10,393</b>                     | <b>64,990</b>                            |
| Staff Costs   | 47,570  | 47,570   | 7,737                           | 7,767                            | (30)                              | 7,724                             | 47,750                                   |
| Other Operating Expenses                                  | 13,390  | 13,390   | 1,540                           | 1,549                            | (9)                               | 1,901                             | 13,340                                   |
| Depreciation for the year                                 | 5,001   | 5,001  | 883                             | 883                              | 0                                 | 987                               | 5,001                                    |
| Debt Interest & Other Finance Costs                       | 556   | 556  | 90                              | 90                               | (0)                               | 96                                | 556                                      |
| <b>Total Expenditure</b>                                  | <b>66,517</b>                                   | <b>66,517</b>                                  | <b>10,250</b>                   | <b>10,289</b>                    | <b>(39)</b>                       | <b>10,708</b>                     | <b>66,647</b>                            |
| <b>Operating (Deficit) / Surplus pre SSAP24</b>           |   |  |                                 |                                  |                                   |                                   |  |
| <b>Enhanced Pension Provision Charge</b>                  | <b>(1,658)</b>                                  | <b>(1,658)</b>                                 | <b>(372)</b>                    | <b>(268)</b>                     | <b>104</b>                        | <b>(315)</b>                      | <b>(1,658)</b>                           |
| <b>Adjusted Operating Position:</b>                       |   |  |                                 |                                  |                                   |                                   |  |
| <b>Operating (Deficit) / Surplus pre SSAP24</b>           |   |  |                                 |                                  |                                   |                                   |  |
| <b>Enhanced Pension Provision Charge</b>                  | <b>(1,658)</b>                                  | <b>(1,658)</b>                                 | <b>(372)</b>                    | <b>(268)</b>                     | <b>104</b>                        | <b>(315)</b>                      | <b>(1,658)</b>                           |
| <b>Add:</b>   |   |  |                                 |                                  |                                   |                                   |  |
| <b>Depreciation net of deferred capital grant release</b> | <b>2,515</b>                                    | <b>2,515</b>                                   | <b>437</b>                      | <b>437</b>                       | <b>0</b>                          | <b>604</b>                        | <b>2,515</b>                             |
| <b>Deduct:</b>  |   |  |                                 |                                  |                                   |                                   |  |
| <b>Revenue funding allocated to loan repayments</b>       | <b>857</b>                                      | <b>857</b>                                     | <b>143</b>                      | <b>143</b>                       |                                   | <b>129</b>                        | <b>857</b>                               |
| <b>Adjusted Operating Position</b>                        | <b>0</b>  | <b>0</b>                                       | <b>(78)</b>                     | <b>26</b>                        | <b>104</b>                        | <b>159</b>                        | <b>0</b>                                 |

**I&E Account Detail for the 2 Months to 30th September 2020**

**INCOME**

**Funding Council Grants**

|                                |        |        |       |       |     |       |        |
|--------------------------------|--------|--------|-------|-------|-----|-------|--------|
| Recurrent Grant Inc Fee Waiver | 46,673 | 46,673 | 3,909 | 3,909 | (0) | 3,140 | 46,673 |
| Childcare Funds                | 1,718  | 1,718  | 5     | 5     | (0) | 83    | 1,718  |
| Deferred Capital Grants        | 2,486  | 2,486  | 446   | 446   | (0) | 384   | 2,486  |
| Other SFC Grants               | 1,489  | 1,489  | 276   | 283   | 7   | 251   | 1,489  |
|                                | 52,366 | 52,366 | 4,636 | 4,643 | 7   | 3,857 | 52,366 |

**Tuition Fees & Education Contracts**

|                        |       |       |       |       |     |       |       |
|------------------------|-------|-------|-------|-------|-----|-------|-------|
| FE - UK & EU           | 73    | 73    | 59    | 59    | 0   | 40    | 73    |
| HE - UK & EU           | 269   | 269   | 132   | 132   | (0) | 180   | 269   |
| PT Self Payers         | 558   | 558   | 97    | 97    | (0) | 77    | 558   |
| Examination Fee Income | 20    | 20    | 6     | 6     | (0) | 4     | 20    |
| SAAS                   | 3,601 | 3,601 | 3,393 | 3,393 | (0) | 3,438 | 3,601 |
| SAAS - Commercial      |       |       |       |       |     | 1     |       |
| Associate Degree Fees  | 745   | 745   | 660   | 660   | 0   | 712   | 745   |
| Managing Agents        | 1,100 | 1,100 | 200   | 200   | (0) | 256   | 1,100 |
|                        | 6,368 | 6,368 | 4,547 | 4,547 | (0) | 4,707 | 6,368 |

**Commercial & International**

|                                     |       |       |     |     |     |       |       |
|-------------------------------------|-------|-------|-----|-----|-----|-------|-------|
| International                       | 560   | 560   | 391 | 391 |     | 508   | 560   |
| SDS                                 | 608   | 608   | 49  | 49  |     | 47    | 608   |
| EH15 and The Apprentice Restaurants | 48    | 48    |     |     |     | 0     | 48    |
| Bliss SPA and Employability Salons  | 100   | 100   | 0   | 0   | (0) | 17    | 100   |
| Gym                                 | 128   | 128   |     | 0   | 0   | 51    | 128   |
| Residences                          | 320   | 320   | 7   | 7   | 0   | 88    | 320   |
| Bespoke Contracts for Employers     | 420   | 420   | 50  | 50  | 0   | 139   | 420   |
| Scheduled Short Courses             | 410   | 410   | 13  | 13  | 0   | 79    | 410   |
| Flexible Workforce Development Fund | 1,622 | 1,622 |     |     |     | 620   | 1,622 |
|                                     | 4,215 | 4,215 | 508 | 508 | 0   | 1,550 | 4,215 |

**Other Income**

|                                    |       |       |     |     |     |     |       |
|------------------------------------|-------|-------|-----|-----|-----|-----|-------|
| Catering                           | 16    | 16    |     |     |     |     | 16    |
| Job Retention Scheme               |       |       |     | 120 | 120 |     | 130   |
| Nursery                            | 990   | 990   | 118 | 118 |     | 129 | 990   |
| Access Centre Provision            | 150   | 150   | 37  | 37  |     | 11  | 150   |
| Other Income Generating Activities | 752   | 752   | 33  | 48  | 16  | 139 | 752   |
|                                    | 1,908 | 1,908 | 187 | 323 | 136 | 279 | 2,038 |

**Endowment & Investment**

|               |   |   |   |   |  |  |   |
|---------------|---|---|---|---|--|--|---|
| Bank Interest | 2 | 2 | 0 | 0 |  |  | 2 |
|               | 2 | 2 | 0 | 0 |  |  | 2 |

**TOTAL INCOME**

|  |        |        |       |        |     |        |        |
|--|--------|--------|-------|--------|-----|--------|--------|
|  | 64,860 | 64,860 | 9,878 | 10,021 | 143 | 10,393 | 64,990 |
|--|--------|--------|-------|--------|-----|--------|--------|

**EXPENDITURE**

**Staff Costs**

|                                      |         |         |       |       |       |       |         |
|--------------------------------------|---------|---------|-------|-------|-------|-------|---------|
| Senior Management                    | 1,591   | 1,591   | 261   | 255   | 6     | 259   | 1,591   |
| Academic Departments                 | 25,091  | 25,091  | 4,025 | 3,891 | 134   | 3,994 | 25,091  |
| Academic Services                    | 4,956   | 4,956   | 826   | 796   | 30    | 832   | 4,956   |
| Admin & Central Services             | 12,976  | 12,976  | 2,137 | 2,043 | 93    | 1,965 | 12,976  |
| Premises                             | 1,386   | 1,386   | 231   | 231   | (0)   | 241   | 1,386   |
| Catering & Residences                | 101     | 101     | 17    | 17    | 0     | 6     | 101     |
| Temporary, Agency & Staff Bank Costs | 2,294   | 2,294   | 382   | 346   | 37    | 266   | 2,294   |
| Other Staffing Expenditure           | 1,303   | 1,303   | 214   | 189   | 25    | 161   | 1,303   |
| Savings to Find                      | (2,129) | (2,129) | (355) |       | (355) |       | (1,949) |
|                                      | 47,570  | 47,570  | 7,737 | 7,767 | (30)  | 7,724 | 47,750  |

**Other Operating Expenses**

|                                      |        |        |       |       |      |       |        |
|--------------------------------------|--------|--------|-------|-------|------|-------|--------|
| Premises                             | 4,632  | 4,632  | 661   | 661   | (0)  | 703   | 4,632  |
| Teaching Activity & Support          | 1,452  | 1,452  | 212   | 223   | (12) | 345   | 1,452  |
| Childcare Costs                      | 1,718  | 1,718  | 5     | 5     | 0    | 83    | 1,718  |
| Transport Costs                      | 115    | 115    | 12    | 12    | (0)  | 19    | 115    |
| IT Costs                             | 1,111  | 1,111  | 172   | 179   | (7)  | 133   | 1,111  |
| Telecomms Costs                      | 134    | 134    | 23    | 23    | 0    | 32    | 134    |
| Equipment                            | 59     | 59     | 7     | 7     | 0    | 8     | 59     |
| Health & Safety                      | 37     | 37     | 3     | 3     | 0    | 5     | 37     |
| Travel & Subsistence                 | 113    | 113    | 6     | 1     | 5    | 69    | 83     |
| Admin Costs                          | 146    | 146    | 18    | 18    | (1)  | 28    | 146    |
| Corporate, Consultancy, Professional | 594    | 594    | 86    | 86    | 1    | 93    | 594    |
| Staff Welfare                        | 16     | 16     | 2     | 2     | (0)  | 2     | 16     |
| Catering                             | 423    | 423    | 22    | 22    | 0    | 85    | 423    |
| Training & Development               | 88     | 88     | 6     | 3     | 3    | 15    | 78     |
| VAT                                  | 1,250  | 1,250  | 189   | 187   | 2    | 182   | 1,240  |
| Marketing & PR                       | 150    | 150    | 31    | 31    |      | 13    | 150    |
| Partnership Costs                    | 39     | 39     | 7     | 7     |      |       | 39     |
| Overseas Agents Commission           | 77     | 77     | 24    | 24    | 0    | 17    | 77     |
| Registration & Exam Fees             | 1,198  | 1,198  | 56    | 56    | (0)  | 69    | 1,198  |
| Bad Debt                             | 40     | 40     | 0     | 0     | 0    | 1     | 40     |
|                                      | 13,390 | 13,390 | 1,540 | 1,549 | (9)  | 1,901 | 13,340 |

**Depreciation**

|              |       |       |     |     |   |     |       |
|--------------|-------|-------|-----|-----|---|-----|-------|
| Depreciation | 5,001 | 5,001 | 883 | 883 | 0 | 987 | 5,001 |
|--------------|-------|-------|-----|-----|---|-----|-------|

**Depreciation for the year**

|  |       |       |     |     |   |     |       |
|--|-------|-------|-----|-----|---|-----|-------|
|  | 5,001 | 5,001 | 883 | 883 | 0 | 987 | 5,001 |
|--|-------|-------|-----|-----|---|-----|-------|

**Debt Interest & Other Finance Costs**

|                        |     |     |    |    |     |    |     |
|------------------------|-----|-----|----|----|-----|----|-----|
| Interest On Bank Loans | 526 | 526 | 87 | 87 | 0   | 93 | 526 |
| Other Finance Charges  | 30  | 30  | 2  | 2  | (0) | 3  | 30  |
|                        | 556 | 556 | 90 | 90 | (0) | 96 | 556 |

**TOTAL EXPENDITURE**

|  |        |        |        |        |      |        |        |
|--|--------|--------|--------|--------|------|--------|--------|
|  | 66,517 | 66,517 | 10,250 | 10,289 | (39) | 10,708 | 66,647 |
|--|--------|--------|--------|--------|------|--------|--------|

**Operating (Deficit) / Surplus pre SSAP24**

|                                   |         |         |       |       |     |       |         |
|-----------------------------------|---------|---------|-------|-------|-----|-------|---------|
| Enhanced Pension Provision Charge | (1,658) | (1,658) | (372) | (268) | 104 | (315) | (1,658) |
|-----------------------------------|---------|---------|-------|-------|-----|-------|---------|

**Adjusted Operating Position:**

**Operating (Deficit) / Surplus pre SSAP24**

|                                   |         |         |       |       |     |       |         |
|-----------------------------------|---------|---------|-------|-------|-----|-------|---------|
| Enhanced Pension Provision Charge | (1,658) | (1,658) | (372) | (268) | 104 | (315) | (1,658) |
|-----------------------------------|---------|---------|-------|-------|-----|-------|---------|

**Add:**

Depreciation net of deferred capital grant release

|  |       |       |     |     |   |     |       |
|--|-------|-------|-----|-----|---|-----|-------|
|  | 2,515 | 2,515 | 437 | 437 | 0 | 604 | 2,515 |
|--|-------|-------|-----|-----|---|-----|-------|

**Deduct:**

Revenue funding allocated to loan repayments

|  |     |     |     |     |  |     |     |
|--|-----|-----|-----|-----|--|-----|-----|
|  | 857 | 857 | 143 | 143 |  | 129 | 857 |
|--|-----|-----|-----|-----|--|-----|-----|

**Adjusted Operating Position**

|  |   |   |      |    |     |     |   |
|--|---|---|------|----|-----|-----|---|
|  | 0 | 0 | (78) | 26 | 104 | 159 | 0 |
|--|---|---|------|----|-----|-----|---|

### Cumulative Cashflows (2020/21)

|  | Original | Revised |         |         |          |          |          |          |          |          |          |          |          |          | YTD        | Annual   | Var From     |
|--|----------|---------|---------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|----------|--------------|
|  | Budget   | Budget  | Aug 20  | Sept 20 | Oct 20   | Nov 20   | Dec 20   | Jan 21   | Feb 21   | Mar 21   | Apr 21   | May 21   | Jun 21   | Jul 21   | Cumulative | Forecast | Budget - Fav |
|  | £000s    | £000s   | £000s   | £000s   | £000s    | £000s    | £000s    | £000s    | £000s    | £000s    | £000s    | £000s    | £000s    | £000s    | £000s      | £000s    | £000s        |
|  | Total    | Total   | Actuals | Actuals | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Total      | Total    | Total        |
| SFC Grants - Core                                  | 46,828   | 46,828  | 6,029   | 4,500   | 3,800    | 3,800    | 3,800    | 3,800    | 500      | 3,367    | 5,733    | 4,000    | 4,000    | 3,500    | 10,529     | 46,829   | 1            |
| SFC Grants - ESF                                   | 345      | 345     | 0       | 43      | 109      | 22       | 22       | 22       | 22       | 22       | 22       | 22       | 22       | 22       | 43         | 345      | 0            |
| SFC Grants - FWDF                                  | 1,622    | 1,622   | 0       | 0       | 0        | 150      | 0        | 661      | 0        | 0        | 0        | 0        | 811      | 0        | 0          | 1,622    | 0            |
| SFC Grants - Other                                 | 6,363    | 6,363   | 707     | 596     | 696      | 940      | 802      | 713      | 499      | 915      | 179      | 178      | 166      | 14       | 1,303      | 6,404    | 41           |
| SAAS Funds   | 3,601    | 3,601   | 0       | 0       | 0        | 0        | 0        | 3,557    | 0        | 0        | 44       | 0        | 0        | 0        | 0          | 3,601    | 0            |
| Tuition Fees / Education Contracts                 | 2,767    | 2,767   | 448     | 420     | 260      | 251      | 480      | 473      | 185      | 140      | 214      | 175      | 150      | 150      | 868        | 3,346    | 579          |
| Commercial / International                         | 2,593    | 2,593   | 166     | 192     | 95       | 125      | 140      | 286      | 275      | 388      | 221      | 183      | 322      | 200      | 358        | 2,593    | 0            |
| Other Income                                       | 1,910    | 1,910   | 150     | 86      | 358      | 106      | 93       | 114      | 201      | 246      | 105      | 267      | 61       | 123      | 236        | 1,910    | (0)          |
| Operational Income                                 | 66,029   | 66,029  | 7,500   | 5,837   | 5,318    | 5,394    | 5,336    | 9,625    | 1,682    | 5,077    | 6,518    | 4,825    | 5,532    | 4,009    | 13,337     | 66,650   | 622          |
| Staff Costs  | 47,570   | 47,570  | 3,347   | 3,900   | 4,589    | 4,304    | 4,339    | 4,346    | 4,381    | 4,365    | 4,285    | 4,287    | 4,304    | 4,282    | 7,247      | 50,729   | (3,159)      |
| Purchase Ledger / Other Expenditure                | 7,597    | 7,597   | 391     | 752     | 533      | 824      | 585      | 639      | 402      | 583      | 921      | 343      | 510      | 580      | 1,143      | 7,063    | 534          |
| Childcare Expenditure                              | 1,718    | 1,718   | 0       | 5       | 205      | 225      | 225      | 222      | 168      | 180      | 179      | 178      | 163      | 6        | 5          | 1,756    | (38)         |
| Premises Costs                                     | 4,632    | 4,632   | 305     | 356     | 389      | 404      | 430      | 440      | 460      | 390      | 360      | 355      | 360      | 383      | 661        | 4,632    | 0            |
| Operational Expenditure                            | 61,517   | 61,517  | 4,043   | 5,013   | 5,716    | 5,757    | 5,579    | 5,647    | 5,411    | 5,518    | 5,745    | 5,163    | 5,337    | 5,251    | 9,056      | 64,180   | (2,663)      |
| Net Income Generated From Operations               | 4,512    | 4,512   | 3,457   | 824     | (398)    | (363)    | (243)    | 3,978    | (3,730)  | (441)    | 773      | (339)    | 195      | (1,243)  | 4,281      | 2,471    | (2,041)      |
| Capital Expenditure                                | 3,656    | 3,656   | 12      | 444     | 620      | 794      | 520      | 520      | 454      | 292      | 0        | 0        | 0        | 0        | 456        | 3,656    | 0            |
| Pensioners (against enhanced provision)            | 288      | 288     | 24      | 23      | 24       | 24       | 24       | 24       | 24       | 24       | 24       | 24       | 24       | 24       | 47         | 283      | 5            |
| Capital Loan Repayments                            | 389      | 389     | 0       | 0       | 0        | 0        | 40       | 87       | 0        | 40       | 91       | 41       | 0        | 91       | 0          | 390      | (1)          |
| Granton Provision                                  | 180      | 180     | 55      | 0       | 0        | 0        | 0        | 0        | 55       | 0        | 0        | 41       | 0        | 29       | 55         | 180      | 0            |
| Non-Operational Expenditure                        | 4,513    | 4,513   | 91      | 467     | 644      | 818      | 584      | 631      | 533      | 356      | 115      | 106      | 24       | 144      | 558        | 4,509    | 4            |
| Net Income Generated From Op and Non-Op Activities | (1)      | (1)     | 3,366   | 357     | (1,042)  | (1,180)  | (826)    | 3,347    | (4,262)  | (796)    | 658      | (444)    | 171      | (1,386)  | 3,723      | (2,038)  | (2,037)      |
| Student Funds Inflow                               | 11,056   | 11,056  | 601     | 1,495   | 1,105    | 1,153    | 1,150    | 854      | 545      | 0        | 3,277    | 827      | 0        | 49       | 2,096      | 11,056   | 0            |
| Student Funds Outflow                              | 11,381   | 11,381  | 5       | 442     | 1,652    | 1,201    | 1,188    | 1,503    | 1,136    | 1,103    | 1,029    | 1,026    | 987      | 109      | 447        | 11,381   | 0            |
|  | (325)    | (325)   | 596     | 1,053   | (547)    | (48)     | (38)     | (649)    | (591)    | (1,103)  | 2,248    | (199)    | (987)    | (60)     | 1,649      | (325)    | 0            |
| Total Cash In                                      | 77,085   | 77,085  | 8,101   | 7,332   | 6,423    | 6,547    | 6,486    | 10,479   | 2,227    | 5,077    | 9,795    | 5,652    | 5,532    | 4,058    | 15,433     | 77,706   | 621          |
| Total Cash Out                                     | 77,411   | 77,411  | 4,139   | 5,922   | 8,012    | 7,775    | 7,350    | 7,781    | 7,080    | 6,976    | 6,888    | 6,295    | 6,347    | 5,504    | 10,061     | 80,070   | 2,659        |
| Net Inflow / (Outflow)                             | (326)    | (326)   | 3,962   | 1,410   | (1,589)  | (1,228)  | (864)    | 2,698    | (4,853)  | (1,899)  | 2,906    | (643)    | (816)    | (1,446)  | 5,372      | (2,363)  | (2,037)      |
| Opening bank balance                               | 1,520    | 1,520   | 1,520   | 5,482   | 6,892    | 5,303    | 4,075    | 3,210    | 5,908    | 1,055    | (844)    | 2,062    | 1,419    | 603      | 5,482      | 1,520    | 0            |
|  |          |         |         |         |          |          |          |          |          |          |          |          |          |          |            |          |              |
| Closing bank balance                               | 1,194    | 1,194   | 5,482   | 6,892   | 5,303    | 4,075    | 3,210    | 5,908    | 1,055    | (844)    | 2,062    | 1,419    | 603      | (843)    | 6,892      | (843)    | (2,037)      |
|  |          |         |         |         |          |          |          |          |          |          |          |          |          |          |            |          |              |
| Ledger balances                                    |          |         |         |         |          |          |          |          |          |          |          |          |          |          |            |          |              |
| Main accounts                                      | 0        | 0       | 4,442   | 4,799   | 3,757    | 2,577    | 1,750    | 5,097    | 169      | (741)    | 1,477    | 145      | 424      | (843)    | 4,799      | (843)    | (843)        |
| Term Deposit accounts                              | 0        | 0       | 0       | 0       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0          | 0        | 0            |
| Student Funds accounts                             | 0        | 0       | 1,040   | 2,093   | 1,546    | 1,498    | 1,460    | 811      | 886      | (103)    | 585      | 1,274    | 179      | 0        | 2,093      | 0        | 0            |
| Subsidiary accounts                                |          |         |         |         |          |          |          |          |          |          |          |          |          |          |            |          |              |
|  | 0        | 0       | 5,482   | 6,892   | 5,303    | 4,075    | 3,210    | 5,908    | 1,055    | (844)    | 2,062    | 1,419    | 603      | (843)    | 6,892      | (843)    | (843)        |
|  |          |         |         |         |          |          |          |          |          |          |          |          |          |          |            |          |              |
| Loan balance                                       | 0        | 0       | 0       | 0       | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0        | 0          | 0        | 0            |
|  |          |         |         |         |          |          |          |          |          |          |          |          |          |          |            |          |              |



For the future you want

## Balance Sheet

### For the 2 Months to 30th September 2020

|  | <u>2020/21</u><br><u>YTD Actuals</u><br><u>£000s</u> | <u>2019/20</u><br><u>Year End</u><br><u>£000s</u> | <u>2019/20</u><br><u>Previous YTD</u><br><u>£000s</u> |
|--|--|---|---|
| <b>Fixed Assets</b>                          |  |   |   |
| L&B  | 155,743  | 155,925   | 150,636   |
| FFE  | 7,719  | 7,840   | 8,136   |
|  | <u>163,462</u>                                       | <u>163,765</u>                                    | <u>158,772</u>  |
| <b>Current Assets</b>                        |  |   |   |
| Stock  | 81   | 89  | 95  |
| Debtors                                      | 6,479  | 4,678   | 7,432   |
| Cash   | 6,892  | 1,520   | 4,153   |
|  | <u>13,453</u>  | <u>6,287</u>                                      | <u>11,680</u>   |
| <b>Creditors &lt; 1yr</b>                    |  |   |   |
| Bank loans                                   | (389)  | (389)   | (470)   |
| Payments received in advance                 | (313)  | (187)   | (62)  |
| Trade creditors                              | (1,268)  | (685)   | (1,373)   |
| Taxes & social sec                           | (896)  | (968)   | (888)   |
| Accruals, Def Inc & Other Creditors          | (2,356)  | (5,139)   | (1,762)   |
| Amounts owed to SFC                          | (10,147)   | (377)   | (9,260)   |
| Deferred Capital Grants - Government         | (2,486)  | (2,588)   | (2,974)   |
|  | <u>(17,855)</u>                                      | <u>(10,333)</u>                                   | <u>(16,789)</u>                                       |
| <b>Net current assets / (liabilities)</b>    | <u>(4,403)</u>                                       | <u>(4,046)</u>                                    | <u>(5,110)</u>  |
| <b>Total assets less current liabilities</b> | <b>159,059</b>                                       | <b>159,719</b>                                    | <b>153,662</b>  |
| <b>Creditors &gt; 1yr</b>                    |  |   |   |
| Bank loans                                   | (8,949)  | (8,949)   | (9,184)   |
| Deferred Capital Grants - Government         | (54,175)   | (54,519)  | (55,589)  |
|  | <u>(63,124)</u>                                      | <u>(63,468)</u>                                   | <u>(64,773)</u>                                       |
| <b>Provisions</b>                            |  |   |   |
| Early retirement                             | (4,187)  | (4,234)   | (4,553)   |
| Student Accommodation Provision              | (1,050)  | (1,050)   | (871)   |
|  | <u>(5,237)</u>                                       | <u>(5,284)</u>                                    | <u>(5,424)</u>  |
| <b>Net pension asset / (liability)</b>       | (58,064)   | (58,064)  | (25,594)  |
| <b>NET ASSETS</b>                            | <u><u>32,635</u></u>                                 | <u><u>32,903</u></u>                              | <u><u>57,872</u></u>                                  |
| <b>Reserves</b>                              |  |   |   |
| I&E account                                  | 41,623   | 41,686  | 41,731  |
| Pension reserve                              | (58,064)   | (58,064)  | (25,594)  |
| Revaluation reserve                          | 49,076   | 49,281  | 41,735  |
| <b>RESERVES</b>                              | <u><u>32,635</u></u>                                 | <u><u>32,903</u></u>                              | <u><u>57,872</u></u>                                  |

| <b>FOR DISCUSSION / INFORMATION / DECISION</b> |   |                   |         |
|--|---|-------------------|---------|
| Meeting  | Policy & Resources Committee 10.11.20   |                   |         |
| Presented by                                   | Lindsay Towns   |                   |         |
| Author/Contact                                 | Lindsay Towns   | Department / Unit | Finance |
| Date Created                                   | 28.10.20  | Telephone         |         |
| Appendices Attached                            | Appendix 1: Shows comparable increases/prices for other colleges for 2021/22 fees.<br>Appendix 2: Shows current standard tariff rates for the college and the proposed new rates for 2021/22. |                   |         |
| Disclosable under FOISA                        |   | Yes.              |         |

## **TUITION FEES 2021/22**

### **1. PURPOSE**

This paper sets out a proposal for Tuition fees for 2021/22.

### **2. BACKGROUND**

The college is launching the full time 2021/22 curriculum and fees in January 2021. We are waiting for SAAS to confirm if there will be increases to Full-Time Advanced course fees and SFC to confirm Full-Time Non-Advanced course fees.

Part-time courses and fees will launch in March/April and in advance of the launch we require the Committee to consider and approve a proposal for 2021/22 fees.

There is more uncertainty than in previous years as a result of the uncertainties of the impact of the UK withdrawal from the European Union as well as Covid-19.

### **3. UK WITHDRAWAL FROM THE EUROPEAN UNION**

On 9 July 2020, Scottish ministers confirmed that as a result of the UK withdrawal from the European Union, higher education students coming from the EU to attend Scottish colleges and universities will no longer qualify for tuition fee support beyond AY 2020-21. Home fee status for EU students coming to study in Scotland will come to an end after AY 2020-21.

Institutions will be able to charge EU students international fees from AY 2021-22. The Scottish Government will make the necessary legislative changes to permit institutions to no longer charge the home fee rate to EU students and to remove entitlements of EU nationals for student support.

Under the Common Travel Area agreement between the UK and Ireland, students from the Republic of Ireland will be subject to different arrangements to other EU students. Future arrangements for Irish students are currently being discussed between the Scottish, Irish and UK Governments. SFC will provide updates to the sector as we receive further information on this.

Ministers have committed that resources freed up by this change will remain within the college and university sectors, to be used to support additional Scottish students and also to establish scholarships for EU and international students. The detail of this will be considered as part of the SFC Review and in discussion with the sectors.

It should be noted that the above changes apply to student's resident in the EU who are starting courses in Scotland from 2020-21. EU nationals who are resident in the UK prior to 31 December 2020 and who have settled or pre-settled status (see 'Immigration' section below for further details on this) will continue to have the same rights as other UK citizens, including eligibility for tuition.

## 4. DETAIL

### 4.1 Part-Time Fees

For part-time courses we propose to apply a 2% increase to course fees based on a limited market review compared to other colleges (with the exception of some commercial, international, higher, ESOL, and other market sensitive course fees – which will increase by a greater amount or not increase at all, as detailed below). The 2% aligns with the cost of living increase assumed in forecasts for lecturers pay during 2021/22.

Appendix 1, shows the effect of the College's proposed increases, compared to current prices being applied by other colleges. Not many Colleges have disclosed fee changes yet.

Appendix 2, shows the effect of the proposed increases across standard tariff rates applied by the College.

### 4.2 Commercial Fees

#### Scheduled Courses

The commercial team recommend scheduled courses managed directly by the faculties are increased by 2%, unless otherwise advised by Faculty Heads.

The exceptions to this are for some courses listed in the table below, where it is proposed not to increase fees based on market comparisons and on how price sensitive courses have proven to be over the past three years. Very few competitors have increased their fees from last year.

| Course Title                           | 2020/21 Fee | 2021/22 Proposed Fee | % Increase | Justification   |
|--|-------------|----------------------|------------|---|
| CIM Certificate Professional Marketing | £1,359      | £1,359               | 0          | Price sensitive with low demand in previous 2 years. Nearest competitors: ICS Learn Online £1,020; City of Glasgow College £2,160; and Cambridge Marketing offer this as £1,230 + VAT for distance learning or £1,905 + VAT with Saturday seminars. |
| CIM Professional Diploma Marketing     | £1,359      | £1,359               | 0          | Price sensitive with low demand in previous 2 years. Nearest competitor City of Glasgow College £2,160; and Cambridge Marketing offer this as £1,335 + VAT for distance learning or £2,100 + VAT with Saturday seminars.                            |
| CIPD                                   | £1,275      | £1,275               | 0          | High demand for CIPD courses at the   |



|   |        |        |   |  |
|---|--------|--------|---|--|
| Foundation Certificate HR Practice  |        |        |   | moment. Our nearest competitor Fife College £800; City of Glasgow £1,795   |
| CIPD Intermediate Diploma HRM and Intermediate Diploma Learning & Development | £2,295 | £2,295 | 0 | Nearest competitor City of Glasgow £1,845; Forth Valley offer the CIPD Intermediate Certificate at £1,750; ICS Learn offer this online for £3,250.   |
| NEBOSH Certificate Day Release  | £1,386 | £1,386 | 0 | Nearest competitor Fife College £1,495; FVC £1,500, but need to be wary of choice of several online providers offering this course at up to £50% cheaper e.g. Astutis.   |
| NEBOSH Certificate Flexible Learning  | £884   | £884   | 0 |  |
| NEBOSH Diploma Block Release  | £4,975 | £4,975 | 0 | Price sensitive course. Nearest competitor ROSPA £5,999 (classroom) and £1588 (online), and again need to be wary as several online providers offer this course at up to £50% cheaper e.g. Astutis on-line in Partnership with Fife College at £1,800. |
| NEBOSH Diploma Enhanced Distance  | £2,995 | £2,995 | 0 |  |

### ***Bespoke Contracts***

Bespoke & FWDF fees will be set on a contract by contract basis using a current pricing model.

### **4.3 International Fees**

Due to the UK withdrawal from the European Union and implications noted above, the International team is not currently in a position to propose fees. The Scottish Government has not yet published legislation about whether EU nationals will be eligible for tuition fee support in 2021/22. We do know that any student who started a course in 2020/21 of more than one-year duration will be eligible for the Home fee for the duration of their course.

However, we don't have a confirmed position for EU nationals with settled or pre-settled status, for Irish nationals, or for UK nationals living in the EU. We also don't know if there will be a different arrangement for 16 to 18-year olds (England have indicated that EU nationals in this age group will be Home fee).

Once we know the national position we will discuss what the College's position will be e.g. will we want to have a differentiated fee between EU and International (non-EU) students, or offer our own scholarships for EU students etc.

### **4.4 ESOL – College and Community Based Fees**

Course fees for ESOL students should be considered against the ESOL strategy for Scotland which commits to offering high quality ESOL provision to enable participation and integration in Scottish life through work, study and community. The strategy is also set within the policy context of 16+ Learning Choices with a commitment to guaranteeing a place in learning for all eligible 16-year olds.

In order to keep ESOL courses accessible and with the capacity to recruit at or above current levels despite BREXIT uncertainty the ESOL team recommend:

- Fees for SFT, PT and Evening courses remain at 2020/21 level with no increase.
- Fees remain as calculated at pro rata Funding Council rate rather than costed against credits.
- The fee waiver currently in place for students aged 16 to 21 on SFT/PT/Eventing College or Community based ESOL course should remain.

As with International fees, the ESOL team is waiting on further guidance before proposing ESOL fees for EU students.

#### **4.5 Higher Fees**

The current higher fee is £320 and benchmarking has identified that in 2020-21 the higher fee in other colleges ranged from £210 (Ayrshire) to £460 (Dundee and Angus) and our recommendation is that the higher fee should be increased by 2% to £326.

#### **4.6 Managing Agent Fees**

Most contract prices are set by Managing Agent bodies, with many having not changed for several years. The main change for 2020-21 was that we planned a reduction in activity of around 30% as a result of the effects of Covid-19. Prices for Managing agent contracts agreed for more than one year will be unaffected pending contract renewal. Any new Service Level Agreements (SLAs) set up for session 2021/22 will be priced in line with the reviewed pricing methodologies currently being agreed.

### **5. BENEFITS AND OPPORTUNITIES**

The review of fees incorporates up to date market and benchmarking information with other Colleges to ensure the college remains competitive and income is optimised.

### **6. STRATEGIC IMPLICATIONS**

Ensuring Tuition Fee income is reviewed and optimised and aligns with College planning.

### **7. RISK**

Failure to review and refresh Tuition Fees could affect College finances and the ability of some students to afford tuition.

### **8. FINANCIAL IMPLICATIONS**

Impact on self-financing part-time tuition fee income:

A 2% increase to standard part-time tuition fees will affect self-financing students and those supported by employers.

On the basis of activity remaining the same as 2020/21 income would increase proportionately by £11k from £558k to £569k in total for 2021/22.

#### **Commercial:**

On the basis of scheduled course activity remaining the same as 2020/21, income would increase proportionately by £17k from £830k to £847k in total for 2021/22.

#### **International:**

The impact on International fees has yet to be determined.



**ESOL:**

The impact on ESOL fees for EU students has yet to be determined.

**Managing agent contracts:**

Due to COVID there is a planned reduction in activity in 2020-21 of around 30%. This will hopefully recover in 2021-22.

**9. LEGAL IMPLICATIONS**

None.

**10. WORKFORCE IMPLICATIONS**

None.

**11. REPUTATIONAL IMPLICATIONS**

A fair, transparent and inclusive Tuition Fee policy is important to the reputation of the College.

**12. EQUALITIES IMPLICATIONS**

An equality impact assessment group are currently assessing any negative impact of a 2% increase in Part-Time fees.

The Student Satisfaction and Engagement Survey 2018/19 did not include any specific negative feedback on the level of tuition fees and the ECSA will provide an update for the 2019/20 survey.

**Equality Impact Assessment (EIA) group.**

The group includes:

|                   |   |
|-------------------|---|
| • Al Wilson       | ECSA Director                             |
| • Heidi Vistisen  | Representation and Impact Co-ordinator    |
| • Bethany Parsons | Equalities Officer                        |
| • Caryn Smith     | Student Funding Manager                   |
| • Jane Grant      | Head of Commercial Development            |
| • Liam Conway     | Business Development Manager              |
| • Sarah Gore      | International Business Manager            |
| • Carol Butters   | CM ESOL Teacher Training                  |
| • Kay Penman      | CM Outreach and community ESOL            |
| • Kerry Heathcote | Head of Curriculum Planning & Performance |
| • Caroline Youngs | Senior Sales Officer                      |
| • Lorraine Dunlop | Finance Manager                           |

This will be the third year of a 2% increase to Part-Time fees and as in previous years the group does not expect to identify any significant adverse impact on any of the protected characteristic groups. However, there continues to be a concern about ESOL students and the group has made the same recommendations as in previous years below.

**Recommendations from the group:**

- Community ESOL students are less likely to be self-financing than students across the college, with higher numbers of female, disabled and minority ethnic students enrolling on these courses. As detailed above the group proposes fees for Short Full-Time, Part-Time and Evening courses remain at 2020/21 level with no increase.
- The fee waiver currently in place for students aged 16 to 21 on a Short Full-Time, Part-Time and Evening College Based or Community based ESOL course should remain.

**CONCLUSIONS/RECOMMENDATIONS**

The Committee is asked to CONSIDER and APPROVE the fee proposals for 2021/22

## COMPARABLE CREDIT PRICE TO OTHER COLLEGES

| College:                 | 2020/21<br>Credit/ Unit price | 2021/22<br>% increase/comments<br>from colleges | 2021/22<br>Credit/ Unit price |
|--------------------------|-------------------------------|---|-------------------------------|
| <b>Edinburgh College</b> | <b>£107</b>                   | <b>2%</b>                                       | <b>£109</b>                   |
| North East College       | FE £95/HE £120                | Fees tbc  | FE £92/HE £118 (min)          |
| Ayrshire                 | FE £95/HE £110                | Fees tbc  | FE £95/HE £110 (min)          |
| Borders                  | FE £97/ HE £121               | Fees tbc  | FE £97/ HE £121 (min)         |
| Dumfries & Galloway      | FE £95/HE £101                | Fees tbc  | FE £95/HE £101 (min)          |
| Dundee and Angus         | £140                          | Fees tbc  | £140 (min)                    |
| Fife                     | FE £110/ HE £120              | Fees tbc  | FE £110/ HE £120 (min)        |
| Forth Valley             | FE £115/ HE £130              | Fees tbc  | FE £115/ HE £130 (min)        |
| Glasgow Clyde            | FE £85/ HE £110               | Fees tbc  | FE £85/ HE £110 (min)         |
| City of Glasgow          | £106                          | Fees tbc  | £106 (min)                    |
| Glasgow Kelvin           | FE £95/ HE £100               | Fees tbc  | FE £95/ HE £100 (min)         |
| New College Lanarkshire  | FE £110/ HE £115              | Fees tbc  | FE £110/ HE £115 (min)        |
| South Lanarkshire        | £107                          | 3% has been proposed                            | £110 tbc                      |
| West College Scotland    | FE £110/ HE £115              | Fees tbc  | FE £110/ HE £115 (min)        |
| West Lothian College     | £125                          | Fees tbc  | £125 (min)                    |

| Tuition/Examination Fees for Session 2021/22        |  |                                       |               |                                       |               |
|---|--|---------------------------------------|---------------|---------------------------------------|---------------|
|   |  | 2020/21                               |               | Proposed Fees<br>2021/22              |               |
|   |  | Home-<br>Scotland/EU and<br>Home -RUK | International | Home-<br>Scotland/EU<br>and Home -RUK | International |
|   |  | £                                     | £             | £                                     | £             |
| <b>Full-Time</b>                                    |  |                                       |               |                                       |               |
| Advanced (HNC/HND)<br>(SAAS/Self Paying/Sponsored)  |  | 1,285                                 | 7,700         | 1,285 tbc                             | tbc           |
| HNC Fast Track – 1 Semester                         |  | -                                     | 5,200         | -                                     | tbc           |
| Non-Advanced (FE)<br>(Waiver/Self Paying/Sponsored) |  | 1,008                                 | 7,200         | 1,008 tbc                             | tbc           |
| Degree  |  | 1,820                                 | 7,900         | 1,820 tbc                             | tbc           |
| Non-Advanced (FE) 1 Semester                        |  | -                                     | 3,600         | -                                     | tbc           |
| General English (ESOL)                              |  | -                                     | 6,000         | -                                     | tbc           |
| General English (ESOL) 1 Semester                   |  | -                                     | 3,300         | -                                     | tbc           |
| <b>Part-Time</b>                                    |  |                                       |               |                                       |               |
| NQ Higher (Day or Evening)                          |  | 320                                   | 1,250         | 326                                   | tbc           |
| Per Credit  |  | 107                                   | 330           | 109                                   | tbc           |
| Per Half Credit                                     |  | 54                                    | 165           | 55                                    | tbc           |
| College Based General English ESOL (SFT)            |  | 504                                   | -             | 504                                   | -             |
| for CbESOL National 5 and Higher – (Evening)        |  | 200                                   | -             | 200                                   | -             |
| College Based General English ESOL                  |  | 308                                   | -             | 308                                   | -             |
| College Based General English ESOL<br>(Evening)     |  | 246                                   | -             | 246                                   | -             |
| Community Based General English ESOL                |  | 77 - 340                              | -             | 77 - 340                              | -             |
| Community Based General English ESOL<br>(Evening)   |  | 175                                   | -             | 175                                   | -             |
| Resits per credit (with tuition)                    |  | 107                                   | -             | 109                                   | -             |
| Resits (without tuition)                            |  | 50                                    | -             | 50                                    | -             |

**POLICY & RESOURCES COMMITTEE**  
**10 NOVEMBER 2020**  
**PAPER M**



| FOR INFORMATION         |                                       |                   |                                   |
|-------------------------|---------------------------------------|-------------------|-----------------------------------|
| Meeting                 | Policy & Resources Committee 10.11.20 |                   |                                   |
| Presented by            | Lindsay Towns                         |                   |                                   |
| Author/Contact          | Nick Croft                            | Department / Unit | Communications, Policy & Research |
| Date Created            | 28.10.20                              | Telephone         |                                   |
| Appendices Attached     |                                       |                   |                                   |
| Disclosable under FOISA |                                       | Yes.              |                                   |

**EDINBURGH COLLEGE HORIZON SCANNING REPORT – DECEMBER 2020 BOARD OF MANAGEMENT CYCLE – EDITION 10**

**1. PURPOSE**

This report seeks Committee consideration and discussion, about developments identified in the College's tenth edition of the Horizon Scanning Report.

**2. MAIN REPORT**

**Background**

As with the previous edition, this report indicates organisational, sector-wide, economic and social impacts arising from the Covid 19 Pandemic, in addition to other strategic developments impacting on college business.

Responses to any impacts on college business are agreed at the Board and its committees, Senior Management and Executive Teams, linked to key college strategies and plans, and referenced in the College's Risk Registers and Operational Plans. Many of these matters are also considered at Board Development Days.

**Scottish Funding Council (SFC) – Review of Coherent Provision and Sustainability**

The SFC has published the first phase findings and recommendations of the above review, which can be found at: <http://www.sfc.ac.uk/review/review.aspx>. Ten key themes have been identified during Phase 1 which will shape future review activity: 1: Keeping the interests of current and future students, and equalities, at the heart of everything we do. 2: Supporting the digital revolution for learners. 3: Towards an integrated, connected tertiary education and skills system for learners and employers. 4: Recognising colleges and universities as national assets and civic anchors. 5: Building long-term relationships with employers and industry. 6: Protecting and leveraging the excellence of our research and science base. 7: Driving the innovation agenda. 8: Enhancing collaboration. 9: Making the most of the sector's global

connections. 10: Focusing on the financial sustainability of colleges and universities, and current funding models.

### **UK Government – Economic Forecasts Research 2020**

The UK Government has published a comparative analysis of various independent economic forecasts for the remainder of 2020, and 2021. In summary, based on the average of GDP growth forecasts, the UK economy is projected to decrease by 10.1% in 2020, and increase by 6.5% in 2021. The equivalent projections for (i) unemployment rate are 8.3% in 2020 and 6.6% in 2020, and (ii) Retail Price Index 1% 2020 and 2.9% in 2021. <https://www.gov.uk/government/statistics/forecasts-for-the-uk-economy-august-2020>

### **Scottish Government**

Further to the Programme for Government 2020 <https://www.gov.scot/programme-for-government/> announcement in September 2020, relevant new legislation passing through the Parliament includes (i) Domestic Abuse Bill, (ii) incorporating the UNCRC into Scots law, (iii) UK Withdrawal from the EU (continuity) Bill, and (iv) Hate Crime and Public Order Bill.

The Government has also launched a consultation on a new national digital strategy (<https://www.gov.scot/publications/renewing-scotlands-full-potential-digital-world/>). The OECD led review of Curriculum for Excellence - Senior Phase S4-S6 and the Rapid Review of National Qualifications Experience also continue.

In addition, a new consultation on *Rebuilding a Fairer Scotland after COVID-19* has been launched <https://www.gov.scot/news/rebuilding-a-fairer-scotland-after-covid-19/>. Colleges Scotland are pulling together a sector wide response.

### **Scottish Government Covid 19 Guidance**

A new plan to help tackle mental health issues arising from the pandemic has also been published (<https://www.gov.scot/news/supporting-scotlands-mental-health-recovery/>).

The Scottish Government has updated its [COVID-19 – Framework for Decision Making: Scotland's route map through and out of the crisis. Guidance](#) on the safe re-opening of colleges, universities and purpose-built student accommodation has also been published.

The SFC's [webpage on coronavirus preparedness](#) continues to be updated. The College's 5R Plan Steering Group and five Sub Groups continue to respond to such guidance.

### **UK Independent Commission on the College of the Future**

The Commission produced a new report, prior to the publication of its final report in Autumn 2020, entitled '*People, Productivity and Place: A New Vision for Colleges*' <https://www.collegecommission.co.uk/vision>. The report indicated that college of the future will be central to driving a fairer, more sustainable and more prosperous society, delivering for people (colleges will be a touchpoint for everyone throughout their lives as the world changes. Flexible and blended learning and guidance will empower each person to get a job, progress in their career and be an active citizen); for productivity (colleges will provide strategic advice and support for employers to drive business change, innovation and future workforce planning); and for place (colleges will have the resources and funding to play an even greater role in fostering healthy and connected communities).

### **Edinburgh Poverty Commission**

The Edinburgh Poverty Commission's final report can now be viewed via this [link](#). The report indicates a number of recommendations for public sector institutions, businesses and communities, to address rising poverty rates in the Capital City. A new community of interest has been established to help progress work: Further details can be found at: <https://edinburghpovertycommission.org.uk>

### **New Student Visa Regulations**

From 5 October 2020, all prospective international students coming to study in the UK on, or after, 1 January 2021, including those from the EU, EEA and Switzerland (excluding Ireland), will need to apply for a Student Visa, and receive a decision, before they arrive. More information about the Student Visa can be found at: <https://www.gov.uk/student-visa>

### **CDN New Strategic Framework**

CDN have published a new and ambitious [Strategic Framework](#), setting out the organisation's aims and objectives for the coming three years. Priority objectives for the 2020/21 academic session are: (i) supporting the learning workforce to develop excellent digital skills; (ii) promoting systems leadership development opportunities across the sector; (iii) developing collaborative research and enquiry programmes focused on recovery and practical innovation in education and skills; and (iv) ensuring that tackling the climate emergency and building a sustainable economy is at the heart of the post-Covid strategy.

### **Logan Review – Scottish Technology Ecosystem**

This extensive report into the 'Scottish Tech Sector' can be found at: <https://www.gov.scot/publications/scottish-technology-ecosystem-review/>. It identifies a series of recommendations to ensure Scotland has a world-class tech sector, by focussing on education and talent, infrastructure and funding. A particular focus is placed on the importance of enabling more 'tech start ups', to 'generate a tipping point' in the pace of ecosystem development.

### **DDI Creative Industries 'White Paper' Briefing**

A 'white paper' on 'Developing Data Driven Innovation in Creative Industries' has been produced by the [Data-Driven Innovation Programme at the University of Edinburgh](#), as part of the [Edinburgh and South East Scotland City Region Deal](#), which will be published on 16 September 2020 at <https://ddi.ac.uk/data-driven-vision-for-city-regions-creative-sector>. This research was undertaken in advance of the publication of the [Scottish Technology Ecosystem Review](#).

### **JISC Report – Shaping the Digital Future of FE and Skills**

JISC collaborated with the Association of Colleges and college principals on a research programme: Shaping the Digital Future of FE and Skills, [The report that concludes this project is linked here](#).

### **The SFC has published the following documents since the last briefing note:**

- Flexible Workforce Development Fund 2020-21 - <http://www.sfc.ac.uk/sectorcommunications>
- Analysis of the 2018-19 Annual Accounts of Scotland's Colleges and Universities - <http://www.sfc.ac.uk/sectorcommunications>
- [Funding for counsellors 2020-21](#)
- [Additional AY 2020-21 student number collection \(college sector\)](#)

**3. BENEFITS AND OPPORTUNITIES**

This report will enable the Board of Management and its committees to improve awareness of, and better respond to, impacts arising from the Covid 19 Pandemic, and other legislative and policy developments.

**4. STRATEGIC IMPLICATIONS**

All identified horizon scanning impacts, and local economic recovery actions, are well aligned to the five strategic aims of the Edinburgh College Strategic Plan 2017/22, and transformational themes of a 'Future Proofed College'.

**5. RISK**

This report will enable the College to better identify the risks arising from the Covid 19 Pandemic, and risks emanating from other national developments. Agreed risks are managed via a specific Covid 19 Risk Register, Departmental Operational Risk Registers, and the College's Top-Level Risk Register.

**6. FINANCIAL IMPLICATIONS**

Any financial implications for the College identified in this report will be managed by the Senior Management Team, and Executive Team.

**7. LEGAL IMPLICATIONS**

Any legal implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

**8. WORKFORCE IMPLICATIONS**

Any workforce implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

**9. REPUTATIONAL IMPLICATIONS**

Any reputational implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

**10. EQUALITIES IMPLICATIONS**

Any equalities implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

**RECOMMENDATIONS**

The Committee is recommended to CONSIDER and DISCUSS the implications for the College arising from the Horizon Scanning Report.



**POLICY & RESOURCES COMMITTEE**  
**10 NOVEMBER 2020**  
**PAPER N**



| FOR INFORMATION         |                                       |                   |            |
|-------------------------|---------------------------------------|-------------------|------------|
| Meeting                 | Policy & Resources Committee 10.11.20 |                   |            |
| Presented by            | Chair                                 |                   |            |
| Author/Contact          | Marcus Walker                         | Department / Unit | Governance |
| Date Created            | 06.10.20                              | Telephone         | -          |
| Appendices Attached     |                                       |                   |            |
| Disclosable under FOISA |                                       | Yes.              |            |

**POLICY & RESOURCES COMMITTEE - AGENDA PLANNER 2020/21**

**1. PURPOSE**

To provide the Policy & Resources Committee with an opportunity to review upcoming items of business.

**2. BACKGROUND**

It is important that the Board and its committees follow an appropriate plan of work in order to ensure they effectively cover all areas of their remit throughout the year and make the most efficient use of their time.

**3. DETAIL**

Below are proposed agenda items (and lead speaker) for the next three meetings of the Policy & Resources Committee, excluding Minutes of the Previous Meeting, Matters Arising and Any Other Competent Business:

**3.1 Tuesday 23 February 2021**

- 'A FUTURE PROOFED COLLEGE' UPDATE (A Cumberland)
- RECRUITMENT & RETENTION DASHBOARD (J Pearson)
- KPI MONITORING DASHBOARD (A Cumberland)
- MANAGEMENT ACCOUNTS DECEMBER 2020 (L Towns)
- HUMAN RESOURCES REPORT (S Clyne)
- ESTATES & INFRASTRUCTURE REPORT (A Williamson)
- HORIZON SCANNING REPORT (N Croft)

### **3.2 Tuesday 18 May 2021**

- 'A FUTURE PROOFED COLLEGE' UPDATE (A Cumberland)
- RECRUITMENT & RETENTION DASHBOARD (J Pearson)
- KPI MONITORING DASHBOARD (A Cumberland)
- FINANCE REPORT
  - Management Accounts March 2021 (L Towns)
  - Indicative College Budget 2021/22 (L Towns)
  - Financial Forecast 2020/21 to 2024/25 (A Williamson)
- HUMAN RESOURCES REPORT (S Clyne)
- CORPORATE SOCIAL RESPONSIBILITY STATEMENT (N Croft)
- HORIZON SCANNING REPORT (N Croft)
- REVIEW OF COMMITTEE OPERATION 2020/21 (Chair)

### **3.3 Date to be confirmed**

- TERM OF REFERENCE (Chair)
- 'A FUTURE PROOFED COLLEGE' UPDATE (A Cumberland)
- STRATEGIC PERFORMANCE REPORT (A Cumberland)
- RECRUITMENT & RETENTION DASHBOARD (J Pearson)
- MANAGEMENT ACCOUNTS JUNE 2020 (L Towns)
- HUMAN RESOURCES REPORT (S Clyne)
- ESTATES & INFRASTRUCTURE REPORT (A Williamson)
- HORIZON SCANNING REPORT (N Croft)

## **4. BENEFITS AND OPPORTUNITIES**

Effective agenda planning will allow the Committee to monitor all aspects of business within its remit in a timely manner.

### **CONCLUSIONS/RECOMMENDATIONS**

The Policy & Resources Committee are asked to NOTE upcoming items of business, and CONSIDER any additional items for discussion at upcoming meetings.