

2022-2027



Financial Strategy

Glasgow Kelvin College



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Welcome:

The strategy is set in the context of the Scottish College sector, the Scottish Funding Council and Glasgow Region Financial Memorandums, the anticipated SFC funding model, non SFC income targets, the College's annual financial planning and monitoring, and the potential to access some funding for specific projects from the Glasgow Kelvin Arms' Length Foundation. There may be challenges in achieving a balanced budget during the strategy period which covers a time of significant change and uncertainty. The prime aims are to optimise the generation of non-SFC funding and the management of efficient and controlled expenditure across all areas to enable high quality delivery and reinvestment in key areas of the College.

Strategy Purpose:

The overarching aim of this strategy is **to achieve financial sustainability and resilience for the College**. This will allow the College not just to continue to exist, but to thrive: to target available resources to support a high quality student experience and the College's Vision of Transforming Lives through Education; to help deliver its overarching Strategic Ambitions and Priorities; and to facilitate the development of agreed areas of the College's business where possible within the relevant financial period. The strategy is also intended to: support the College in meeting the challenges of achieving a balanced budget position annually, within the parameters of regional funding allocations; maintain and increase non-SFC income streams where there are opportunities to do so; and ensure that operational cash balances are within the target agreed by the Board.

The three Strategic Priorities below and the associated activities will support the achievement of this Strategy.



Strategic Priorities

A.

Ensure high quality financial planning, monitoring and control.



B.

Generate income, control costs, and manage cash flow.



C.

Ensure the best use of all resources – staff, financial and assets.



Strategic Objectives

A.1

Prepare a variety of high quality, timely financial reports and share with appropriate audiences.

A.2.

Develop a three year rolling balanced budget aligned with the College's Strategic Ambitions.

B.1

Achieve the annual Credit Target to maximise SFC and ESF funding.

B.2

Actively seek full cost recovery additional funding sources and utilise these in line with guidelines, with standard cost modelling used when developing new activities.

C.1

Maximise the efficiency of staffing resources to support a high quality service provision.

C.2

Utilise and develop the asset base efficiently and effectively to achieve the College's Strategic Ambitions.

A.3

Undertake robust quarterly forecasting to track progress against Budget and allow for contingency planning and action.

B.3

Profile and closely monitor all categories of expenditure, understanding the cause and impact of any variances and agreeing remedial action where possible.

C.3

Enhance the College environment or delivery with funding from the Arm's Length Foundation where appropriate.

A.4.

Comply with all of the requirements of external regulations, ie Scottish Government, SFC, GCRB, Audit Scotland, external auditors etc

B.4.

Manage the underlying cash balances in line with the 15-25 Day Target.

C.4.

Ensure that the Finance Team is properly structured and staffed to support the Financial Strategy and raise financial awareness across Board Members, budget holders and the wider College staff.

Strategic Enablers



People

The success of this Financial Strategy is predicated on the Finance Team being resources with Appropriately Qualified and Experienced Staff



Funding, Cost Control & Cash

Sufficient Funding from the SFC and other sources, combined with effective cost control and sufficient cash reserves are vital in successfully delivering this Strategy.



Systems and Processes

Efficient financial systems and processes are key as these underpin all of the information processed, monitored and reported.

5 Years: measuring success

In 5 years' time, through the implementation of our Financial Strategy, we will create a College where:

We are recognised as a high performing, financially secure College.

We have developed and grown new, repeat profitable sources of income.

We have invested in our Campuses to improve Student Experience.

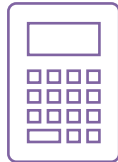
Increased financial awareness and understanding across the whole College.

We have a culture of excellence and improvement in relation to all financial matters.

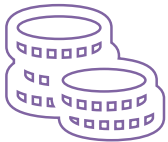
Fast Track:

We will fast track delivery of our strategic objectives through a variety of mechanisms including:

We will enhance the current financial monitoring and reporting processes



Financial awareness training to be delivered to all Board Members.



Finance Team structure, including roles and responsibilities, to be reviewed.



Regular Finance updates to be provided to all staff.

Finance processes to be reviewed as part of the College's Continuous Improvement programme.



Document Control Information	
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