



Our ref: 247488931

29 March 2017

Terry Shevlin
Senior Assistant Clerk
Public Audit and Post-legislative Scrutiny Committee
The Scottish Parliament
Edinburgh EH99 1SP

Dear Terry,

Glasgow Colleges' Regional Board (GCRB)

I am writing to you following your earlier correspondence with SFC about the 2014-15 audit of Glasgow Colleges' Regional Board and the issue of the status of GCRB. We agreed to provide the Public Audit and Post-legislative Scrutiny Committee with notification when a decision was taken by the SFC Board on this issue.

I can now confirm that, at its meeting on 17th March 2017, the SFC Board agreed to award Glasgow Colleges' Regional Board (GCRB) fully operational fundable body status from 1st April 2017. This will allow GCRB to assume all of the responsibilities associated with a Regional Strategic Body, including the funding for college provision in Glasgow Region, applying appropriate financial monitoring processes, and monitoring the performance of the assigned colleges.

As you know, we have been carrying out an extensive assessment of the regional governance arrangements over the last 12 months. Taking all of the evidence together, including the recently developed procedures for the management of grant payments by GCRB to its assigned colleges, and the creation of the Director of Finance and Resources post alongside an interim arrangement that provides for a

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high level financial expertise, we are satisfied that the regional governance structures and processes are sufficiently robust to support GCRB's regional responsibilities, including the management of SFC funding for the region.

The paper that was considered by the SFC Board in reaching this decision, SFC/17/22 is available at:

http://www.sfc.ac.uk/web/FILES/CNP_Councilmeeting17March2017_17032017/SFC_17_22_GCRB_fully_operational_.pdf

The Post-16 Education (Scotland) Act 2013 provided the legislative structure to support the regionalisation of the college sector, including the creation of regional strategic bodies in the three multi-college regions. On 1 May 2014 the new Regional Board for Glasgow Colleges was created as the Regional Strategic Body (RSB) for the Glasgow region; and on 1 August 2014 the three Glasgow colleges - City of Glasgow College, Glasgow Clyde College and Glasgow Kelvin College - were assigned to the Regional Board. From that date, the law allowed for GCRB to assume the responsibilities of the RSB for the region.

However, as a transitional arrangement, SFC continued to fund the three assigned colleges directly until we were satisfied suitable regional governance structures and processes were in place to allow for the governance and management of funds within the region.

I can confirm that SFC will no longer fund the three assigned colleges directly for further education. Instead, we will in future provide the full amount of this funding to GCRB, which will, in turn, fund its assigned colleges. Student support funding will continue to be paid by SFC direct to the colleges, as required by law.

If the Committee requires any further information please do not hesitate to contact me.

Yours sincerely

John Kemp
Interim Chief Executive