

NOWHERE LIKE KELVIN



2024 - 2025 Annual Report & Financial Statements

The Board of Management of Glasgow Kelvin College is a Scottish Registered Charity, no. SCO21207

REAL PEOPLE. REAL GLASGOW

Contents

	Page
Overview Report 2024/25	5
Performance Analysis Report 2024/25	21
Accountability Report	43
Remuneration and Staff Report	56
Statement of Comprehensive Income for the year ended 31 July 2025	70
Statement of Changes in Reserves for the year ended 31 July 2025	72
Balance Sheet as at 31 July 2025	73
Statement of Cash Flows	74
Notes to the Accounts	76
Appendix 1 Accounts Direction for Scotland's Colleges 2024-25	

Performance Report of the Board of Management

Introduction

The Performance Report for the year ended 31 July 2025 provides an overview of the College, its objectives, strategies and targets, its performance over the year, its financial position, the risks it faces and its future plans.

The Performance Report consists of the following sections:

1. Overview Report 2024/25

- 1.1. Introduction
- 1.2. Principal's Review of 2024/25
- 1.3. Statutory Background
- 1.4. Mission and Vision Statements
- 1.5. Purpose, Context, Operational Environment
- 1.6. College Strategy & Ambitions
- 1.7. Key Risks
- 1.8. Going Concern
- 1.9. Performance Summary

2. Performance Analysis Report 2024/25

- 2.1 Performance Measurement
- 2.2 Performance Analysis & Performance Indicators
- 2.3 Financial Performance
- 2.4 Prompt Payment to Suppliers
- 2.5 Procurement, Anti-bribery & Corruption
- 2.6 Treasury Management
- 2.7 Commitment to Human Rights, Equality and Diversity and Disability Statement
- 2.8 Environmental Sustainability
- 2.9 Staff Involvement
- 2.10 Health & Safety
- 2.11 Openness, Freedom of Information & Data Protection
- 2.12 Taxation & Charitable Status
- 2.13 Quality Enhancement
- 2.14 Professional Advisors

Further information on the College's operational, strategic, and financial plans can be found in the College web site: www.glasgowkelvin.ac.uk



1. Overview Report AY 2024/25

1.1 Introduction

The purpose of the Overview Report for session 2024/25 is to provide summary information in respect of the College, its objectives, strategies and the perceived risks that it faces. This section also provides a high-level performance summary which is analysed further in the Performance Report.

1.2 Principal's Review of 2024/25

I write the report having recently taken up the post of Principal and CEO of the College following the departure of the previous Principal and CEO Derek Smeall in March 2025.

The academic year 2024/25 has been one of significant achievement, resilience, and adaptation for Glasgow Kelvin College. Our continued commitment to widening access and delivering high-quality learning opportunities has ensured that the College remains at the heart of the communities it serves. Supporting learners to develop the skills, knowledge and confidence and ensuring our core mission of "Transforming Lives Through Education" is at the core of our collective endeavours.

This year we welcomed over 14,000 students across full-time, part-time, and community-based programmes. Retention and attainment levels are continuing to improve, reflecting the dedication of both learners and staff.

I am very pleased to see that our student success rates across all four mode and level categories have improved by an average of 5 percentage points, with the College delivering its highest ever levels of success for our Full-time Further Education courses. In addition, student satisfaction continued to be extremely high with 96% of students reporting satisfaction with their overall student experience. With around 40% of our students resident in Scotland's 10% most deprived postcodes, the College continues to be an effective provider of Further and Higher Education in the Glasgow Region and an institution delivering for the people of Glasgow.

The College also exceeded its Credit threshold set by the Scottish Funding Council (SFC) for 2024-25 by just over 1 percentage point in response to high levels of student demand.

Our commitment to equity and inclusion remains a defining feature of the our college, particularly so given that some 40% of our students reside in SIMD10 postcode areas. Targeted support for care-experienced learners, those from areas of high deprivation, and students with additional support needs has helped to reduce barriers to participation and achievement.



Collaboration with employers, local authorities, and community partners continues to strengthen our provision and enhance the employability of our learners. Notably, new initiatives in innovation, community learning and STEM areas and have expanded opportunities for individuals and businesses, supporting Scottish Government priority areas and our regional economy.

The 2024/25 financial year was managed prudently against a backdrop of continuing fiscal constraint across the wider tertiary sector. Through careful stewardship, the College has maintained financial sustainability while investing in curriculum innovation, estates improvements, and digital infrastructure. The accounts demonstrate our ongoing commitment to efficiency, transparency, and long-term value for our stakeholders.

Our staff remain the cornerstone of Glasgow Kelvin College's success. Their professionalism, creativity, and dedication ensure that learners receive the best possible support and teaching. This year saw further investment in staff development, with a particular focus on digital pedagogy, inclusion, and leadership.

As we move into 2025/26, the College will continue to build on its achievements and adapt to the challenges facing the sector. As a newly designated Regional College, coupled with the launch of our new 2030 strategy, our priorities will include strengthening our approaches to learning and teaching, enhancing partnerships with industry, supporting the wider Glasgow regional economy, and ensuring that our learners are equipped with the skills required for the future.

Learning & Teaching

There were a number of innovations and developments across a range of curricular areas, ensuring our programmes remain relevant and focussed on the skills needs of both today and tomorrow. Highlights in 2024/25 included:

- We successfully led a six-college, £1.2 million innovation training programme across the Glasgow City Region. Alongside coordinating the regional project, the College worked with employers to support innovation with programmes such as digital capabilities for CO2 technologies, computer aided design and 3-d printing.
- Supported by funding from the Scottish Government's Asylum, Refugee, Resettlement and Ukraine Division we delivered additional ESOL programmes targeting new arrivals in Glasgow.
- In response to employer demands, we worked with Skills Development Scotland to increase the volume of refrigeration apprentices supported by the College.
- In partnership with Glasgow Clyde and West College we designed and delivered upskilling training for the NHS staff working with in care of the elderly.
- Working with local schools, we delivered a STEM project focussed on encouraging careers in Engineering and sustainability.
- We successfully delivered year 3 of community-based adult literacies training supported by UK Multiply funds.
- In response to employer and student demand we delivered a first year of a new HND in Costume Design.
- Working with a local university we designed a level 8 Building Services Course which provides a progression route for our HNC apprentices.
- We developed a level 9 Childcare to upskills Glasgow City Council classroom assistants.
- We worked collaboratively with European college colleagues to provide international exchange opportunities for our students in Music and Health studies.
- In addition to participating in the Quality Assurance Agency's new step programme, we strengthened our teaching development activity with the development of a joint CPD programme with the University of Stirling.

The College also continued to develop its Green Skills training offer, supporting the upskilling, reskilling and vocational training to apprentices and existing tradespersons in sustainable technologies. This included the provision of teaching resources designed to train in Solar Hot Water, Air Source and Ground Source Heat Pumps and approval to deliver specialist Vendor Qualifications.

Strengthening our partnerships with schools remains a priority and we continued to expand our award-winning Young Enterprise Scotland Company Programme, with improved digital reporting systems and organisational infrastructures put in place to streamline enrolment and enhance the overall experience.



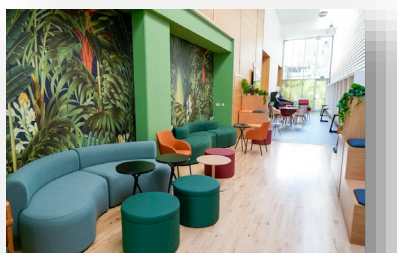
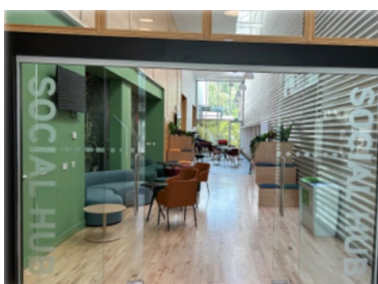
Estates & Sustainability

The College has continued to invest in its estates with funding allocated by the Scottish Funding Council (SFC)/Glasgow Colleges Regional Board (GCRB). There have been various capital projects completed taking due cognisance of the condition surveys of all three campus buildings. There have been improvements made in relation to cycling facilities and student social spaces.

The West End Campus sale concluded on 10 October 2024. As per the purchaser request, all buildings were completely emptied of furniture. The College used all furniture and items of equipment needed across the estate and donated over 85% of all other items to community partners and other community organisations to prevent these items going to landfill.

Some of the main works, campus re-location and campus re-investment works that took place over Academic Year 2024/25 are detailed below by campus.

Springburn



- Social Hub created for students to enjoy leisure time
- Manifestations installed in various areas to improve appearance
- Various rooms refreshed/repainted
- Creation of new Boardroom
- New roof barriers and doorway access to roof installed
- Additional disabled parking bays added
- New front door installed with enhanced disabled entrance
- New access path to front entrance area installed.
- Major staff lift upgrade
- New flooring installed in various areas throughout the Campus

Easterhouse



Re-purposed unused Mail Room to New Office Space

- New office space created on third Floor.
- Estates office created on ground floor area near Reception.
- Outdoor gym/garden area enhanced for students to enjoy.
- Toilets refurbished.

East End



New Meeting Room

- Toilet refurbishment including the creation of a Wash and Go toilet.
- Inflatable roof repaired.
- Exposed metal deck in art room repaired.
- Main steps lighting replaced.
- Staff break area created on ground floor.
- Air conditioning in the server room replaced.
- Repainting of picnic benches.

From SFC capital funding, a wide range of projects have been completed, particularly in relation to the condition surveys carried out and backlog maintenance matters. Significant investment has improved the overall quality of all campuses and it is hoped that ongoing and sustainable levels of funding will continue to be made available to further support the programme of estates development and maintenance.

Financial Management

To address the significant threat faced to the financial stability of the College and the Further Education Sector, a College Operating Plan for AY's 2022-27 was developed during 2022/23. This was shared with staff, students, Glasgow Colleges Regional Board, the SFC and other stakeholders to highlight the impact of some of the assumptions on which this was built if the College failed to take urgent action

Following consultation with the Board, it was agreed that the Operating Plan would be approved and implemented on a milestone basis and that it would be revised regularly to reflect any material changes. The Operating Plan was then implemented, with regular updates and revisions presented to the Board during AY 2022/23 and throughout AY 2024/25. Savings have been generated in line with the Operating Plan and in June 2024 a revised five year Operating Plan for 2024-29 was approved by the Board. This revised Plan set balanced budgets for five years and resulted in a re-profiling of the staff savings over a three-year period, rather than the balance of savings all coming from AY 2024/25 as originally expected.

The Voluntary Service target of 10 FTE (£504k savings) was exceeded in AY 2024/25, with 12.5 FTE (£645k savings) achieved. The College Operating Plan has delivered the required savings and associated financial stability. The College Operating Plan was not revised at June 2025, however, the VS targets in the June 2024 Operating Plan have been built into the budgets for 2025/26 and 2026/27. As a result of the careful financial management to date and planned for the future, the College has been able to set balanced budgets for the five years 2025-30.

The College has continued to carefully monitor all income and expenditure, with detailed quarterly forecasting taking place.

While a flat cash settlement for five years to AY 2026/27 is the best that can be expected, ongoing affordability of payroll costs remains a major concern. Whilst the pay deal has been settled for teaching staff for September 2025 this has not been settled for support staff. The Scottish Government has provided a commitment to contribute a proportion of the EIS-FELA pay settlement costs for September 2025 on a recurrent basis. The same commitment has now been made relating to any future support staff settlement.

In relation to the financial position, the College has continued to consult with its staff representatives and recognised Trade Unions, act transparently and openly, communicate with staff and do all it can to protect services for learners. The financial management and performance has supported the College in mitigating the huge ongoing financial challenges

However, this flat cash financial settlement position is not sustainable in the long term and must be addressed urgently, as highlighted in the **Scotland's Colleges 2025 Briefing Paper** from Audit Scotland in October 2025.

The College and University sectors are now subject to an ongoing national review and transformation programme. The intention is that this transformation will include a new fair and transparent funding model.

Successes AY 2024/25

The College, our students, and our staff continue to thrive in successes, achievements and events. Highlights during the past year include:



Summer Awards 2025 – Celebrating Achievement at the City Chambers

Glasgow Kelvin College proudly celebrated its *Summer Awards 2025* on **Thursday 22nd May** in the stunning setting of the **City Chambers**.

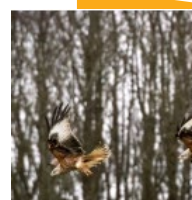
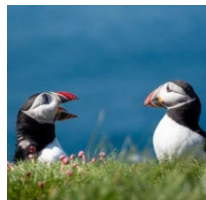
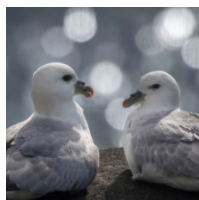
A total of **77 prize winners** were joined by proud family and friends for a heartwarming morning of recognition and celebration. The event was also attended by many **academic staff**, there to cheer on their students and mark their achievements.

Special guest **Nikki Black**, Head of Winter Gardens Nursery, delivered an inspiring keynote speech that truly resonated with the audience — highlighting the power of determination, growth and community.



Nature Photography Win for Callum McKenzie

A huge congratulations to Glasgow Kelvin College Photography student Callum McKenzie — the newly crowned Scottish Student Nature Photographer of the Year!



Kelvin Tackles Inequality with Community



The College's established Youth & Community Hubs at its Springburn and Easterhouse campuses continue to address educational disadvantage in northeast Glasgow, where 20% of residents lack qualifications. The Hubs provide evening learning opportunities and skills training in professional facilities, with all members becoming enrolled students to foster pride and create pathways to further education and employment.

The project is funded by the STV Children's Appeal



Green Gown Awards Winner

We are delighted to announce that the College won the International Green Gown Award for Next Generation Learning & Skills, for our "Fighting Fast Fashion" project.

The winning entry consisted of our impactful "Project Runway", "Bridal Project" and "Swap Shop" projects by our Fashion Department, in conjunction with our Environmental Sustainability Manager, Sarah Shea.



Sustainability Events & Initiatives

Kelvin is constantly striving to improve our environmental sustainability, whether that is through decarbonising the College, improving biodiversity on green spaces, providing resources to choose sustainable travel options, or engaging with our learners

October Initiatives:

- Swap Shops and Clothing Hub
- Sustainability Champions Meeting
- Green Library
- Sustainability, Wellbeing, Equality, & Active Pop-ups
- Sustainable Cooking demos and recipes
- Hedgehog Friendly Working Group

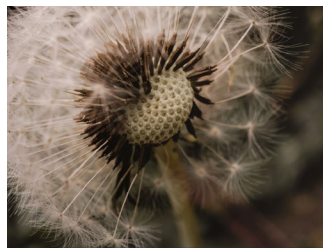




Megan Johnstone – A Shining Success from Art & Design

The Art & Design team at Glasgow Kelvin College is proud to celebrate the success of Megan Johnstone, who has secured a place directly into the second year of the BA (Hons) Fine Art course at Duncan of Jordanstone College of Art & Design (DJCAD), University of Dundee.

Megan's portfolio has not only earned her a coveted place at DJCAD, but has also been selected as an exemplar to showcase to prospective students.



Glasgow Kelvin Students Win Top Awards at Craftex 2025

Glasgow Kelvin College students wowed the judges at this year's Craftex exhibition, held at the Trades Hall from 5–7 June.

Among the top honours, Evy Craig won the Deacon Convener's Design Prize for her imaginative work in Fashion – Upcycled Material (Non-Advanced), while Craig Watson received the prestigious Glencairn Award for his entry in Fashion – Advanced.



Kelvin Freshers Welcomes Over 2,200 Students

We had an incredible start to this new academic year with more than 2,200 students coming through our campus doors to enjoy their Freshers Events.

An event like this takes lots of planning months in advance, as well as great teamwork between departments. Without the co-operation of cross college teamwork none of this would be possible.



New Wheels for Pathways to Employment Learners!

Learners from the NQ Pathways to Employment Skills class were gifted brand new BMX bikes, thanks to a generous contribution from Scottish Cycling.

The group has been involved in a collaborative project between Scottish Cycling and the University of Sydney, Australia, and were thrilled to receive the bikes as part of their participation



MSP Commends Kelvin for Leading on Skills and Inclusion

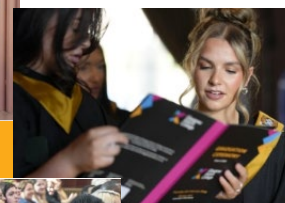
Glasgow MSP Ivan McKee has praised Glasgow Kelvin College for its "crucial role in preparing Scotland's future workforce" after visiting the Springburn Campus.

Touring specialist workshops in Air Conditioning, Refrigeration, and Building Services Engineering, Mr McKee met with apprentices and the ESOL Youth Progression group—highlighting the college's impact on skills, inclusion, and economic growth.



Celebrating Success: 2024 Graduation Ceremony

A significant moment in the academic journey. The 2024 cohort enjoyed a memorable Graduation Ceremony held at the stunning Barony Hall, University of Strathclyde.



1.3 Statutory Background

Glasgow Kelvin College was established on 1 November 2013. It was created from the merger of North Glasgow College, Stow College and John Wheatley College. North Glasgow College became the host institution and was renamed Glasgow Kelvin College on 1 November 2013. It is one of Scotland's colleges as defined by the Further and Higher Education (Scotland) Act 2005.

The College was primarily funded by GCRB which was a 'Fundable Body' within the terms of the Post 16 Education (Scotland) Act 2013. GCRB had the overall responsibility for the planning and delivery of Further Education in Glasgow. It should be noted that GCRB was disbanded on 30 July 2025 and Glasgow Kelvin College moved from an "Assigned College" to a "Regional College" thereafter with funding being received directly from the Scottish Funding Council.

Glasgow Kelvin College is a registered Scottish Charity, Charity number SC021207 (within the provisions of the Charities and Trustee Investment (Scotland) Act 2005).

1.4 Mission and Vision Statements

Vision Statement

Transforming lives through education.

Mission Statement

Glasgow Kelvin College will enhance our learners' aspirations, careers and lives through accessible, inclusive, high quality lifelong learning.

1.5 Purpose, Context, Operational Environment

Glasgow Kelvin College was created on 1 November 2013 as part of the Scottish Government policy to develop a regional, more strategic, approach to organising and delivering Further Education in Scotland. The College works closely with its two partner Glasgow colleges and also with GCRB to achieve this policy aim.

It delivers a wide range of qualifications and learning opportunities. These range from access provision, delivered in the community, through national certificate, HNC, HND, Foundation Apprenticeships, and Modern Apprenticeships. Partnership working with local and national agencies enables the College to offer this wide range of learning and teaching opportunities.

In respect of the local context, the College operates in one of the most challenging educational environments in Scotland. The majority of local authority wards, which are in close proximity to the College, feature in the Scottish Government's most deprived areas, based upon the indices of multiple deprivation. In AY 2024/25 the enrolled headcount was 12,838 students, of that 66% were residing in Glasgow City Council areas. 62% of the total funding Credits (a direct measure of the volume of student activity) were delivered to Glasgow City Council area residents which is an equivalent proportion to that of the AY 2023/24. This equates to just under 8,404 students in AY 2024/25, down slightly from 9,010 in AY 2023/24.

During the year, the College curriculum was delivered by its two teaching faculties:

- STEM, Enterprise and Arts; and
- Wellbeing, Development and Creative Services.

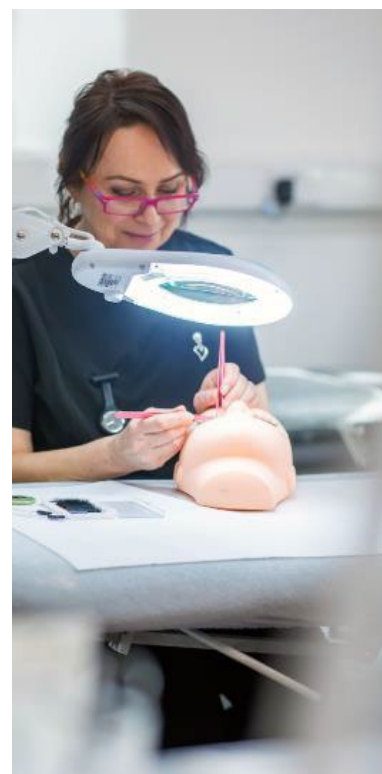
It operates primarily from its three main campus buildings. The three main campus buildings are:

- Springburn Campus;
- East End Campus; and
- Easterhouse Campus.

The campus facilities are all of a high-quality standard and East End, Springburn and Easterhouse campuses have continued to be significantly enhanced during the year to enable the College to deliver its curriculum across the North and East of Glasgow.

The College also delivers activity in a number of community venues across North East Glasgow, in partnership with the North East Sector Community Planning Partnership Board and with the Wheatley Group. The Learning Network comprises of learning centres in community venues which are electronically networked to the College.

The College is largely funded by public funds which derive predominately from the SFC. In addition, the College receives fees paid by the Student Awards Agency for Scotland (SAAS), learners and employers. Public funding and funding from partners enable the overwhelming majority of learners to attend College at no direct cost to themselves. Consequently, this means that the College is heavily dependent upon direct financial support from the Scottish Government via the Scottish Funding Council.



1.6 College Strategy & Ambitions

The College five-year Strategy was published in January 2022 following a process of extensive consultation. The Plan maintains the College vision to Transform Lives Through Education and seeks to do so through the following strategic ambitions and priorities:



• **Strategic Ambition 1 – Deliver an Inspirational and Inclusive Student Experience.**

- Develop employment and life skills through high quality learning, teaching and assessment.
- Empower and support our students through their life changing journey, throughout life.
- Provide an outstanding physical and Virtual Learning Environment.



• **Strategic Ambition 2 – Strengthen our Communities and Environment.**

- Build capacity within vibrant communities and support inclusive economic growth.
- Deepen employer and industry engagement, earn our reputation as centres of excellence and be the partner of choice.
- Address our Climate Emergency – Act, Educate & Engage.



• **Strategic Ambition 3 – Be a High Performing, Resilient and Responsive College.**

- Build an organisation that thrives with dynamic and empowered people.
- Drive Continuous Improvement and Digital transformation.
- Achieve Financial Sustainability and maintain Strong and Effective Governance.

These strategic ambitions and priorities align with SFC's Outcome Framework and Assurance Model and the wider political framework in Glasgow and nationally.

The College has developed a new five-year Strategy 2030, with four strategic ambitions and priorities – Our Students, Our Partners, Our People, Our Place - which was approved by the Board in October 2025. This will be fully launched in January 2026 when the new College Values are approved and can be embedded in the Strategy document.

There are eight key supporting Strategies, listed in the table below, which help deliver the Vision, Mission and Strategic Ambitions of the College. These Strategies are underpinned by a number of Frameworks, Action Plans and sub strategies, where appropriate.

College Supporting Strategies	
Access & Inclusion Strategy	People Strategy
Learning, Teaching & Assessment Strategy	Digital Transformation Strategy
Financial Strategy	Estates & Sustainability Strategy
Procurement Strategy & Action Plan	Corporate & Operational Services Strategy

The Planning documents referred to above are all available on the web site:
[Plans and Strategies - Glasgow Kelvin College](#)

There current expectation is that the key supporting strategies, to underpin the new Strategy 2030 will be in place by 31 July 2026.



1.7 Key Risks

The after-effects of the COVID-19 pandemic unfortunately continue to have an impact on the College in relation to poor mental health and wellbeing issues for students and staff.

A key risk remains the lack of sustainable funding and this, coupled with the significant costs related to replacement and repair of the cladding and curtain walling at the Springburn Campus bring major financial challenges. To remain financially stable with flat cash settlements from the SFC, the College has continued to reduce staffing numbers via Voluntary Severance settlements. 14 individuals were approved for Voluntary Severance during - Academic Year 2024/25. Maintaining staff morale continues to be challenging in a declining financial arena.

The ongoing cost of living crisis continues to impact as food and energy prices remain high, employers National Insurance rates and the Living Wage have both increased. This is coupled with higher tax rates in Scotland. Overall, this could reduce the number of businesses remaining viable in the current climate, with a reduction in staff due to high employment costs and potentially far fewer opportunities for commercial activity and a possible reduction in apprenticeship recruitment. Utilities, national insurance, food and product prices, particularly in building and construction, are all placing a greater pressure than ever on the College budget. These cost pressures hit particularly hard on the deprived communities the College serves. The role of the College as a community asset and as a destination of positivity is more important than ever.

The College remains under pressure to provide digital resources to students who do not own personal devices, but there are insufficient resources to enable this at the same levels as previously, so alternative solutions have to be found. Cyber attacks across the education sector and the Public Sector are increasing every year, so prevention measures against the risk of attacks cannot diminish. Artificial Intelligence is another strand to this which has both positive and negative implications from a risk perspective.

The College made the decision to sell the West End Campus in October 2024 which resulted in a yearly financial saving in terms of operating costs. While the College believes its Estates and its Curriculum are appropriate to its current mission and vision and the needs of the Glasgow region and economy, a full review of the full future skills review of the curriculum has just been completed and is under discussion. The purpose of this review is to ensure that the curriculum will support the new College Strategy and future demand.

In relation to staffing costs, the transition to national collective bargaining has resulted in a number of challenges for the College. The agreed rates of pay for teaching and support staff, without matching increases in funding levels, has placed a significant financial pressure on the College. In addition, the support staff National Job Evaluation exercise outcome still remains unclear. The passage of time i.e. circa 7 years, has resulted in many changes taking place throughout the College as the status quo in regard to support staff, has not remained.

The College routinely reviews its College Strategic Risk Register and has identified twelve main risks to achieving its ambitions and delivering its Vision. The main risks are as follows:

- | | |
|---------------------------|--|
| ➤ SFC Review | ➤ Environment |
| ➤ People | ➤ Infrastructure Strategy |
| ➤ Litigation / Compliance | ➤ Student Recruitment & Retention |
| ➤ Curriculum Relevance | ➤ Cyber Risk |
| ➤ Sustainable Funding | ➤ Artificial Intelligence |
| ➤ Student Experience | ➤ Cladding and curtain walling issues at Springburn Campus |

1.8 Going Concern

The Board of Management position in relation to Going Concern is presented at **3.1.1 of the Accountability Report** and the Financial Statements are prepared on this basis as stated in the Principal Accounting Policies in **Note 1 of the Annual Accounts**.

1.9 Performance Summary

The College had set a number of operational targets for AY 2024/25 and monitored performance against these throughout the year. A key target for the College is delivery of student activity levels to a target level set by the SFC. During AY 2024/25 the College achieved its targeted Credit threshold, delivering less than 1% above the SFC required minimum. The continued achievement of this volume of provision is a significant achievement given the continued reduction in real terms income for colleges.

The College delivers a range of accessible and community-based learning opportunities to encourage high levels of engagement from local communities. A key measure of success in this regard is the proportion of activity related to Scottish Index of Multiple Deprivation (SIMD) 10 and 20 students (10% and 20% of students from most deprived postcodes). At almost 40% of all Credit activity SIMD 10 in 2024-25, this continues to be at a level significantly higher than any other college in Scotland.

Improving efficiency remains a College priority and in 2024-25 we continued to enhance the effectiveness of our curriculum delivery with improved staff utilisation. Using more comprehensive data modelling and reporting we enhanced the deployment of staffing resources and increased again the volume of Credits delivered by FTE lecturing staff from 345 Credits to 349 Credits. This represents an efficiency improvement of over 10% in the past three years.

Another key performance indicator is managing to operate within budget. The College has delivered a modest Adjusted Operating Position (AOP) surplus of £240k for AY 2024/25. As a result of all the work done to implement the original Transformation and Renewal and then Operating Plan AYs 2022-27, the College has also been able to set balanced budgets for the next five years, detailed in the revised Operating Plan 2024-29. Further information in relation to this financial performance is provided at 2.3 below.



2. Performance Analysis Report 2024/25

2.1 Performance Measurement

The Board has a College Strategy in place which sets out its overarching objectives in the form of Ambitions and Priorities. This Strategy is supported by the College Operating Plan and a concise framework of supporting strategies. Together these provide comprehensive strategic planning. These documents reflect Government policy objectives and are the primary documents the College uses to articulate its plans and objectives. This forms the basis for operational and financial planning. Performance is monitored routinely against these plans and is reported in detail to the Board of Management in the middle of the year and at the year end.

The College takes a holistic view of its performance, it recognises the importance of managing performance across all aspects of its activity, and regular progress reports were made to the Board on progress delivering the aims of the College's Strategic Plan and College Operating Plan Objectives and targets. These reported performance in numerical terms against a number of Key Performance Indicators (KPIs) and also made reference to a wide range of other information, reports and feedback to develop and improve College services. For 2024/25, the Board of Management also had increased access to Power BI data reports, including a bespoke report aligned to the achievement of high level strategic goals and this has been well received by Board members.

In addition to financial and student performance data, this includes quantitative and qualitative analysis of feedback from learners, commendations and complaints, feedback from partners, employers and other service users.

2.2 Performance Analysis & Performance Indicators

The following table provides summary financial and key performance indicators. The College also reports on academic performance separately and within the context of the regional outcome agreement and the targets specified in that document.

Performance Indicator	2021/22	2022/23	2023/24	2024/25
Adjusted Operating Surplus (Deficit) as a % of Income *	3.3%	(3.9%)	0.7%	0.8%
Non - SFC Income	£5,466,000	£4,868,000	£4,540,000	£5,198,000
Non SFC Income as a % of Total Income**	17%	15%	15%	17%
Staff Costs as a % of Total Expenditure***	71%	70%	70%	70%
Credits Delivered	80,238	77,574	74,177	72,340
Credits Target (ROA)	83,207	79,934	71,941	71,941
FTE Teaching Staff	232	234	215	207
Credits per FTE Teacher	346	332	345	349
Current Ratio (current assets / current liabilities)	0.9	0.8	0.93	1.0
Net Current Assets/ (Liabilities)	(£804)	(£2,078,000)	(£523,000)	£46,000
Days Cash	47	47	42	48

Note:

* based on underlying surplus methodology established by the SFC

**excludes proceeds from disposal of fixed assets and capital grants

***staff costs exclude voluntary severance costs and total expenditure excludes impairment costs

Over recent years an extensive programme of value for money savings has been implemented which has reduced expenditure on goods and services, this is making it particularly difficult going forward to identify opportunities for further savings.

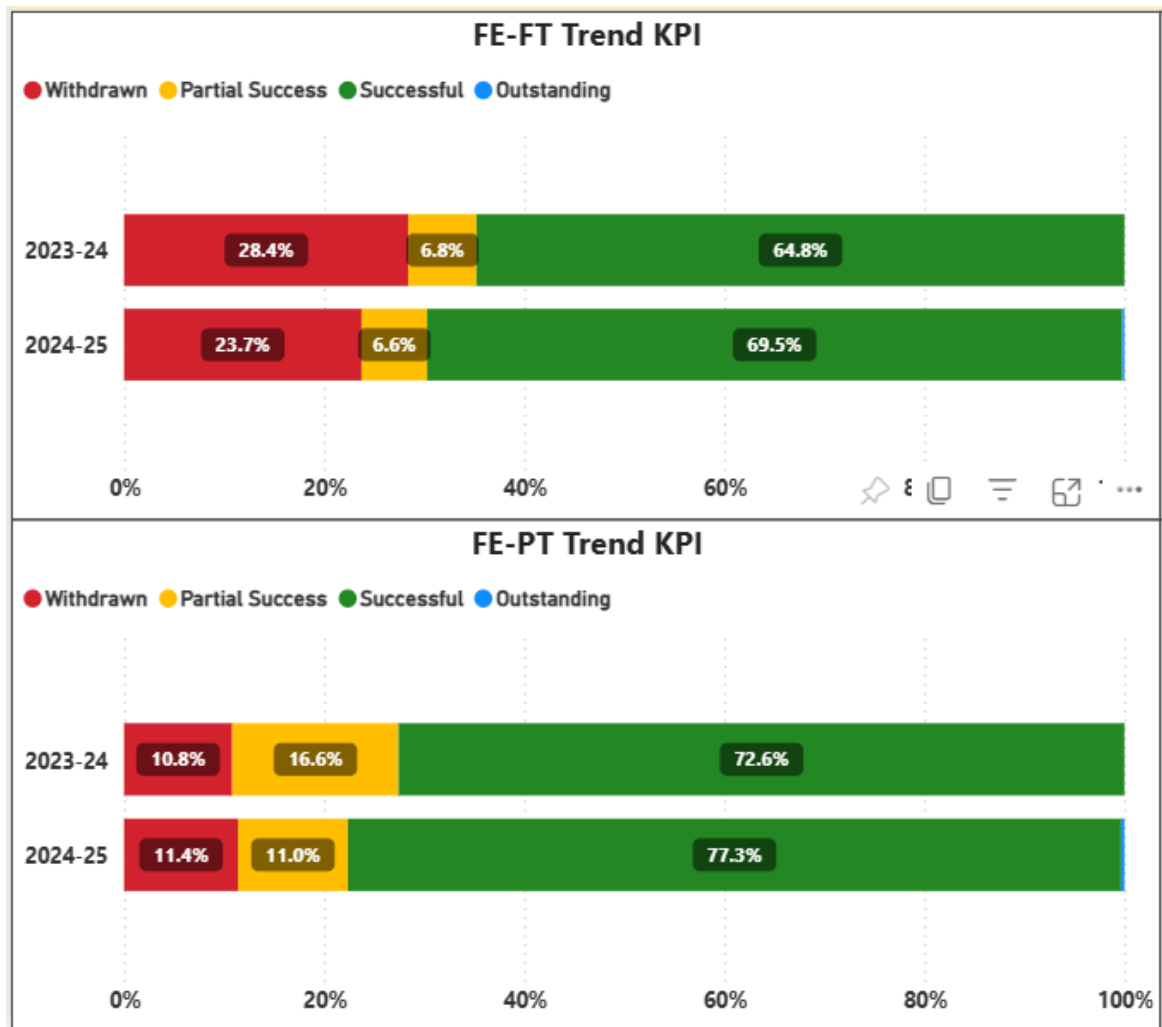
Academic Performance Indicators

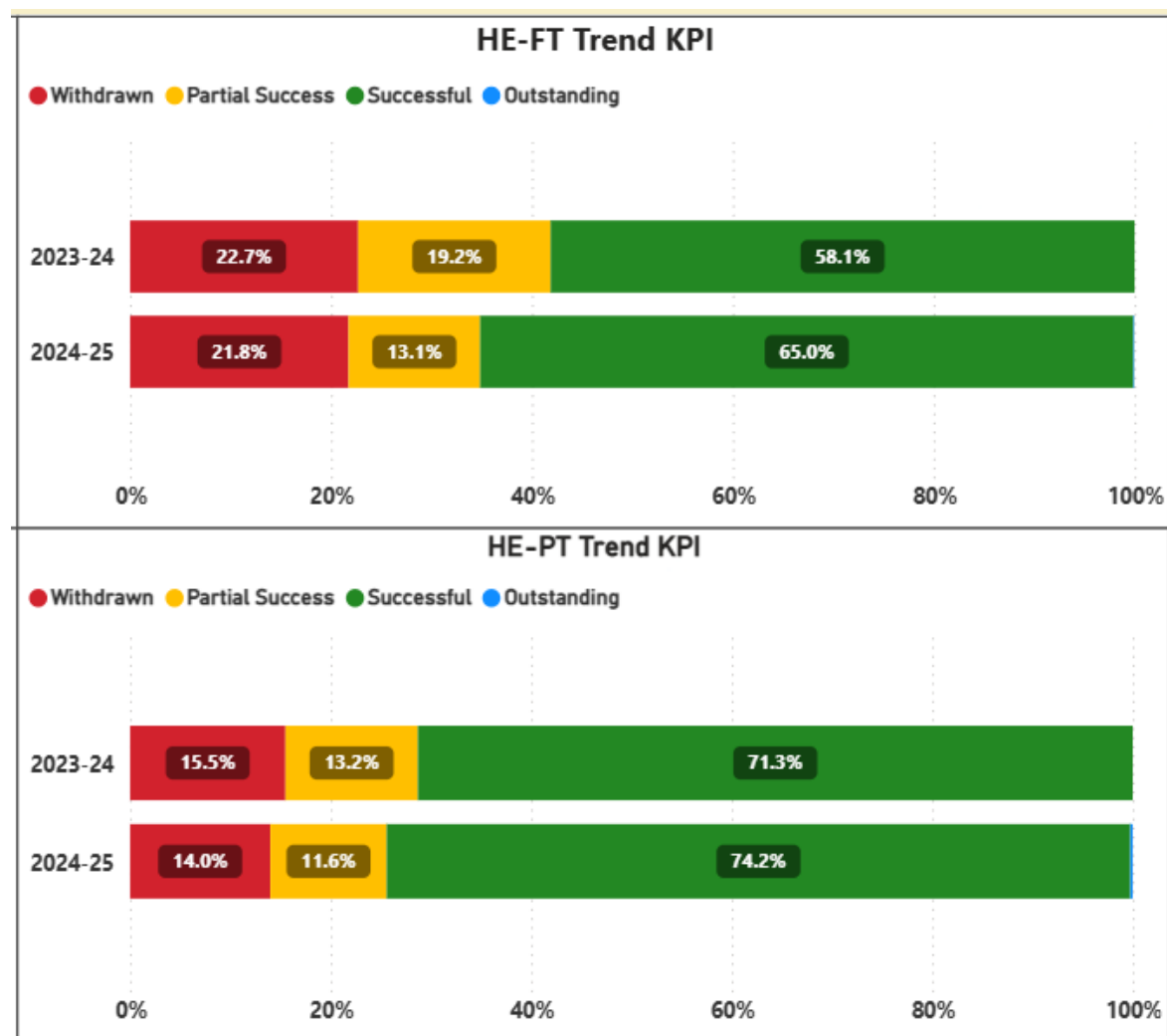
The College made significant improvements in student outcome levels in 2024-25 with an average improvement of 5 percentage points compared to the previous academic year. These improvements have resulted from a whole-college approach to enhancement, including initiatives focussed on:

- Implementation of substantially refreshed cross-college quality review and enhancement arrangements. A significantly impactful element has been the introduction of a risk-based approach with differing levels of quality enhancement activity dependent on the level of student outcomes relative to national averages. This classifies all our course delivery into three risk categories, low risk courses following standard quality enhancement processes led by the Curriculum Manager, medium risk courses completing an additional Improving Performance and Course Transformation (IMPACT) Plan led by the Senior Curriculum Manager and high-risk courses subject to an At-Risk Review process led by the Director of Faculty. These new arrangements are working well with courses prioritised for action showing an improvement overall, or being replaced by other more effective curriculum.
- Leading and supporting improvements quality of teaching practice through regular CDP and sharing of practice opportunities. In 2024/25 this was strengthened by the development of a joint teaching development programme with the University of Stirling, alongside activity led by Teaching Development Leads and peer-focussed Teaching Activity Groups driving more innovative and effective teaching approaches.
- Facilitated through a new more robust Student Engagement Action Plan, we sought to raise the profile of the Student Association through enhanced communication, including improved social medial presence, alongside giving the Student Presidents a more prominent role in our student welcome and Fresher's activity. In addition to this, we achieved increased recruitment of Class Representatives to over 200 and provided more robust training and support. We also delivered a greater impact of the student voice on College operations through a more active Meet the Managers Forum for Class Representatives.
- Student feedback has provided evidence that health and wellbeing issues are the most significant contributor to student withdrawal. As a result, we have prioritised the delivery of more substantial health and wellbeing support to students. This includes a full-time Wellbeing Officer and two Counsellor roles, alongside use of placement counsellors working in conjunction with local universities. Supplementing this mental health support, in, supported by funding from Sports Scotland, we employed a dedicated full-time Active Campus Coordinator and across the year, almost 2,000 students engaged in directed physical activities

- Through careful management of our funds, we have been able to make substantial investments in new and higher quality resources for learning and teaching and student social spaces. In the last academic year, this has included new social spaces for students with increased seating and self-study facilities.

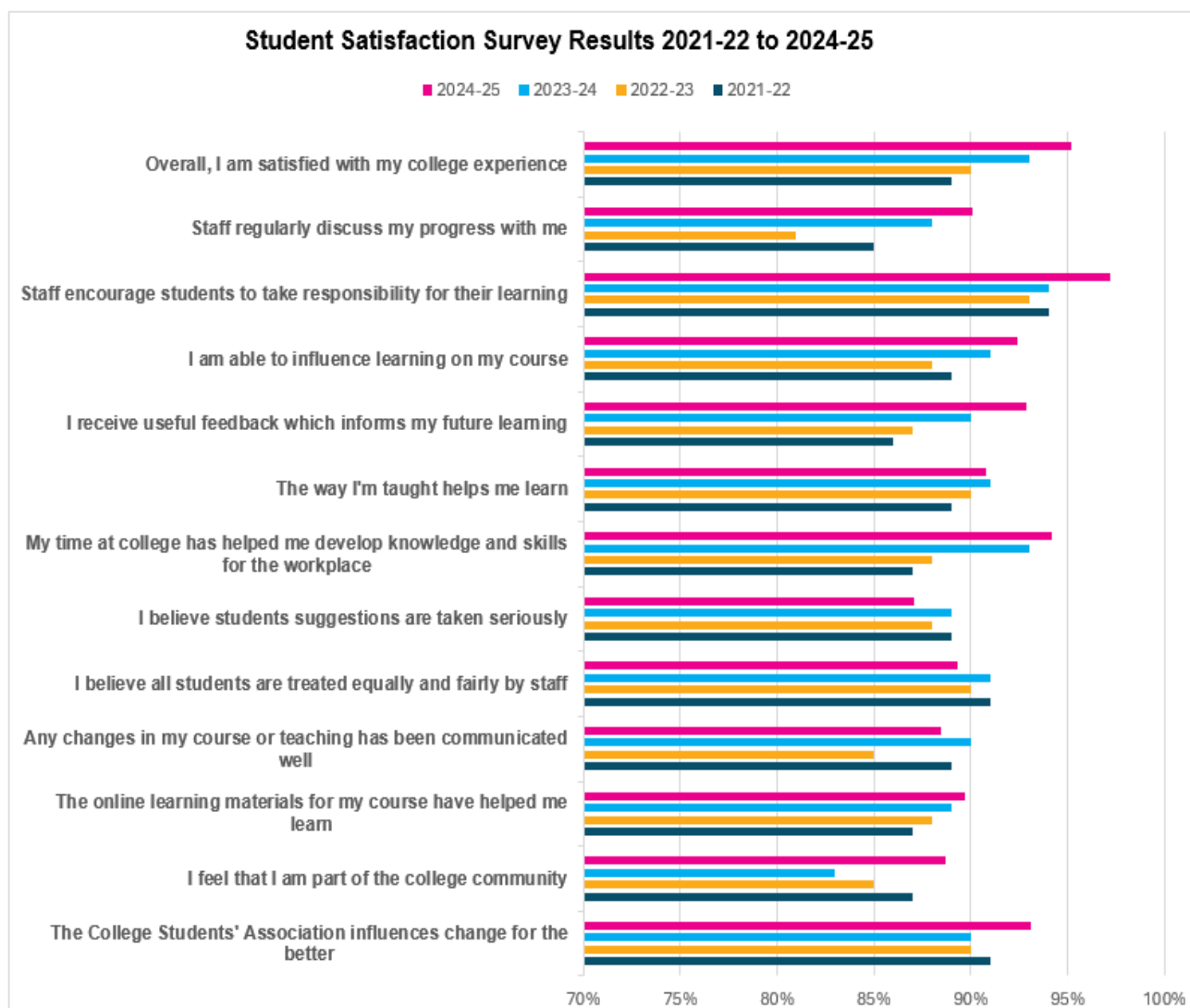
These and other areas of activity have supported improvements in student outcomes for all four mode and level categories as highlighted below.





More detailed analyses of 2024-25 student outcomes are being undertaken by Faculty teams as part of College's quality enhancement arrangements, alongside analysis detailed within the College's Self-Evaluation and Action Plan. However, notwithstanding the improvements made in 2024-25, we recognise that College results are below sector averages so further improvements will remain a focus for enhancement activity.

Student Satisfaction results for 2024/25 also showed a continuation of high levels of student satisfaction, with improvements in most areas, as highlighted by the chart below.





2.3 Financial Performance

Financial year 2024/25 presented the College and the wider Further Education sector with ongoing challenges, but due to the robust financial management arrangements in place the College has improved its financial performance throughout the year. In 2022 the Scottish Government stated that Colleges should expect no more than flat cash for the next five years. In response to this the College Operating Plan (COP) was developed and implemented during 2022/23 and continued to be implemented during 2024/25. This five-year COP made a number of assumptions and required the College to take a series of actions to remain stable. Among these were that three consecutive years of Voluntary Severance would be required, alongside a review of the College estate needs, savings in other costs and a drive to increase income. While there were movements across a number of income and expenditure lines during the year, the College improved its financial position at each quarterly forecasts and the COP was revised to reflect this.

The original adjusted operating surplus budgeted for the year of £111k increased over the course of the year, with the College out-turning a modest surplus of £240k at the year end. This improved position was due to a number of factors and the improvements were incremental, with a increase in the original budgeted surplus at each quarterly forecast. The main reasons for this £229k positive movement were: an increase in Core costs of £375k, Non Core costs of £430k and VS Costs of £209k; an overall decrease in all SFC funding of £76k and a reduction in Funding from the Arm's Length Foundation of £113k. The negative impact of these movements is more than offset by the £728k increase in Other Income and £704k saving in Payroll Costs. The decision to reallocate SFC Funding to Capital and reduce the income from the Arm's Length Foundation were taken to release funding for the Cladding Project in future years.

The net outcome of the above is that the College is reporting a managed adjusted operating surplus of £240k as set out in the table below. This outturn position, improvement in cash, and the success in implementation of the COP to date has allowed the College to slow down the required reduction in staffing. The revised five year COP 2024-29, which was approved in June 2024, set break-even budgets for the next five years and targeted a reduction of 10 FTE in 2024/25 (12.5 FTE achieved), with 8 FTE in 2025/26 and 5 FTE in 2026/27. These lower target numbers mean that natural staff turnover will play an increasing role in achieving the ongoing savings required to maintain financial stability. While the COP was not revised in June 2025, the VS Savings for 2025/26 and 2026/27 were built in to the five year budgets 2025-30.

The adjusted operating position, as defined by the SFC, is summarised below:

	Year to 31 July 2025	Year to 31 July 2024	Year to 31 July 2023
	£'000	£'000	£'000
(Deficit) before other gains and losses	(1,148)	(4,057)	(1,948)
Add back:			
Depreciation (net of deferred capital grant release)	418	1,759	752
Non-cash pension adjustments	793	89	156
Donation to Glasgow Kelvin Learning Foundation		-	-
Removal of SFC Job Evaluation funding	418	2,472	-
Deduct:			
Non-cash pension adjustments – unfunded liabilities	(241)	(64)	(226)
Adjusted operating (deficit)/surplus	240	199	(1,266)

2.4 Prompt Payment to Suppliers

The College seeks to develop strong relationships with its suppliers and complies, as far as is possible, with the Confederation of British Industry (CBI) prompt payment code. The policy of the College is to pay all suppliers within 30 days of receipt of an invoice, in practice most invoices are paid significantly earlier than this and all disputes and complaints are handled as quickly as possible. The average time taken to pay suppliers following the receipt of an invoice was 10 days (prior year 11 days). No payments were made in respect of interest on late payments.

2.5 Procurement & Anti Bribery & Corruption

The College continues to seek value for money and savings opportunities to ensure the effective use of resources. The Procurement Strategy and Action Plan are published on the website and have been informed by the Scottish Procurement statutory guidance under the Procurement Reform (Scotland) Act. The College advertises as many opportunities for suppliers as possible on the Scottish Government supported websites - Public Contracts Scotland and Public Contracts Scotland-Tender.

The College works in partnership with Advanced Procurement for Universities and Colleges (APUC) and the other colleges in the Glasgow Region to ensure that procurement is organised in an efficient and effective manner across the Glasgow FE Sector. In April 2024, the College was delighted to retain the 'gold' rating at the Procurement and Commercial Improvement Programme review conducted by APUC, with, the already excellent score of 85% at the last review in 2019, increasing to 87%.

The College has clear Anti-Bribery and Anti-Corruption policies and procedures. These are reviewed regularly and are embedded within the Financial Regulations and HR policies and procedures.

2.6 Treasury Management

The College is classified as a public Body and therefore is required to conduct all of its banking with the Government Banking Service currently operated by the Royal Bank of Scotland. The College is required to minimise the cash balances it holds with excess balances deposited within the Government Banking Service. The cash position is reported to the SFC and Glasgow Colleges' Regional Board on a monthly basis.

2.7 Commitment to Human Rights, Equality and Diversity and Disability Statement

The College is committed to fostering, cultivating and preserving a culture of equity, diversity, inclusion and belonging. At Glasgow Kelvin College, we are dedicated to making a positive difference in the lives and experiences of our students and staff. Our commitment to equity, diversity and inclusion is at the heart of everything the College does. For the College, equality, diversity, and inclusion are not just words, but a way of life. It values the diversity of its workforce and student population and recognises that inclusion is a key driver in innovation and economic value. Equality policies and procedures apply to all staff, students, partnership organisations, contractors and service providers who are obliged to comply with their requirements.

The College consults and involves, where appropriate, students, staff, community organisations, recognised Trade Unions and partner agencies as part of the development of its policies, practices and its locally agreed Equality Outcomes and the National Equality Outcomes to remove barriers, increase inclusion and to create a feeling of belonging.

Staff and students should be able to:

- Encourage expression of and celebrate differences.
- Perceive, respect, and engage with differing viewpoints.
- Recognise and address potential personal biases.
- Accept feedback and willing to make necessary change.



The College strives to continually lead with its values that enable students and staff to develop their potential, bring their full self to the learning and work environment, and engage in a world of inclusion. It supports its staff to embed equality and diversity in the curriculum to proactively address the three legislative duties to advance equality, eliminate discrimination and foster good relations to create an inclusive environment and a sense of belonging. The College routinely reviews the management design and delivery of learning teaching and assessment to integrate further equity and ensure inclusion. This work is on-going and is supported actively by the Students' Association and in partnership with external stakeholders. The College will review its values, first established in 2014, in academic year 2025/26 to ensure that they remain reflective of its culture and revise where necessary.

The College is a 'Disability Confident Employer', it commits to interview all disabled applicants who meet the essential criteria for employment. Glasgow Kelvin College is committed to ensuring that people with disabilities and people with learning difficulties are treated fairly. It makes reasonable adjustments and seeks to provide additional support to try and ensure that disabled people are not disadvantaged in respect of access to educational opportunities at the College.

The College is working with LGBT Youth Scotland in AY 2025/26 to achieve the LGBT Youth Scotland Bronze Charter Mark.

The College is especially proud of initiatives such as its Community Hubs in Springburn and Easterhouse, which have become vital spaces for learning, connection, and support. Its partnerships - with Glasgow Rape Crisis Centre, the White Ribbon Campaign, Radiant and Brighter and others—demonstrate our commitment to working collectively to address persistent inequalities. At the same time, our in-house 'Report It' system ensures that students and staff have a safe, confidential way to raise concerns and access support.

The College [Public Sector Equality Duty Report 2025](#) and Equality Outcomes are available on the College website.

This Report highlights the College's key achievements: the expansion of learning and development opportunities for staff, curriculum integration of equality and inclusion principles, outreach to marginalised communities, and progress in addressing representation gaps within our workforce. The College recognises that there is still much more to be done, but it is committed to learning from lived experience, embedding best practices, and ensuring that equality and inclusion remains central to our College ethos and practice. As it moves forward, the College remains dedicated to building on this foundation, strengthening its partnerships, and driving meaningful change.

2.8 Environmental Sustainability

Background

Glasgow Kelvin College has a deep-rooted commitment to sustainability. During academic year 2024/25, the College enrolled 14,735 FT and PT students, of which, 10,711 were fundable by the SFC. Of that number, 66% were residing in Glasgow City Council areas. The College seeks to manage its own impact on the environment, as well as adapting to the impacts of climate change. Several of its teaching and learning programmes incorporate climate change and environmental sustainability related topics, particularly in the Science, Construction and Engineering departments. The College publishes an Annual Report which describes the full range of activities and the mission/vision of Glasgow Kelvin College in detail. The College operates an Estates and Sustainability Working Group, as well as a Sustainability Champions group, each of which meet at least three times over the course of the academic year to review all actions related to Estates and Environmental Sustainability. An Estates and Sustainability Strategy, Climate Change Action Plan, Race to Zero Action Plan, and Climate Adaptation Risk Register and Adaptation Plan have been prepared by the College. These strategy documents focus on key actions to be taken that relate to reducing the environmental impact and improving climate adaptation capacity of the College. Additionally, the College's Finance and Resources Board Committee receives regular reports in relation to both estates and sustainability and reviews the progress being made.

Governance of climate change at Glasgow Kelvin College

The Board of Management are responsible for oversight of the strategic direction of the College and setting the Strategic Plan. Two of the ambitions and priorities are achieving financial sustainability and maintaining strong and effective governance and addressing our climate emergency – Act, Educate & Engage. Corporate and Social Responsibility (CSR) is also an important priority for the Board and the College reports in detail on its activities which contribute to the CSR agenda and have a positive impact on the communities served by the College. The College prepared its first integrated Climate Change Action Plan and Estates Strategy in 2015 and has successfully implemented this. The targets set in that document which were to reduce carbon emissions by 25% over two years have been far exceeded. The College can report a 63% reduction in its 'organisational boundary' carbon emissions since the baseline report of 2014-15. An Estates and Sustainability Strategy 2022-27 is in place and is due for review.

The College [Race to Zero Plan](#) was produced in October 2022, with the revised [Climate Change Action Plan](#) following in 2023. The aim of these documents is to map out Glasgow Kelvin College's interim and longer-term strategies to reduce our climate impact and to address the implications of the already changing climate. To achieve this plan, specific actions, and targets will need to be realised in the short and long term.

The Estates and Sustainability Working Group are tasked with monitoring and improving the overall environmental and sustainability performance of the College. The group recommends carbon reduction and sustainable development projects to the Senior Leadership Team. Responsibility for oversight of capital investment in Estates is delegated to the Finance and Resources Committee (FRC). The FRC review capital spending plans and the Estates and Sustainability Strategy prior to consideration by the Board of Management. The Board are committed to addressing the Climate Emergency and support the College's ambitious agenda on climate change.

The Principal has overall responsibility for the management of the College. The Vice Principal - Operations has overall responsibility for Climate Change and Climate Change Reporting. The Director of Estates and Corporate Services Chairs the Estates and Sustainability Working Group and the Risk Management Committee (where climate risk is considered), which each meet three times per year. The Director of Estates and Corporate Services line manages the Head of Facilities and Environmental Sustainability, who has operational responsibility for the College Estate, Estate team, and vehicle fleet.

The College's Environmental and Sustainability Manager is responsible for developing student and staff engagement with the issue of environmental sustainability through a range of activities including: embedding sustainability within the curriculum, environmental campaigns and events, managing projects aimed at improving active travel and sustainable practices, applying for grant funding and seeking to raise the profile of sustainability at the College through internal and external communications and applications for awards. The Environmental Sustainability Manager is also responsible for producing and updating the College's Climate Adaptation Risk Register & Action Plan, as well as the Biodiversity Action Plan.

The Vice Principal - Operations, Director of Estates and Corporate Services and Head of Facilities and Environmental Sustainability have strategic and operational responsibility for Environmental Sustainability. The VP also has responsibility for Procurement and Finance which helps ensure sustainability is embedded within other key corporate processes, procedures and strategies. The College operates from a number of community venues where it provides learning and teaching but does not directly manage the property, the College does not report on the carbon emissions generated at these venues. The financial context facing the College and the FE sector remains extremely challenging reducing resources available for addressing climate change and investing in the College Estates and other climate change / sustainability projects. Despite this, Glasgow Kelvin College has responded to the Climate Change and environmental sustainability policy agenda in a proactive way within the envelope of resources available to it. The College seeks to pursue a holistic approach to the environment, emphasising the co-benefits of sustainability.

Metrics and Targets

Glasgow Kelvin College employs the following metrics to assess climate-related issues in line with its strategy and risk management process:

1. Greenhouse Gas (GHG) Emissions

- **Scope 1:** Direct emissions from owned or controlled sources.
- **Scope 2:** Indirect emissions from the generation of purchased energy.
- **Scope 3:** All other indirect emissions (e.g., supply chain, product use).

2. Climate-Related Risk Metrics

- **Physical risks:** Exposure to extreme weather events, sea-level rise, etc.
- **Transition risks:** Regulatory changes, market shifts, reputational impacts.
- Metrics may include:
 - Percentage of assets exposed to high-risk climate scenarios.
 - Expected financial losses from climate-related events

3. Resource Usage Metrics

- **Energy consumption** (total and renewable share).
- **Water usage** and stress levels.
- **Land use** and biodiversity impact.
- **Waste management**: Volume, recycling rates, landfill diversion.

4. Performance Targets

- Absolute or intensity-based targets for emissions reduction.
- Timeframes and base years for targets.
- Interim targets and progress indicators.
- Alignment with global goals (e.g., Paris Agreement, Net Zero by 2045)

5. Financial Metrics

- **Internal carbon pricing**: Used to guide investment and operational decisions.
- **Revenue from low-carbon products/services**: e.g. wind turbines, solar panels
- **Capital expenditure on climate adaptation/mitigation**

Reference year	Year	Year type	Scope 1	Scope 2	Scope 3	Total	Units	Comments
Baseline Year	2014/15	Academic	1,237.00	1,913.00	107.00	3,257.00	tCO ₂ e	
Year 1 carbon footprint	2015/16	Academic	1,132.00	1,369.00	116.00	2,617.00	tCO ₂ e	
Year 2 carbon footprint	2016/17	Academic	754.00	1,021.00	99.00	1,874.00	tCO ₂ e	
Year 3 carbon footprint	2017/18	Academic	826.00	837.00	132.00	1,795.00	tCO ₂ e	
Year 4 carbon footprint	2018/19	Academic	790.00	701.00	114.00	1,605.00	tCO ₂ e	
Year 5 carbon footprint	2019/20	Academic	804.00	549.00	109.00	1,462.00	tCO ₂ e	
Year 6 carbon footprint	2020/21	Academic	939.00	475.00	177.00	1,591.00	tCO ₂ e	
Year 7 carbon footprint	2021/22	Academic	773.00	426.00	195.00	1,394.00	tCO ₂ e	
Year 8 carbon footprint	2022/23	Academic	770.00	454.00	65.00	1,289.00	tCO ₂ e	
Year 9 carbon footprint	2023/24	Academic	801.00	471.00	113.00	1,385.00	tCO ₂ e	
Year 10 carbon footprint	2024/25	Academic	709.00	369.00	1,340.00	2,418.00	tCO ₂ e	Academic year 24/25 is the first time the College has expanded its reporting boundary to include Scope 3 Supply Chain emissions. Without Supply Chain Emissions, Total tCO ₂ e for the College is 1184, a decrease from previous years.

Scope 1: Direct Emissions

These are emissions from sources **owned or controlled** by the organisation.

Examples

- Fuel combustion in company-owned vehicles or machinery.
- Emissions from boilers, furnaces, or generators.
- Fugitive emissions from refrigeration or gas systems

Related Risks

- **Regulatory risk**: Exposure to carbon taxes or emissions caps.
- **Operational risk**: Increased costs from fuel price volatility or equipment upgrades.
- **Reputational risk**: Public scrutiny over visible emissions sources.

Scope 2: Indirect Energy Emissions

These are emissions from the **generation of purchased electricity, steam, heating, or cooling** consumed by the organisation.

Examples

- Electricity used in offices or manufacturing facilities.
- District heating or cooling systems

Related Risks

- **Energy market risk:** Dependence on fossil-fuel-based grids.
- **Transition risk:** Pressure to switch to renewable energy sources.
- **Cost risk:** Rising energy prices or investment in clean energy infrastructure.

Scope 3: Value Chain Emissions

These are **indirect emissions** that occur across the **entire value chain**, both upstream and downstream.

Examples

- Emissions from suppliers producing raw materials.
- Employee commuting and business travel.
- Customer use of sold products (e.g., fuel burned in vehicles).
- End-of-life disposal or recycling

Related Risks

- **Supply chain risk:** Difficulty in tracking and managing supplier emissions.
- **Product liability risk:** Emissions from product use may affect brand perception.
- **Data risk:** Challenges in collecting accurate emissions data from third parties.
- **Strategic risk:** Need for redesigning products or services to reduce lifecycle emissions.

Glasgow Kelvin College is committed to minimising the negative impact its activities have on the environment. In Academic Year 2015/16 the College prepared its first Climate Change Action Plan (CCAP) and reported on its environmental performance from Academic Year 2014/15 onwards as part of the Scottish Government Public Bodies Climate Change Duties Reporting. The College is fully compliant with the reporting requirements specified in the Climate Change (Scotland) Act 2009. It now has several years of carbon emissions data.

The Scottish Government announced in April 2024 that it would be scrap its 2030 target to reduce carbon emissions by 75%. This followed a critical report from the Climate Change Committee (CCC) which said that reaching the milestone was no longer achievable. A fresh bill was brought to Holyrood to adjust the legally binding targets, removing the 2030 interim target but keeping the ultimate ambition to hit net zero by 2045. It is in this context that the College will likewise follow the Scottish Government restated target and aim to achieve Net Zero by 2045.

The College can report that annual 'organisational boundary' carbon emissions (measured in tCO₂e or tonnes of carbon emissions) for Academic Year 2024/25 have fallen by 63% since the baseline year of 2014/15, i.e. from 3,257 tCO₂e to a current level of 1,184 tCO₂e.

Risk Management

Kelvin College created a Climate Risk Register, which considers projected climate changes for Glasgow, examining them against the vulnerability of the College estate, ITC, operations, teaching, and surrounding infrastructure. The Risk Register also accounts for existing mitigants and controls at the College and provides an action plan for adapting to the risks and impacts of a changing climate. Climate-related risks were identified, and the GKC Climate Risk Register was created, using relevant data and information from sources such as: *Climate Ready Clyde* risk assessment, SEPA flood maps, *The UK Climate Projections 2018*, and Adaptation Scotland resources.

The College's Climate Risk Register has been integrated into the College's overall risk management and is considered at quarterly meetings of the Risk Management Committee. The College's climate adaptation measures consider the vulnerability of the College estate, ITC, operations, teaching, and surrounding infrastructure.

The Environmental Sustainability Manager, on behalf of the College, was invited to become a member of the Public Sector Climate Adaptation Network (PSCAN). PSCAN is run by Adaptation Scotland aims to provide guidance on climate adaptation as well as a platform for knowledge-exchange for public sector organisations. In response to the publication of SNAP24, Adaptation Scotland has created a benchmarking tool to assist organisations in evaluating their current climate adaptation capacity. The Environmental Sustainability Manager, with feedback from the Head of Facilities and Environmental Sustainability, has completed this benchmarking exercise, which provides the College with an overview of our current climate adaptation status, capacity, and potential areas to improve adaptation capability.

The **Risk Management Framework** outlines how the College manages and considers risk, how it identifies internal/external or environmental risks that it faces, evaluates these risks and mitigates them as appropriate. Within the overall framework there is a separate **Climate Risk Register**.

Glasgow Kelvin College is committed to minimising the negative impact its activities have on the environment. The College is fully compliant with the reporting requirements specified in the Climate Change (Scotland) Act 2009 including the reporting requirements. It is a signatory to the UN SDG Goals Accord and the Race to Zero campaign. Glasgow Kelvin reports on carbon emissions annually through the Scottish Government's Public Sector Climate Change Duties Report (PSCCDR). It now has several years of carbon emissions data.

The 'organisational boundary' College annual carbon emissions (measured in tCO₂e or tonnes of carbon emissions) for Academic Year 2024/25 have decreased by 15% since 2023/24, with an overall reduction in organisational boundary emissions of 63% since the baseline year of 2014/15, i.e. from 3,257 tCO₂e to a current level of 1,184 tCo₂e. The College's organisational boundary includes all Scope 1, 2, and 3 emissions which are under its operational control.

It is important to note that while our organisational boundary emissions are decreasing, the College will be reporting its Scope 3 Supply Chain emissions for the first time in Academic Year 2024/25 which will significantly increase the total emissions reported. The Supply Chain emissions were derived from APUC Scope 3 Supply Chain Emissions Tool (a standard amongst HE and FE institutions).

In reference to EAUC and APUC Guidance, some other key points considered when deciding to report Supply Chain emissions include:

1. Under the Scottish Government's public body guidance on Public Sector Leadership on the Global Climate Emergency, colleges and universities must consistently, accurately and transparently report all Scope 1 and 2 emissions and all relevant and significant scope 3 emissions. Significant scope 3 emissions refer to emission sources that represent >1% of the total college or university emissions profile.
2. Scope 3 supply chain emissions are substantial scope 3 sources of emissions for all colleges and universities and therefore should be included in PBCCD reporting.
3. Reporting of scope 3 supply chain emissions to PBCCD also supports college and university Outcome Agreement (OA) returns to the Scottish Funding Council (SFC) on Priority Area 5: Net zero and environmental sustainability response.
4. There are multiple benefits to reporting these emissions beyond Scottish Government and Scottish Funding Council expectations, including: increased awareness of the links between procurement and sustainability; improved decision-making within procurement processes; and increased reputation for sustainability leadership.

The College publishes its Climate Change reporting on its website which provides further detail on emissions. The link to the webpage can be found here: [Glasgow Kelvin Climate Change Reporting](#).

The College has undertaken several projects to manage its environmental impact and adaptation capacity more effectively and to promote sustainability throughout the institution. Highlights from the 2024/25 academic year include:

- Development of College Climate Risk Register and Adaptation Plan; including integration into College's strategic risk register, Kelvin College membership in PSCAN (Public Sector Climate Adaptation Network)
- Commencement of Energy Efficiency Audits of each campus.
- Improved cycling infrastructure and resources (3 new cycle shelters & 20 new fleet loan bikes)
- Development of Easterhouse 'Climate Engagement Learning Garden' – including a rainwater harvesting system, rewilded area, native hedgerow planting, raised-bed vegetable planters, habitat restoration, and informational signage.
- Recognition of 'Fighting Fast Fashion' project (2023 UK & Ireland Green Gown Award Winner and **2024** International Green Gown Award Winner for Next Generation Learning and Skills category).
- Replacement or renovation of dozens of campus toilets for improved water efficiency.
- Chosen for participation in EAUC Pilot Programme: Identifying Key Enablers to Integrate Learning for Sustainability in the Curriculum.
- Chosen for participation in Students Organising for Sustainability UK's Nature Friendly Grounds Pilot Programme.
- Draft of Biodiversity Action Plan.
- Recognition of 'Cycling for All: Breaking Barriers' project and 'Holistic Approach to Whole-Student Engagement' projects (**2025** UK & Ireland Green Gown Award Winner, and Finalist, respectively, and College Development Network Award Finalists).
- Replacement of standard car park lighting with LED lighting.

2.9 Staff Involvement

Glasgow Kelvin College engages extensively with staff and its recognised trades unions. The Board of Management has signed the National Recognition and Procedures Agreement and implemented all agreements reached within the National framework. The College is a member of the Employers' Association which was established to progress National Collective Bargaining. It also has in place a local Recognition and Procedures Agreement (RPA) supported by appropriate arrangements for engagement with its two recognised trades unions on a local basis with EIS-FELA and UNISON. The machinery for supporting the local RPA is a Joint Negotiating/Consultation Committee and a Joint Consultative Committee.

There are two staff members and two union representatives on the Board of Management. These individuals also serve on a number of standing committees of the Board and were elected from their respective Support and Teaching Staff groups.

The College communicates with staff using a range of formal and informal channels. Regular staff updates and the Principal's Q&A sessions are made available to all staff. The College has a staff portal to enable communication and sharing of information. Extensive use is also made of social media to provide information. Additionally, the Chair and Principal write routinely to staff to update them on key matters, decisions and events.

The College frequently runs workshops and consultation exercises to consult with staff on a wide range of matters, from restructures to the review and development of policies and procedures.

2.10 Fair Work

Fair Work Statement

Glasgow Kelvin College confirms its commitment to fair work practices in support of the Scottish Government's 'Fair Work First' policy.

Fair Work First is the Scottish Government's flagship policy for driving high quality and fair work, and workforce diversity across the labour market in Scotland by applying fair work criteria to grants, other funding and public contracts being awarded by and across the public sector, where it is relevant to do so. Through this approach the Scottish Government is supporting employers who adopt fair working practices, specifically:

- Payment of the Real Living Wage.
- Appropriate channels for effective worker's voice.
- Investment in workforce development.
- No inappropriate use of zero-hours contracts.
- Action to tackle the gender pay gap and create a more diverse and inclusive workplace.
- Offer flexible and family friendly working practices for all workers from day one of employment.
- Oppose the use of fire and rehire practice.

Glasgow Kelvin College

This statement confirms Glasgow Kelvin College's commitment to ensuring fair working practices are in place in support of 'Fair Work First'. Glasgow Kelvin is a positive advocate for fair work and is committed to ensuring that fair work is embedded within our culture and values as well as demonstrating fair working practices and advancing the Scottish Government Fair Work First criteria in our day-to-day operations.

Payment of the Real Living Wage

The College is accredited as a Living Wage Employer. This can be confirmed on the living wage website <https://scottishlivingwage.org/employer-directory/> and promotes payment of the Real Living Wage. This is distinct from the statutory National Living Wage and National Minimum Wage which are set by the UK Government. The College voluntarily pay staff no less per hour than the rate set by the Living Wage Foundation.

The rate is calculated by the Resolution Foundation and overseen by the independent Living Wage Commission; it is reviewed annually to reflect the cost of living, and the rate is announced each November and implemented 1 May the following year. The College however pay the increase on 1 November.

We have an agreed pay structure and pay our directly employed workforce an hourly rate higher than the Real Living Wage. We have in place an agreed pay and grading structure and an independent Job Evaluation system.

We also work the Advanced Procurement for Universities and Colleges to secure contracted services to deliver on-campus services who pay the Real Living Wage as a minimum.

Appropriate Channels for Workers Voice

We engage appropriate channels for effective voice by:

- Maintaining our commitment to working constructively with trade unions and fostering a culture of partnership through informal and formal channels.
- Recognising trade unions for the purposes of collective bargaining both locally and nationally.
- Providing facility time to support Trade Union activities.
- Engaging in constructive dialogue with Trade Union representatives to address workplace issues or disputes.
- Facilitating opportunities for employee voice and feedback.

Investment on Workforce Development

Workforce development and career growth are priorities that are outlined in our College Strategy, College Operating Plan and People Strategy. We champion this by:

- Continuing to invest in staff development, programmes and strategic initiatives supporting individual and organisation performance and growth.
- Promoting and embedding diversity via our welcome, induction and ongoing development offering.
- Encouraging regular performance and development discussions between managers and employees through our 'Performance Development Review'.
- Offering formal and informal development opportunities including access to qualification funding opportunities through our Professional Development Fund and Organisational Development Fund.
- Delivering four continuous professional events per Academic Year.

No Inappropriate use of Zero Hours Contracts

The College does not make use of exploitative Zero Hours Contracts. We provide contracts which accurately reflect the hours and/or guarantee a minimum number of hours.

Action to tackle the Gender Pay Gap and create a more Diverse and Inclusive Workplace

We continue to address gender equality, diversity and inclusion as an institution and are making positive moves in tackling these by:

- Continuing to publish our [Public Sector Equality Duty \(PSED\) report](#) demonstrating our commitment to progressing our equality outcomes.
- Embedding progressive approaches to working arrangements.
- Taking steps to prevent and tackle gender based and sexual violence.
- Promoting and supporting the wellbeing of our staff by offering access to a range of resources, support and benefits.

Offer Flexible and Family Friendly Working Practices for all Workers from Day One of Employment.

The College offers a progressive suite of [family-friendly policies](#) and practices designed to consider, promote and support flexibility.

Oppose the use of Hire and Re-hire Policies

We do not engage in fire and rehire practices.

2.11 Health and Safety

The management of Health and Safety has four principal aims:

- the provision of a healthy and safe environment for the students and staff in all aspects of College life;
- the promotion of correct attitudes towards health and safety in order to equip students to take care of themselves and others when they have left the College;
- the provision of suitable resources, whether material, financial, personnel or staff development, necessary to manage the College's health and safety activities; and
- the promotion and implementation of this policy in support of the College's mission statement.

The policy of the Board of Management of Glasgow Kelvin College as an employer, and in keeping with Section 2(3) of the Health and Safety at Work Act 1974 and subsequent regulations, is to ensure that all reasonable practical steps are taken to ensure the health, safety and welfare of all its employees. The Board also acknowledges its responsibility in respect of persons other than its own employees, whether students, members of the public or employees of contracting companies.

The college health and safety management policy and procedures are aligned with Occupational Health and Safety Assessment Series 18001 and routinely audited to ensure compliance. Every member of staff is provided with a comprehensive health and safety training programme and this has been consolidated by a comprehensive online training platform, including 25 specific health and safety topics and a further 17 closely related (Anti-Bribery, Equalities, Cyber Security, and Safeguarding etc.). Control of Substances Hazardous to Health (COSHH) Management has been enhanced with the introduction of COSHH Custodians within each area and the quarterly safety inspection programme has been reinvigored to enhance on campus safety.

Additionally, the college runs a comprehensive Occupational Health surveillance programme which was introduced to monitor the safety of staff who may have exposure to occupational hazards and this is supplemented by routine Noise & Dust surveys which have been carried out in higher risk areas. The only campus containing asbestos was West Campus and this was resurveyed annually in February/March to confirm that it remained legally compliant and that the asbestos within it is being managed safely. Since the disposal of this Campus in October 2024, this will no longer be required.

Finally, the College accident/incident reporting mechanism provides an accurate overview of the level, type and severity of incidents across all campuses. The recently updated process, which includes reporting via QR code, has significantly improved the timeliness of both the incident reporting mechanisms and audit and incident follow-up processes.

The college takes part in an annual sector benchmarking exercise which produces the accident and incident report (AIR). The Board considers a Health & Safety Annual Report as part of its routine monitoring procedure and a Health and Safety update is provided to each meeting of the Finance and Resources Committee.

2.12 Openness, Freedom of Information & Data Protection

Glasgow Kelvin College, Glasgow Kelvin College (GKC) is committed to openness and transparency in its decision-making processes and the responsible use of public funds. In line with the Freedom of Information (Scotland) Act 2002, the College has adopted the Scottish Information Commissioner's Model Publication Scheme and publishes a comprehensive Guide to Information on its website.

This Guide outlines the categories of information the College routinely makes available, the formats in which it can be accessed, relevant contact details, procedures for requesting unpublished information, and any applicable fees.

Key governance documents, including the Board Standing Orders, are publicly accessible. Additionally, papers, agendas, and minutes from meetings of the College's Board of Management and its standing committees are published on the College website in accordance with the timelines set out in the Guide to Information.

During the 2024–25 academic year, the College achieved a 100% compliance rate in responding to Freedom of Information requests within the statutory timescales.

2.13 Taxation and Charitable Status

Glasgow Kelvin College is a registered Scottish Charity (SC021207) and receives exemptions from corporation tax and capital gains tax. It provides a public benefit and satisfies the provisions of the Charities and Trustee Investments (Scotland) Act 2005. Members of the Board of Management act as the Charity's Trustees. The Corporate Social Responsibility Report within the Directors' Report provides further detail on the charitable activities of the College.

2.14 Quality Enhancement

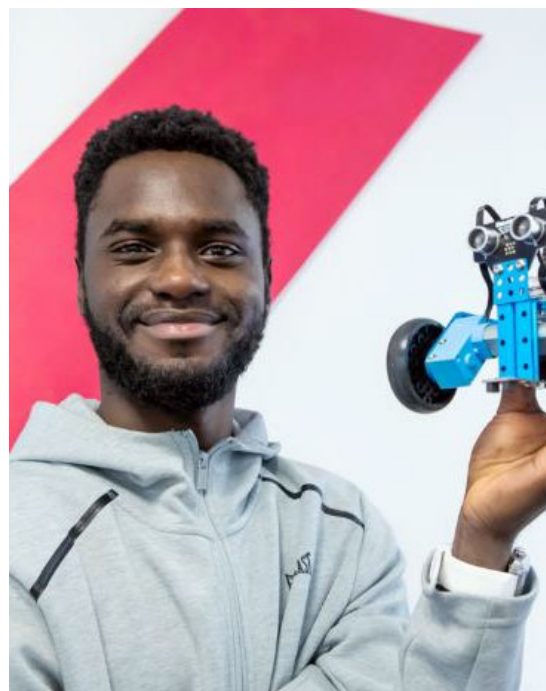
Glasgow Kelvin College aims to provide an excellent, inclusive learning and teaching environment for all learners. Current priorities include the delivery of high-quality digital and blended learning provision, and improvement in the physical estate and ICT infrastructure. It is recognised that it is the quality of learning and teaching and the student experience that are of fundamental importance.

The College has well established arrangements for self-evaluation that engage all staff and our Student Association, and which have a significant focus on professional reflection and on learner/stakeholder engagement. These arrangements were reviewed in 2024-25 to take account of SFC's new tertiary quality arrangements for assuring and improving the quality of provision and services in Scotland's colleges. A revised quality review and enhancement cycle for 2025-26 includes delivery of new Institution Led Quality Reviews with greater external input to our improvement planning. In addition, we have strengthened student and stakeholder feedback arrangements and increased use of digital approaches to self-evaluation and review activity.

In terms of improving student success rates, a range of actions are being progressed at both college and course team levels. Our new risk-based approach to quality review and enhancement continues to bed in well, with more intensive intervention activity focussed on those courses with poorest performance. Alongside this, the following College-level priorities are being progressed to improve the student experience and encourage students to sustain their studies:

- Strengthening quality and self-evaluation arrangements – for 2025-26 this will include continuing to develop our quality arrangements to meet the requirements set out with the new SFC tertiary sector quality arrangements.
- Continuing to improve student success rates, with a particular focus in 2026-26 on improving partial success levels and Higher- Education outcomes.
- Increasing participation in teaching development activity – we will continue to support and extend opportunities for staff to share teaching practice and provide peer support.
- Ensuring strong student engagement and Representation – we will build on improvements made in 2024-25 to provide support for the College Students' Association and student representation activity.
- Supporting student health and wellbeing – we will continue to provide a wide range of support for student mental health, alongside promoting participation in sport and wellbeing activities.
- Improving student participation in guidance and target setting activity – this will consider approaches to encourage greater participation by students in self-reflection activities including reviewing and recording their meta-skills development.

These areas of priority will be progressed through operational planning arrangements.



2.14 Professional Advisors

Bankers	Royal Bank of Scotland Government Banking Service 10 Gordon Street Glasgow G1 3PL
Solicitors	BTO Solicitors LLP 48 St. Vincent Street Glasgow G2 5HS
VAT Adviser	VATAngles Registered Office The Stables, Ashley Court, Ashley Leicestershire LE16 8HF
External Auditor (appointed by the Auditor General for Scotland)	Audit Scotland 4 th Floor, South Suite The Athenaeum Building 8 Nelson Mandela Place Glasgow G2 1BT
Internal Auditor (appointed by the Board of Management)	Henderson Loggie The Vision Building 20 Greenmarket Dundee DD1 4QB

The Performance Report has been approved by the Board of Management and signed on its behalf by:

Ian Patrick
Chair

Joanna Campbell
Principal



Accountability Report

The College is a Public Body and is accountable to a wide range of stakeholders for the services it provides and the way in which it spends public money. The key principle in respect of accountability is that the College conducts itself in an extremely open and transparent way. It makes as full a disclosure as possible of agendas, minutes and papers associated with its governance processes.

The College operates in a complex governance framework and primarily considers itself to be accountable to the Glasgow Colleges' Regional Board/the Scottish Funding Council, the Scottish Government and the partners it works with and from whom it receives funding. These include Glasgow City Council, Skills Development Scotland, the Wheatley Group and Cycling Scotland, local employers, the Office of the Scottish Charities Regulator, awarding bodies who accredit learning at the College, the communities it serves, community based partners it works with and the learners it enrolls.

The Accountability reports seek to provide further detail on how it does this and reports on progress and performance, it includes:

- 3.1 Corporate Governance Report
 - 3.1.1 Statement of the Board of Management Responsibilities
 - 3.1.2 Governance Statement
 - 3.1.3 Estates Strategy
- 3.2 Directors Report
 - 3.2.1 Membership of the Board of Management
 - 3.2.2 Membership of the Senior Management Team
 - 3.2.3 Data Protection
 - 3.2.4 Disclosure of Information to the External Auditor
 - 3.2.5 Corporate Social Responsibility
 - 3.2.6 Acknowledgments

3.1 Corporate Governance Report

The College is committed to exhibiting best practice in all aspects of corporate governance. This summary describes the manner in which the College has applied the principles set out in the amended Code of Good Governance for Scotland's Colleges; the amended Code was communicated by Colleges Scotland in April 2025. The College received an Externally Facilitated Effectiveness Review carried out by Henderson Loggie in early 2025.

The purpose of this summary is to provide detail on how the principles have been applied by Glasgow Kelvin College throughout the 12-month period ended 31 July 2025. The Board of Management complies with the principles and guidance for ethical standards in public life set out by the Standards Commission for Scotland. The College has implemented the requirements of the Code of Good Governance, and it was fully compliant with the code throughout the year. The Board of Management receive an annual report in relation to compliance with the Code of Good Governance.

3.1.1 Statement of the Board of Management Responsibilities

The Board of Management is responsible for setting the Mission, Vision and Corporate Strategy, and ensuring that the College delivers high quality learning and outcomes. The College governing documents make this clear to both the Board and the Senior Management Team. The legislation governing the sector also makes it clear that Glasgow Colleges' Regional Board had overall responsibility for setting the strategic framework in the Glasgow Region. Glasgow Kelvin College worked in partnership with the Regional Board to ensure that its strategies align with those of the Glasgow Region.

The College prepared a strategic plan, updated for 2022-27, and this contributes significantly to the delivery of the targets and objectives contained therein.

The Board of Management of the College is required to present audited financial statements for each financial period. The Board is also responsible for ensuring that the Annual Report and Financial Statements are fair, balanced and understandable. Specific Board of Management requirements in relation to Disclosure of Information to External Auditor are covered at section 3.2.4 below.

Within the terms and conditions of the Financial Memorandum agreed between the Glasgow Colleges' Regional Board and the Board of Management of the College, the Board, through the Principal, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and the surplus or deficit for that period. In preparing the financial statements the Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation.

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the College. This will enable it to ensure that the financial statements comply with the Further and Higher Education (Scotland) Act 2005 together with the Financial Memorandum issued thereunder and are presented in accordance with the Accounts Direction issued by the SFC. It has general responsibility for taking such steps that are reasonably open to it to safeguard assets of the College and to prevent and detect fraud and other irregularities.

The Board is responsible for ensuring that funds from the SFC/GCRB were used only in accordance with the Financial Memorandum and any other conditions prescribed. The Board must ensure that there are appropriate financial and management controls in place sufficient to safeguard public funds and ensure that they are used only in accordance with the conditions under which they have been made available. In addition, the Board is responsible for securing the economic, efficient and effective management of College resources and expenditure, so that the benefits that should be derived from the application of public funds by the Board are not put at risk.

The Board of Management is aware of the need for effective financial control and acknowledges its responsibility for the system for such control operated by the College. The system provides reasonable (although not absolute) assurance that its assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal financial control is based on a framework of financial regulations, regular management information and administrative procedures, including the segregation of duties. The College requires observance of, and compliance with, an approved scheme of delegation, financial regulations and financial procedures.

The major components of the system include:

- detailed budget planning involving input from staff, with the annual budget and financial strategy being approved by the Board of Management;
- devolved budgets being approved by the Board, with budget holders being given detailed briefings about their individual budget responsibilities;
- regular reviews by the Finance and Resources Committee of financial reports which indicate performance against budget, following meetings with individual budget holders;
- setting targets to measure financial and other performance;
- procedures for the Board to review and agree amendments to budgets;
- clearly defined capital investment control guidelines;
- it has also implemented Codes of Conduct and policies and procedures both for staff members and members of the Board which are designed to support systems of internal control; and
- the Public Interest Disclosure Policy outlines the whistle-blowing procedures within the College.

The College engages Internal Auditors, the work of whom concentrates on areas of key activities determined by an analysis of the areas of greatest risk and, in accordance with an audit needs assessment, with the annual internal audit plan approved by the Board of Management. The Internal Auditors report to the Audit and Risk Committee and the Principal on a regular basis and have direct access to the Chair of the Audit and Risk Committee. The Internal Auditors issue an annual report which gives an opinion of the adequacy, reliability and effectiveness of the internal control system.

The External Auditor is appointed by the Auditor General for Scotland. The Internal and External Auditors are invited to meetings of the Audit and Risk Committee and are provided an opportunity to meet with the Audit and Risk Committee in private each year. The College review of the system of financial control is conducted substantially through the work of the Internal Auditors, the Board of Management, the Financial and Resources Committee and the Audit and Risk Committee.

The Board of Management is responsible for the maintenance and integrity of the corporate and financial information included on the College website.

In the case of each of the persons who are members of the Board at the time when the report is approved the following applies:

1. so far as the member is aware, there is no relevant information that could reasonably be expected to have an impact on the financial statements or the audit of which the External auditor is unaware, and
2. he/she has taken all the steps that he/she ought to have taken as a member in order to make himself/herself aware of any relevant information that could reasonably be expected to have an impact on the financial statements or the audit and to establish that the External auditor is aware of that information.

3.1.2 Governance Statement

The College has a robust system of Corporate Governance in place which is fully compliant with the Code of Good Governance for Scotland's Colleges.

Governance Framework

The governance framework the College adheres to includes the Scheme of Delegation, the Publication Scheme, Board Policies and Regulations, Procedures for the Recruitment of Board Members, Standing Orders, Members Skills Matrix analysis, compliance with the Scottish Public Finance Manual (SPFM), Risk Management processes and an assurance framework including internal and external audit arrangements.

The College advertises externally for Board members through a variety of mechanisms and in line with Ministerial Guidance. During 2024/25 Recommendations for membership were made by the Board's Nominations Committee to GCRB, who had responsibility for Board appointments. Following the dissolution of GCRB on 30 July 2025 Board nominations are now the responsibility of the Board's Nominations Committee, with Scottish Government approval thereafter. The recruitment process is supported by the Secretary to the Board, an HR Adviser and an external independent person. A staff member on the Board is normally on the interview panel for new Board members. No member of the College management team is involved in the selection process for Board Members. The Board of Management comprises of up to a maximum of 20 members, including student/staff and EIS/UNISON members. The roles of Chair and Vice-Chair of the Board of Management are separated from the role of the Principal.

The College has appointed an independent Secretary to the Board in line with the requirements of the Code of Good Governance. These Governance arrangements have been in place throughout the period from 1 August 2024 to 31 July 2025.

The Board, in accordance with the Scheme of Delegation, determines the mission, vision and key objectives of the Board of Management and the College. The Board is fully engaged in the development of the College's priorities and then approves the Strategy which informs operational planning and performance reporting processes.

This includes final approval of a range of key strategic policies including the College's Strategic Plan, the Annual Report and Financial Statements and the Strategic Risk Register.

The Board of Management meets at least five times per year and has established several Standing Committees to enable effective governance and scrutiny of college activities.

These comprise a Finance and Resources Committee, an Audit and Risk Committee, a Learning and Teaching Committee, an Executive Committee, a Remuneration Committee and a Nominations Committee. All of these are formally constituted with terms of reference. The Finance and Resources Committee, Audit and Risk Committee and Learning and Teaching Committee all meet four times throughout the academic year, with the other Committees being convened as required.

The Executive Committee is authorised to act on behalf of the Board and its standing committees to deal with urgent matters between cycles of Board meetings. The Executive Committee is chaired by the College Chair and its members include the Chairs of the sub-Committees and two other Board members. This Committee did not formally meet during Academic Year 2024/25.

The Remuneration Committee's remit includes the remuneration of the Principal, the College Senior Management Team and those employees not covered by national bargaining and considers recommendations relating to Voluntary Severance. It is chaired by the Vice Chair of the Board.

The Nominations Committee's role includes making recommendations on the appointment and re-appointment of Board Members to GCRB, in line with Ministerial Guidance on College Board member appointments. It is also responsible for specific recruitment processes for the appointment of the Principal and recommending the re-appointment of the Chair of the Board.

The Finance and Resources Committee meets four times per year and has the primary responsibility to review College annual revenue and capital budgets, monitors in-year financial performance data and reviews the Annual Report and Financial Statements, in conjunction with the Audit and Risk Committee. The Finance and Resources Committee inter alia recommends to the Board of Management the College annual revenue and capital budgets and its Financial Statements. This Committee oversees the implementation of the Estates and Sustainability Strategy and the Capital Investment Plan. The Committee also has oversight of the operation of student support funds. The Finance and Resources Committee also agrees a range of policies relating to the human resource management of the College including recruitment and selection procedures for both academic and support staff. It monitors the management of staff absence and considers strategic matters associated with the Human Resources function. This Committee also oversees the College approaches to Organisational Development, Equality and Diversity and Health & Safety. The Board of Management seeks to ensure that at least one member of the Committee has substantial financial management experience.

The Audit and Risk Committee meets at least four times per year, with the External and Internal Auditors in attendance. The Committee advises the College on the appointment of the internal auditors and the auditors' remuneration. The Internal Auditors monitor the systems of internal control, risk management controls and governance processes in accordance with an agreed plan and report their findings to management and the Audit and Risk Committee. College Management is responsible for the implementation of agreed audit recommendations and the internal auditors undertake follow up reviews to ensure that such recommendations have been implemented. The Audit and Risk Committee considers detailed reports together with recommendations for the improvement of College systems of internal control and management responses and implementation plans. It also receives and considers reports from the SFC, Audit Scotland and other documents which affect College business and monitors adherence to the regulatory requirements. It has responsibility for Risk Management in the College and oversees the Risk Management Framework, Risk Appetite Statement and Risk Register on behalf of the Board. It is responsible for the oversight of the College response to the Scottish Government's Scottish Public Sector Cyber Resilience Framework. Whilst College management may be invited to attend meetings of the Audit and Risk Committee as necessary, they are not members of the Committee. Duplication of membership is avoided between the Audit and Risk Committee and the Finance and Resources Committee.

The Audit and Risk Committee meets in private with the Internal and External Auditors at least once per year.

The Learning and Teaching Committee meets four times per year and is concerned with the strategic policy associated with the delivery of the academic plan and the quality of the learner experience. It has a significant role in monitoring the delivery and operational effectiveness of the academic plan, quality arrangements and self-evaluation processes. The Committee provides guidance to the Board of Management on the academic aims, objectives and future educational direction of the College.

Throughout each Academic Year the Committee carries out a number of activities including: reviewing College self-evaluation reports and quality enhancement plans; considering the annual report on progress against planned objectives and associated Key Performance Indicators for academic and student support function areas; reviewing curricular and student support policies; considering external information relevant to the academic direction of the College including Scottish Government, Scottish Funding Council and Education Scotland Review and Aspect Tasks reports; and ensuring that the voice of College students and the quality of the student experience is central to Board of Management considerations and decisions.

There is a full and comprehensive Board self-evaluation programme carried out on an annual basis in respect of the performance of the Board of Management and its Standing Committees. This evaluation includes an evaluation of the performance of the Chair of the Board and each Standing Committee Chair. The Chair has individual meetings with all Board members. In compliance with the amended Code of Good Governance, the Senior Independent Member met with the Board without the Chair present to evaluate the Chair. A full and detailed report covering the Board evaluation activity is presented to the September Board meeting each year and, at this meeting, the process for the following Academic Year is also agreed. All actions flowing from the self-evaluation activities are detailed on the Governance Action Plan and are actioned accordingly. Progress in relation to the Governance Action Plan is reported to the Audit and Risk Committee and the Board of Management twice each Academic Year.

In accordance with best practice, the College also arranges Externally Facilitated Effectiveness Reviews (EFERs) to ensure compliance with the Code of Code Governance criteria. The latest EFER took place during 2024/25 with the finalised report on the June 2025 Board of Management agenda.

This statement is prepared by management members, reviewed by the whole Senior Management Team and Secretary to the Board of Management, reviewed by the Board Finance and Resources Committee and the Board Audit and Risk Committee before formal approval by the Board of Management.

Risk Management, Internal Control and Assurance

The Board of Management is responsible for the College system of internal control and for reviewing its effectiveness annually. It is also responsible for the Risk Management Framework, setting the Risk Appetite and reviewing the Risk Register which seeks to: record key business risks; quantify their potential impact and likelihood; and describe actions taken in mitigation. The system of internal control and risk management have been in place for the year and up to the date of approval of the Annual Report and Financial Statements and are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. Internal Audit identified no weaknesses, and the Annual Certificate of Assurance is in place in line with the SPFM.

The College operates a Risk Management Committee which draws its membership from across all aspects of the operational management team and includes members of the Senior Management Team. The Senior Management Team and the Audit and Risk Committee also receive regular reports from the internal audit and 'health, safety and environmental monitoring' functions which include recommendations for improvement. The Audit and Risk Committee role in this area is confined to a high-level review of the arrangements for internal financial control.

The Finance and Resources Committee has responsibility for monitoring adherence to the College Health & Safety Policy. The Board of Management agenda includes a regular item for consideration of risk and control and receives reports thereon from the Senior Management Team and the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Additionally, the College has an Assurance Framework in place. This is intended to be comprehensive and cover all aspects of College operations and is aligned with the Risk Register. The Assurance Framework is based upon the three lines of assurance or defence model:

- **First Line** – Operational Functions - Identifying risks and improvement actions. Implementing controls. Reporting on progress. Management Assurance.
- **Second Line** – Corporate Oversight - Designing policies. Setting direction. Ensuring compliance. Assurance oversight.
- **Third Line** - Independent expert and objective assurance - Independent challenge, audit. Reporting on assurance. Audit of assurance providers. Entity level assurance.

The Assurance Framework provides a summary of the main sources of assurance falling within the above definitions, with particular emphasis on second and third-line sources of assurance as these are the sources of assurance that the Board of Management are likely to place greatest reliance upon. The Assurance Framework then endeavors to provide an assessment of the current sources of assurance and to identify areas where there is a perceived need for further or improved assurance.

The Assurance Framework additionally assists in ensuring that Governance, Risk Management and control measures are in place in respect of all aspects of College activity. The document also ensures the College is compliant with the requirements of the Scottish Government Audit and Assurance Committee Handbook.

The Board of Management is of the view that there is an ongoing process for identifying, evaluating and managing the College's major risks. In addition to the work of the Risk Management Committee, the College maintains a Strategic Risk Register which is considered and reviewed regularly by the Board, its Audit and Risk Committee and the College Senior Management Team. All formal meetings have Risk Management as a standing agenda item and all formal Board and Committee papers have a Risk Management section included within them.

During 2024/25 the refreshed Risk Management processes were further embedded and are operating effectively and efficiently. The Board also reviewed the College's Risk Appetite and Risk Categories as part of the risk process. The Risk Framework and Strategic Risk Register have been updated in Academic Year 2024/45 following approval of the Risk Appetite and Risk Categories by the Board of Management.

All key operational Risk Registers are updated regularly by the relevant Head/Director of that service. These risk registers are as follows:

- Business Development, including Marketing and Communications
- Corporate Services
- Faculty of Business and Creative Industries
- Faculty of Engineering, Construction and Science
- Faculty of Health, Care, Community and Learning Development
- Finance
- ICT

- People and Culture
- Student Services
- Climate Risk Register
- Cladding Risk Register

The previous three Faculty Risk Registers have been moved to the two new Faculties: STEM, Enterprise and Arts and Wellbeing, Development and Creative Services.

More detail in relation to the current risks faced by the College is provided at **1.7 of the Overview Report**.

Going Concern Statement

The Board of Management continues to provide effective oversight of the College's financial and business planning arrangements and will continue to ensure the College has an effective focus on the longer-term financial sustainability of the College in this ongoing period of uncertainty and challenge.

The Board clearly recognises the significant financial challenges within the sector, however, implementation of the College's Operating Plan in 2022/23 had a positive impact on the short to medium term financial stability of the college. Continued implementation in 2024/25 has consolidated this position, with the College able to set balanced budgets for five the years to July 2030. Therefore, the Board of Management has assessed that there are adequate resources in operational existence for the foreseeable future.

Continued and careful Quarterly Forecasting helped ensure that the College outturn at the year-end was a modest surplus for the year and that the underlying cash position was within the revised the cash target.

The success of the Voluntary Severance Programme in 2024/25 and planned Voluntary Severance programmes in 2025/26 and 2026/27 will allow the College to be in a financially stable position over the five year budget period 2025-30.

Should a pension deficit arise, which is not met from other sources of income, it will be funded by future Grant in Aid from the SFC. This is because, under the normal conventions applying to parliamentary control over income and expenditure, such income may not be paid in advance of need.

The Board of Glasgow Kelvin College has no reason to believe that either the SFC financial support or future Ministerial approval will not be forthcoming or will only provide a reduced support.

Based on the current performance and the five year Budgets for 2025-30, the going concern basis continues to be adopted in the preparation of the financial statements.

Going Concern is also referenced at The Board of Management position in relation to Going Concern is presented at **1.8 of the Overview Report** and the Financial Statements are prepared on this basis as stated in the Principal Accounting Policies in **Note 1 of the Annual Accounts**

Conclusion

The College is extremely proud of the governance arrangements it has in place. Its Board has remained committed to operating in an open, transparent and publicly accountable way. The College is confident that it has extremely high level of compliance with the Code of Good Governance for Scottish Colleges.

3.1 Estates and Sustainability Strategy

The Estates and Sustainability Strategy is being worked through. During AY 2024/25, the SFC provided an Infrastructure Strategy template for all FE colleges to complete in order that there is commonality. Other than the cladding issue at Springburn which is explained later, the College estate is in good overall condition with condition surveys produced during the Academic Year in order that accurate estates information could be provided to SFC for their overall Infrastructure Investment Plan. The Environmental Sustainability Manager continues to be successful in accessing available funding and assisting with the progression of the Estates and Sustainability Strategy. The estates focus and capital funding allocation continues to be based on high priority property maintenance and environmental performance. With the closure of the West End Campus, the remaining three campuses were developed and enhanced to meet the needs of the curriculum.

Recent priorities have included repairs to the fabric of buildings, replacement of plant, redecoration, replacement flooring and re-vamping of the learning and teaching environment to accommodate the West End Campus closure. Capital Investment Plans/reports and related work completed are available to view on the College website. Examples of some of the projects carried out during 2023/24 are provided at **1.2 of the Overview Report**.

There have been a number of investigations carried out over AY 2024/25 in regard to cladding panels at Springburn Campus. It has become apparent that circa £8m is required to remedy the issues uncovered to date which are due to poor workmanship. Further investigations will continue over AY 2025/26 with a report being made to each meeting of the Board of Management.

3.2 Directors Report

The Directors Report provides details of membership of the Board of Management and attendance of Board Members at committee meetings. It also provides details of the senior staff at the College who likewise are involved in making decisions in respect of the services provided by the institution and its strategic direction. All minutes and agendas for formal meetings are available on the College website and Teams channels on MS Teams as are the majority of papers which support decisions made in line with the Publication Scheme.

Registers of interest are maintained for all individuals currently serving and listed in the Directors Report. These are updated every 6 months for members of the Board of Management and the Senior Leadership Team. These are available at the links below:

- **Board** - [Register of Interest Board](#)
- **Senior Leadership Team** – [Register of Interest SLT](#)

The Board of Management is responsible for setting the strategic direction of the College, approval of major developments and the receipt of regular reports from College Management on operational performance and delivery.

The strategic direction of the College is heavily influenced by the Ministerial Letter of Guidance, the policy priorities of the Scottish Government alongside the Strategic Outcome and Assurance Framework set by the SFC.

3.2.1 Membership of the Board of Management

The membership and attendance in respect of the Board of Management from 1 August 2024 to the date this report is signed is provided below:

Ian Patrick (Chair)	Former Director of College Partnerships – UWS	
John McBride (Vice Chair)	Former Senior Manager and Gold Incident Commander – Police	
Dr Marion Allison	Chief Executive – CLD Standards Council	
Martin Booth	Chief Financial Officer - Enable	Tenure started 1 April 2025
Maria Bradshaw	Director of People – Scottish Enterprise	Tenure started 1 April 2025
Colm Breathnach	Teaching Staff Member	
Steven Caldwell	Manager – Anderson, Anderson & Brown	
Joanna Campbell	Principal and Chief Executive	Tenure started 1 April 2025
Dr Elaine Clafferty	Senior Lecturer – Glasgow Caledonian University	
Marie Docherty	Operations Manager – Rosemount Lifelong Learning	Tenure ended 30 April 2025
Robert Doyle	Civil Service	Tenure Ended 31 July 2025
Carol Goodwin	EIS / FELA Member	
Dermot Grenham	Company Actuary - Medical and Dental Defence Union of Scotland	
John Hogg	Director – University of Strathclyde	Tenure ended 31 July 2025
Jennifer Lavery	Support Staff Member	
Moira MacDonald	Head of Learning and Education – NHS Greater Glasgow and Clyde	Tenure started 1 August 2025
Heather McNeil	Former Head of Service – South Lanarkshire Council	Tenure ended 12 March 2025
Natalie Phillips	Education, Business and Community Growth Project Manager – Clyde Gateway	
Lesley Quinn	Divisional Director - City Building	Tenure started 1 April 2025
Maree Shepherd	UNISON Member	Tenure ended 21 March 2025
Derek Smeall	Principal and Chief Executive	Tenure ended 26 March 2025
Jacqueline Stewart	Centre Manager – The Forge Shopping Centre	Tenure started 1 August 2025
Ryan Donachie	Student Association President of Sustainability, Community and Welfare	Tenure ended 6 December 2024
Chantelle McCallum	Student Association President of Learning and Teaching	Re-appointed 1 July 2025
Jon Craig	Student Association President of Sustainability, Community and Welfare	Tenure started 1 July 2025
Linda Ellison	Secretary to the Board of Management	Tenure ended 31 March 2025
Douglas Wilson	Secretary to the Board of Management	Tenure started on 1 April 2025. Tenure ended on 31 August 2025
Heather Jackson	Secretary to the Board of Management	Tenure started on 1 September 2025

Board member attendance at formal meetings is detailed in the table below.

Board of Management Participation Log Academic Session 2024/25

GLASGOW KELVIN COLLEGE	Board of Management (Chair, Ian Patrick)					Audit & Risk Committee (Chair, Dermot Grenham)				Finance and Resources Committee (Chair, Rob Doyle)				Learning and Teaching Committee (Chair, Elsaine Clafferty)			
	28/08/2024	09/10/2024	11/12/2024	12/03/2025	11/06/2025	03/09/2024	26/11/2024	11/02/2025	13/05/2025	01/10/2024	26/11/2024	04/03/2025	27/05/2025	11/09/2024	20/11/2024	26/02/2025	07/05/2025
Ian Patrick	✓	✓	✓	✓	✓					✓	✓	✓	✓	✓	✓	✓	✓
ⁱ Derek Smeall	✓	✓	✓	✓						✓	✓	✓		x	✓	✓	
ⁱⁱ Joanna Campbell					✓								✓				✓
Colm Breathnach	✓	✓	x	✓	✓									✓	✓	✓	✓
ⁱⁱⁱ Natalie Phillips	x	x	✓	x	x	✓	✓	✓	x								
Dermot Grenham	✓	✓	✓	✓	✓	✓	✓	✓	✓					x	x	✓	✓
Dr Elaine Clafferty	✓	✓	✓	✓	✓	✓	✓	✓	✓					✓	✓	✓	✓
Jennifer Lavery	✓	✓	✓	✓	✓	✓	✓	✓	✓								
^{iv} Heather McNeil	✓	✓	✓	✓						✓	✓	✓	x	✓	x	✓	
John Hogg	✓	✓	✓	✓	✓	✓	✓	✓	✓								
Dr Marion Allison	x	x	✓	✓	x					x	✓	✓	x	x	✓	✓	✓
Robert Doyle	x	x	✓	x	x					✓	✓	✓	✓				
John McBride	✓	x	✓	✓	✓					✓	x	✓	✓	✓	x	x	✓
^v Marie Docherty	x	✓	✓	x	x			✓						✓	✓	✓	
Steven Caldwell	✓	✓	✓	✓	✓					✓	✓	✓	✓				
Maree Shepherd	x	✓	x	x	x					x	x	x	x				
Carol Goodwin	✓	✓	✓	x	x									x	✓	x	✓
Chantell McCallum	✓	x	x	✓	x									✓	✓	✓	x
^{vi} Ryan Donachie	x	x												x	x		
^{vii} Lesley Quinn				✓				✓					✓				
^{viii} Maria Bradshaw				✓													
^{ix} Martin Booth				✓													
ATTENDED APOLOGIES ✓ x																	

- i Derek Smeall retired on 26 March 2025
- ii Joanna Campbell took up post on 1 April 2025
- iii Natalie Phillips had an agreed leave of absence from 1 March 2025 to 30 June 2025
- iv Heather McNeil resigned on 12 March 2025
- v Marie Docherty resigned on 30 April 2025
- vi Ryan Donachie resigned on 6 December 2024
- vii Lesley Quinn's tenure started on 1 April 2025
- viii Maria Bradshaw's tenure started on 1 April 2025
- ix Martin Booth tenure started on 1 April 2025

3.2.2 Membership of the Senior Management Team

The Board of Management appoint a Senior Management Team to oversee the management of the College. Throughout academic year 2024/25 the team consisted of:

- Principal & Chief Executive, Joanna Campbell (from 1 April 2025)
- Principal & Chief Executive, Derek Smeall (to 26 March 2025)
- Vice Principal – Operations, Jeanette Evans
- Vice Principal – Curriculum & Quality Enhancement, Robin Ashton

The Senior Management Team meets fortnightly.

3.2.3 Data Protection

The College is firmly committed to upholding the highest standards of data protection and has established robust arrangements to ensure full compliance with the Data Protection Act 2018.

A Board of Management approved Data Protection Policy reviewed every three years or updated in response to legislative changes underpins the College's approach. This is supported by a comprehensive suite of processes and procedures designed to ensure regulatory compliance and adherence to statutory timelines. To further strengthen oversight, the College operates a well-established Data Protection – Privacy Network. This cross-functional group, comprising managers from both curriculum and support service areas, plays a key role in monitoring and promoting compliance across the organisation. In addition, the College has implemented rigorous ICT system security measures to safeguard data and provide assurance.

There were no reportable data breaches in 2024/25 and GDPR matters were handled in line with procedures and required timelines.

3.2.4 Corporate Social Responsibility

The Board of Management is committed to operating in a socially responsible way. There are a number of strands of activity which contribute to the overall social footprint of the College. Primarily, the College seeks to educate, up-skill and re-skill its learners to enable them to secure employment or progress in their careers and contribute to business, the economy and economic growth.

The College also seeks to ensure all its learners maximise their potential gaining employability and citizenship skills during their time at College. The statistics which outline the number of learners enrolled by the College, and the challenges in respect of poverty experienced by many of them, are summarised in the performance report and the context statement. The College is extremely proud of the fact that it is Glasgow's College, fully embedded in the communities it serves.

The other key strands of Corporate Social Responsibility include:

- Environmental Sustainability;
- Charitable Activity;
- Provision of access to publicly funded facilities which are managed by the College;
- Partnership Working; and
- Commitment to Equality.

These themes are reported on throughout the Performance Report, some particular highlights during session 2024/25 are listed below:

- provision of relevant, high-quality programmes of Further and Higher Education for students on a full and a part time basis;
- learner's fees waived, where possible, to allow free access to community learning networks;
- programmes of vocational education and training for both young people and adults;
- a vocational education programme for school pupils;
- a range of courses which promote access and articulation to Higher Education, including pre apprenticeship programmes targeted at senior phase school pupils;
- programmes of education and training for students with additional support needs;
- programmes of education and training for young people who are care experienced;
- support for a network of community-based learning centres and community information technology initiatives which are delivered in partnership with a large number of regional and local community partners;
- minimum cost or free use of College facilities to community groups and partners;
- an extensive programme of community-based learning;
- support for, and provision of, local youth work initiatives;
- provision of free sanitary products for female students;
- free access to information technology for local residents throughout the North and East of the City;
- library services and flexible learning opportunities for local people;
- provision of Community and Youth Hubs twice a week in the evenings at our Springburn and Easterhouse Campuses; and
- Delivery of a joint Level 6 Company Programme with Young Enterprise Scotland.

These activities have all contributed to the advancement of education in Glasgow. The College considers that it has discharged its Charitable Purpose and met the Public Benefit Test defined in the Charities and Trustee (Scotland) Act 2005. It has also published its statutory report on Participation Requests and Asset Transfer Requests as required by the Community Empowerment (Scotland) Act 2015. This report again outlines the College commitment to its communities and partnership working and is available on the College website.

3.2.5 Acknowledgements

The College would wish to acknowledge:

- Grant-in-aid and other funding it received from the SFC via the Glasgow Colleges' Regional Board;
- Financial support it continues to receive from local authorities, The Wheatley Group and STV Children's Appeal; and
- Grant assistance from the local Community Planning Partnerships.
- UKRI Funding for the Regional Further Education Innovation Funding, known as the College Local Innovation Centres (CLIC) Project.

4. Remuneration and Staff Report

The College is required to prepare and publish within its financial statements an annual Remuneration Report under the Government Financial Reporting Model (FReM). This report sets out the remuneration and accrued pension benefits of the Senior Management Team in note 7 of the Financial Statements. The following disclosures within the remuneration report are subject to audit: single total figure of remuneration for each senior official, CETV disclosures for each senior official, fair pay disclosures (median remuneration), exit packages, and analysis of staff numbers and costs.

4.1 Remuneration Policy

The remuneration for the Principal is set by the Remuneration Committee which is chaired by the Vice-Chair of the Board of Management. The Principal's pay, and any pay increase, is fully disclosed. The Remuneration Committee consider in full the guidance included in the Code of Good Governance for Scotland's Colleges when setting the Principal's remuneration. The other members of the Senior Management Team are not considered to be covered by National Bargaining and therefore their remuneration is likewise set by the Remuneration Committee. This is done in an open and transparent way. The Secretary to the Board of Management, attends meetings of the Remuneration Committee to ensure appropriate independent advice is available to Committee members.

The Remuneration policy for future years is that the College expects current national bargaining arrangements will apply to most staff, the remuneration policy and pay increases for staff out-with these arrangements will continue to be set by the Remuneration Committee. Pay awards for all other staff are negotiated at a national level. The College has fully implemented national agreements during the previous financial year, and which cover the period up to 31 August 2025. Teaching staff received an up lift of 4.14% effective from 01 September 2025 for AY 2025/26. Negotiations for the pay settlement for AY 2025/26 for support staff is ongoing. Staff out with National Bargaining are normally awarded a pay rise which reflects that awarded to teaching and/or support staff. Discussions for AY 2025/26 have not yet commenced.

4.2 Remuneration Including Salary and Pension Entitlements

Salary Entitlements

The following tables provides detail of the remuneration, including back pay, and pension interests of senior management. None of the Senior Management Team received any non-cash benefit (benefit in kind) during the current or prior year. Pension benefits are provided to senior officials on the same basis as all other staff. The accrued pension benefits for senior officials are set out below, together with the pension contributions made by the College.

Name	Year to 31 July 2025 Salary £'000	Year to 31 July 2025 Pension Benefit £'000	Year to 31 July 2025 Total £'000	Year to 31 July 2024 Salary £'000	Year to 31 July 2024 Pension Benefit £'000	Year to 31 July 2024 Total £'000
Joanna Campbell	46	115	161	0	0	0
Derek Smeall (a)	91	(4)	87	139	70	209
Robin Ashton	105	12	117	105	18	123
Jeanette Evans	105	30	135	105	54	159

Notes:

- (a) The pension figures above for Derek Smeall are calculated as at his date of leaving on 26 March 2025.
(b) The value of pension benefits is calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual. The x20 multiplier aims to bring public bodies in line with other industries in disclosing an assessed cumulative pension benefit for a standard 20 year period which is the estimated life span following retirement.

Pension Entitlements

Name	Accrued pension at pension age at 31 July 2025 £'000	Accrued lump sum at pension age at 31 July 2025 £'000	Real increase in pension year to 31 July 2025 £'000	Real increase in lump sum year to 31 July 2025 £'000	Cash equivalent transfer value at 31 July 2025 £'000	Cash equivalent transfer value at 31 July 2024 £'000	Real increase in cash equivalent transfer value £'000
Joanna Campbell	37	89	6	10	796	666	107
Derek Smeall (a)	75	201	1	(3)	1,868	1,836	(10)
Robin Ashton	35	85	1	(1)	789	748	15
Jeanette Evans	30	0	2	0	514	467	31

Note:

- (a) The pension figures above for Derek Smeall are calculated as at his date of leaving on 26 March 2025.
(b) The salaries in the above table represent the amounts earned in the financial period and include all allowances paid.
(c) No bonuses or overtime payments are made to members of the Strategic Management Team.

The details in the above table are provided by the pension funds and are subject to external audit.

4.3 Fair Pay

Colleges are required to disclose the relationship between the remuneration of the highest paid official and the remuneration of the 25th percentile, median and 75th percentile of their workforce. The remuneration of the Principal, the highest paid official in the organisation, in financial year 2024/25 was £139,230 compared to £135,175 in 2023/24, a 3% increase from 2023/24. The table below presents the percentile comparisons.

	Year to 31 July 2025 £	Year to 31 July 2024 £	Change %
Range of workforce remuneration			
Pay and benefits of the highest paid director	139,230	135,175	3.0
Pay and benefits of lowest paid member of staff	24,993	23,493	6.4
Change in salary and allowances for support staff	43,381	43,342	0.1
25th percentile pay £	36,819	35,319	4.2
25th percentile ratio	3.8	3.8	0.0
Median percentile pay £	48,357	43,357	11.5
Median percentile ratio	2.9	3.1	(0.6)
75th percentile pay £	48,357	43,357	11.5
75th percentile ratio	2.9	3.1	(0.6)

No College staff received non-consolidated performance related pay, benefits-in-kind or other allowances.

The pay award for support staff for the period 1 September 2022 to 31 August 2025 was agreed in June 2024 and the pay award for teaching staff for the period 1 September 2022 to 31 August 2026 was agreed in August 2024.

There are 188 members of teaching staff earning £48,357, which explains why this salary is both the median and 75th percentile.

The 25th percentile ratio is unchanged as the % pay awards of the highest paid director and 25th percentile pay £ are broadly similar.

The median percentile and 75th percentile pay ratios have decreased as the % pay award of the highest paid director was less than the % pay award in each of the aforementioned categories.

4.4 Accrued Pension Benefits

Pension benefits for employees are provided through the Scottish Teachers Pension Scheme (STSS), a defined benefit scheme, which is notionally funded and contracted out of State Earnings-Related Pension Scheme and the Local Government Pension Scheme (LGPS) administered by the Strathclyde Pension Fund.

Both the STPS and LGPS are defined benefit pension schemes where pension benefits are based on the salary earned and the number of years that the person has been a member of the scheme. The schemes normal retirement age varies depending on the scheme regulations and the age of members. Contribution rates are set annually for all employees and can be found in note 23.

Further information on the operation of both pension funds are available from the fund web sites:

<https://www.spfo.org.uk>; and <http://www.sppa.gov.uk>

4.5 Senior Official Pension

Pension benefits are provided to senior officials on the same basis as all other staff. The accrued pension benefits for senior officials are set out in the tables in 4.2, together with the pension contributions made by the College.

4.6 Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The value of the accrued pension benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total eligible service and not just their current appointment. In considering the accrued pension benefits figure the following contextual information should be taken into account:

- the figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement; and
- the accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period of time.

4.7 Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

4.8 Staff Numbers and Costs

Normal staff costs account for around 70% of expenditure. The notes to the accounts provide an analysis of staff number and costs. The table below outlines staff numbers and how these are split between gender and staff employed on temporary contracts and permanent contracts on 31 July 2025. In respect of staff head-count the following table provides an analysis:

Sex	Male	%	Female	%	Total	%
Permanent	183	46.9%	207	53.1%	390	100%
Temporary	11	39.3%	17	60.7%	28	100%
Grand Total	194	46.4%	224	53.6%	418	100%

In accordance with the requirements of The Equality Act (2010) (Specific Duties) Regulations 2011 the College publishes a [Public Sector Equality Duty Report \(PSED\)](#), which covers the areas specified by the legislation, these are available on the College website. The reports provide an analysis in respect of staff and students and include all equality strands. In respect of staff gender balance, the above table illustrates that its staffing complement is slightly more in favour of female. The equality reports provide a complete analysis of the staffing complement by gender and all other protected characteristics.

The PSED Report details its progress against its equality outcomes and new equality outcomes for the period 2025-2028. The College continues to work toward progressing its local equality outcomes in conjunction with the National Equality Outcomes published by the SFC and agreed in partnership with the Equality and Human Rights Commission for Scotland's colleges and universities retention. The College focus is on the representation and success of students and staff with a range of protected characteristics, as well as the procedures, services and support that colleges and universities should offer them to address any discrimination or disadvantage. The College's Equality Outcomes Action Plan ensures that it is making progress towards improving outcomes for its staff, students and the communities it serves.

The College seeks to minimise its use of agency staff, during session 2024/25 it employed a small number of agency staff to cover short term or short notice vacancies in two service areas, Student Support Services and ICT as well as one faculty area. Total spend was £90,140. This includes 1 FTE employed by Advance Procurement for Universities and Colleges who primarily works for Glasgow Kelvin College, 0.2 FTE for the shared service Data Protection Officer Role, employed by HEFESTIS and 0.5 FTE for cover for Hospitality Assistant roles employed by Blue Arrow Limited.

4.9 Sickness Absence

The College reports on its sickness absence to its Finance and Resources Committee twice per year. It recognises that staff absence is costly in financial terms and can adversely impact on service delivery to students and its learning and teaching. It therefore seeks to manage absence diligently in accordance with its Attendance Management and Support Policy. Detailed reports on absence are available on the College web site as presented to the Board of Management and its Standing Committees. Summary data for 2024/25 and the three prior years is provided in the table below.

4.10 Staff Absence Percentage by Staff Category and All Staff

Staff Group	Session 2021/22	Session 2022/23	Session 2023/24	Session 2024/25
Senior Management Team/ Operational Management Team	2.0%	0.8%	3.1%	0.6%
Permanent Teaching	5.5%	5.3%	6.4%	4.6%
Temporary Teaching	0.5%	2.0%	1.0%	0.6%
Support Staff	4.6%	5.1%	6.8%	5.9%
All Staff	4.9%	5.0%	6.3%	4.9%
Long-term Absence	3.9%	3.7%	5.2%	3.8%
Short-term Absence	1.0%	1.3%	1.1%	1.1%

Managing absence is a key priority for the College. In AY 2024/25 the absence percentage rate decreased by 1.4%. This is attributable to a decrease in long term absence.

The College continues to manage absence in accordance with its policies and procedures in an attempt to reduce absence rates where possible and minimise the financial impact on additional staffing costs incurred.

In AY 2024/25 the College undertook a review of its attendance management practices in consultation with staff and recognised Trade Unions. The Attendance Management and Support Policy has been revised with the aim of further reducing levels of absence whilst ensuring that staff are fully supported in the workplace. In AY 2025/26 further detailed training and support will be provided to line managers to ensure the College's practices and approaches to managing absence are impactful and effective.

4.11 Staff Policies

Glasgow Kelvin College has a wide range of policies and procedures in place which govern employment. The policies ensure the College complies with employment legislation, follow good practice and promote a positive inclusive organisational culture which encourages recruitment, retention, work life balance and ongoing development of its employees through professional learning. Its policies are also designed to ensure that the College supports its employees who may experience personal difficulties from time to time. Reasonable adjustments are made for staff where possible who are disabled or who develop an underlying health condition or disability to support them in their role and maintain their employment. Under the 'Confident Employer' Initiative any disabled applicant who meets the essential criteria on the person specification/role profile will be invited for interview. A total of 15% of those employed by the College on 31 July 2024 had disclosed a disability.

The College has a range of policies, procedures and approaches which aim to attract and retain individuals from diverse backgrounds.

The College has several mechanisms in place to monitor and assess staffing to ensure that it **has current and future access to the competent staff it needs to perform effectively**, identifying current and future staffing needs and exploring the most appropriate and cost-effective methods to recruit, develop and retain its workforce. The College encourages lifelong learning through professional and personal development and that individuals take ownership of their continuous professional development. The College's approach helps ensure that succession planning is effective. In session 2020/21 the College developed a People Strategy in partnership with stakeholders, this will be reviewed in AY 2025/26 to reflect the newly established values.

The People Strategy will aim to nurture the highest standards of leadership to sustain a motivated and engaged workforce, fostering an inclusive high performance and learner focused culture that balances the need for stimulating and changing work with a healthy lifestyle.

Some of the key policies designed to attract, develop, retain and support employees include:

- Attendance Management and Support Policy.
- Dignity and Respect Policy and Procedure.
- Disciplinary Policy (National) and Procedure (Glasgow Kelvin College).
- Equality, Diversity and Inclusion Policy.
- Family Friendly and Flexible Working Policy.
- Grievance Policy and Procedure.
- Health and Safety Policy.
- Lone Working Policy.
- No Smoking Policy.
- Policy and Procedure for PVG and Criminal Records Check.
- Professional Learning and Development Policy.
- Menopause Policy (National).
- Alcohol Drugs and Substance Misuse Policy.
- Public Interest Disclosure Whistle-Blowing Policy.
- Recruitment and Selection Policy.
- Safeguarding Young People and Vulnerable Adults Policy.

Consultation on the content of these policies and applied practice takes place with the College's recognised Trade Unions and relevant stakeholders. They reflect current best practice and provide a positive platform and framework for the effective management and engagement of all staff. The National Recognition and Procedures Agreement, of which the College is a signatory, identifies a range of policies which will be developed with recognised Trade Unions for implementation nationally within colleges. Policies agreed by the National Joint Negotiating Committee, supported with local procedures based on a national framework, where available, will be implemented by the College.

Policies are circulated to students, staff and stakeholders as required and are available both on the College intranet and the College website. Locally agreed policies are amended, as necessary, in line with legislation changes, case law development or operational changes following consultation with employee representatives and stakeholders. They are also reviewed on a 2 or 3-yearly basis by the Senior Leadership Team, the Finance and Resources Committee and/or Board of Management. Nationally agreed policies will be reviewed and amended by the National Joint Negotiating Committee

4.12 Trade Union Facility Time

In accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017 and the terms of the Recognition and Procedural Agreement the College has with its two recognised Trades Unions, UNISON and EIS-FELA there is an allowance for union facility time. The College provided the following support through paid facility time for union officials working at the College during the year ended 31 July 2025:

Union	Number of employees who were relevant officials during the year	No. of Facility Time Hours per Week	Total Cost (£) Year to 31 July 2025
UNISON	1	14 hrs	11,644
EIS/FLEA	9	43 hrs (28 + prep)	64,006
Total	10	57 hrs	75,650

Percentage of time spent on facility time:

Percentage	Number of employees
0%	426
1%-50%	10
51%-99%	-
100%	-

Percentage of pay bill spent on facility time:

Total cost of facility time	£75,650
Total pay bill	£23,924,814.19
Percentage of pay bill spent on facility time	0.32%

In addition to the above costs, union representatives employed by the College are allocated time off to contribute to national bargaining processes, the College is reimbursed for these costs.

4.14 Compensation for Loss of Office & Exit Packages

The College operated a Voluntary Severance exercise during session 2024/25, the cost of this was £540k. This Scheme was approved by GCRB and SFC and will operate until 31 December 2025. In session 2025/26 the College will seek approval to operate a Voluntary Severance Scheme in calendar years 2025 and 2026.

The Accountability Report has been approved by the Board of Management and signed on its behalf by:

Ian Patrick
Chair

Joanna Campbell
Principal

Independent Auditor's Report

Independent auditor's report to the Board of Management of Glasgow Kelvin College, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and financial statements of Glasgow Kelvin College for the year ended 31 July 2025 under the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Balance Sheet, and Statement of Cash Flows and notes to the financial statements, including Statement of Principal Accounting Policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the College's affairs as at 31 July 2025 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 13th September 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the College in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

Non-audit services prohibited by the Ethical Standard were not provided to the College. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the College's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the College's current or future financial sustainability. However, I report on the College's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my separate Annual Audit Report, the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Board of Management for the financial statements

As explained more fully in the Statement of the Board of Management's Responsibilities, the Board of Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the College's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the college sector to identify that the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 are significant in the context of the College;
- inquiring of the College Principal as to other laws or regulations that may be expected to have a fundamental effect on the operations of the College;
- inquiring of the College Principal concerning the College's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussion among my team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the College's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Board of Management is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on the audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

Other information

The Board of Management is responsible for the other information in the annual report and financial statements. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on the Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and financial statements, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Stuart Nugent

Audit Scotland,
4th Floor, South Suite,
The Athenaeum Building,
8 Nelson Mandela Place,
Glasgow, G2 1BT

Stuart Nugent is eligible to act as an auditor in terms of section 21 of the Public Finance and Accountability (Scotland) Act 2000.

Financial Statement for the year ended 31 July 2025

Statement of Comprehensive Income for the year ended 31 July 2025

	Notes	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Income			
Funding Council grants	2	26,069	27,558
Removal of SFC Job Evaluation funding		-	(2,472)
Tuition fees	3	3,682	3,466
Other income	4	1,516	1,074
Donation from Learning Foundation		37	179
Interest receivable	5	-	84
Total income		31,304	29,889
Expenditure			
Staff costs	6/7	22,861	22,566
Fundamental restructuring costs	6	540	629
Other operating expenses	8	6,997	7,046
Depreciation & impairment	11	2,035	3,705
Interest payable	9	19	-
Total expenditure		32,452	33,946
(Deficit) before other gains or losses		(1,148)	(4,057)
Gain on disposal of fixed assets		-	-
(Deficit) before tax		(1,148)	(4,057)
Taxation		-	-
(Deficit) for the year		(1,148)	(4,057)
Unrealised surplus on revaluation of land and buildings	18	2,045	1,896
Impairment of assets	11	-	(8,223)
Actuarial (loss)/gain in respect of pension scheme	23	793	(1,515)
Total comprehensive income for the year		1,690	(11,899)

The notes on Pages 76 to 103 form part of these accounts.

Financial Statement for the year ended 31 July 2025

Statement of Comprehensive Income for the year ended 31 July 2025 (contd.)

The Statement of Comprehensive Income is prepared under the FE/HE SORP. Colleges are also subject to Central Government accounting rules but the FE/HE SORP does not permit colleges to include Government non-cash allocations for depreciation in the Statement of Comprehensive Income. Details are provided at note 28 of the adjusted operating position on a Central Government accounting basis.

The notes on Pages 76 to 103 form part of these accounts.

Financial Statement for the year ended 31 July 2025

Statement of Changes in Reserves for the year ended 31 July 2025

	Notes	Income and expenditure reserve £'000	Revaluation reserve £'000	Total reserves £'000
Balance at 1 August 2023		4,217	23,610	27,827
Deficit for the year		(4,057)	-	(4,057)
Transfers from revaluation reserve	18	363	(363)	-
Revaluation of land and buildings	18	-	1,896	1,896
Transfer of revaluation reserve on impairment of assets	18	-	(8,223)	(8,223)
Release of balance of revaluation Reserve – West Campus	18	2,371	(2,371)	-
Actuarial gain in respect of pension Scheme	23	(1,515)	-	(1,515)
Balance at 31 July 2024		1,379	14,549	15,928

	Notes	Income and expenditure reserve £'000	Revaluation reserve £'000	Total reserves £'000
Balance at 1 August 2024		1,379	14,549	15,928
Deficit for the year		(1,148)	-	(1,148)
Transfer from revaluation reserve	18	420	(420)	-
Revaluation of land and buildings	18	-	2,045	2,045
Impairment of assets	18	-	(66)	(66)
Actuarial gain in respect of pension Scheme	23	793	-	793
Balance at 31 July 2025		1,444	16,108	17,552

The notes on Pages 76 to 103 form part of these accounts.

Financial Statement for the year ended 31 July 2025

Balance Sheet as at 31 July 2025

	Notes	As at 31 July 2025 £'000	As at 31 July 2024 £'000
Fixed Assets			
Tangible assets	11	51,167	50,829
Current Assets			
Debtors	12	1,133	1,433
Asset held for sale	11	-	1,753
Cash and cash equivalents	13	4,022	3,493
		<u>5,155</u>	<u>6,679</u>
Creditors: amounts falling due within one year	14	<u>(5,109)</u>	<u>(7,202)</u>
Net current liabilities		<u>46</u>	<u>(523)</u>
Total assets less current liabilities		51,213	50,306
Creditors: amounts falling due after more than one year	15	<u>(29,015)</u>	<u>(29,909)</u>
Net asset before provisions		22,198	20,397
Funded pension asset	17/23	-	-
Unfunded pension liability	17	(1,756)	(1,997)
Job evaluation liability	17	(2,890)	(2,472)
Net assets after provisions		<u>17,552</u>	<u>15,928</u>
Reserves			
Revaluation reserve	18	16,108	14,549
Income and expenditure reserve		1,444	1,379
Total reserves		<u>17,552</u>	<u>15,928</u>

The financial statements were approved by the Board of Management and were signed on its behalf by:

Ian Patrick
Chair

Joanna Campbell
Principal

The notes on Pages 76 to 103 form part of these accounts.

Financial Statement for the year ended 31 July 2025

Statement of Cash Flows

		Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
	Notes		
Net cash (outflow) from operating activities			
(Deficit) for the year		(1,148)	(4,057)
Adjustment for non-cash items			
Depreciation and impairment of assets at valuation	11	2,035	3,705
Decrease in debtors	12	299	1,781
(Decrease) in creditors	14/16	(1,763)	(2,640)
Increase in provisions	17/23	970	2,497
Release of deferred capital grants	14/16	(1,617)	(1,946)
Adjustment for financing activities			
Proceeds of the sale of fixed assets	11	-	-
Net cash inflow from operating activities		<u>(1,224)</u>	<u>(660)</u>
Cash flows from investing activities			
Proceeds on the sale of fixed assets		1,753	-
Payments made to acquire fixed assets	11	(394)	(849)
Deferred capital grant additions	16	394	848
		<u>1,753</u>	<u>(1)</u>
Increase/(decrease) in cash in the period		<u>529</u>	<u>(661)</u>
Cash and cash equivalents at beginning of the year	13	3,493	4,154
Cash and cash equivalents at end of the year	13	4,022	3,493
Increase/(decrease) in cash equivalents		<u>529</u>	<u>(661)</u>

The notes on Pages 76 to 103 form part of these accounts.

Financial Statement for the year ended 31 July 2025

Net Debt

	At 1 August 2024 £'000	Cash Flows £'000	Other non cash changes £'000	At 31 July 2025 £'000
Cash & Cash equivalents				
Cash	3,493	529	-	4,022
	<u>3,493</u>	<u>529</u>	<u>-</u>	<u>4,022</u>

The notes on Pages 76 to 103 form part of these accounts.

Statement of Principal Accounting Policies

General Information

Glasgow Kelvin College is defined as a 'fundable body' by the provisions of the Further and Higher Education (Scotland) Act 2005. It is primarily funded by the SFC, a Non-Departmental Public Body of the Scottish Government, whose main role is to distribute funding to Colleges and Universities in Scotland. The Glasgow Colleges' Regional Board was granted 'fundable body' status on 1 April 2018 and since that date the College has been funded directly by the Glasgow Colleges' Regional Board.

The financial statements have been prepared in accordance with the Further and Higher Education (Scotland) Act 1992, United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the 2019 Statement of Recommended Practice (SORP) 2019: Accounting in Further and Higher Education and the Government Financial Reporting Manual (FReM). The financial statements conform to the accounts direction published by the SFC on 14 August 2025.

Until 30 July 2025 the College was primarily funded by GCRB which was a 'Fundable Body' within the terms of the Post 16 Education (Scotland) Act 2013. GCRB had the overall responsibility for the planning and delivery of Further Education in Glasgow. GCRB were in turn funded by the SFC, a Non-Departmental Public Body of the Scottish Government, whose main role is to distribute funding to Colleges and Universities in Scotland.

On 30 July 2025 the Regional Strategic Bodies and Regional Colleges (Glasgow and Lanarkshire) Order 2025 came into force resulting in the dissolution of GCRB. The order designated Glasgow Kelvin College as a standalone regional college giving responsibility to the College to manage itself as a separate regional entity.

The presentation currency is pound sterling and the financial statements are rounded to the nearest thousand. These financial statements comprise the results of the College only.

The Board of Management is responsible for setting the strategic direction of the College within the parameters of the Glasgow Regional Outcome Agreement and for overseeing its operational management. Glasgow Kelvin College is a registered Scottish Charity, Charity number SC021207 (within the provisions of the Charities and Trustee Investment (Scotland) Act 2005). The registered address is 123 Flemington Street, Springburn, Glasgow, G21 4TD.

1. Accounting Policies

Introduction and accounting basis

The financial statements are prepared on the historical cost basis of accounting subject to the revaluation of certain fixed assets and in accordance with applicable accounting standards. The accounting policies of the College are set out below:

Judgements in applying policies and key sources of estimation uncertainty

In preparing the financial statements, the Board of Management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Statement of Principal Accounting Policies (contd.)

The Board of Management are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

Estimate	Basis of estimation
Valuation of buildings	College buildings are of a specialist nature and are valued on the depreciated replacement cost basis. A full valuation is carried out every 5 years with interim desktop valuations in intervening years.
Useful economic lives of buildings and equipment	Buildings are depreciated over their expected remaining useful economic life as assessed by an independent, qualified valuer. Buildings owned by the College are split into components and each component is valued and depreciated separately. Land owned by the College is not depreciated. The economic lives of components currently in use are in the range 12.5 to 80 years. The estimated useful life of equipment is 4 to 10 years.
Recoverable amount of trade debtors	Trade debtors are reviewed by appropriately experienced Senior Management Team members with appropriate provision for non-payment of debt being charged to the financial statements as required.
The obligations under the Strathclyde Pension Scheme (SPF)	The Board of Management has relied on the actuarial assumptions of qualified actuaries which have been reviewed and are considered reasonable and appropriate. Assumptions used in the calculation of the SPF pension valuation represent a source of significant estimation. The key assumptions made in deriving these figures are explained in detail in Note 23.

Recognition of income

Income from government grants, contracts and other services rendered is recognised in the Statement of Comprehensive Income in proportion to the extent of completion of the contract or service concerned.

Deferred Government Capital Grants are released to income in accordance with the accrual model over the useful life of the asset. The accrual model requires the College to recognise income on a systematic basis over the period in which the College recognises the related costs for which the grant is intended to compensate.

Government revenue grants are recognised using the accrual model which means the College recognises the grant in income on a systematic basis over the period in which the College recognises the related costs for which the grant is intended to compensate.

Non-government capital and revenue grants are recognised using the performance model. If there are no performance conditions attached the grants are recognised as revenue when the grants are received or receivable.

A grant that imposes specific future performance related conditions on the recipient is recognised as revenue only when the performance related conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability

Statement of Principal Accounting Policies (contd.)

The main annual recurrent allocation from the SFC was recognised in the period in which it was received and is credited to the Statement of Comprehensive Income.

Tuition fees are credited to the Statement of Comprehensive Income in the period in which they are due to be received. The Board of Management waives fees in line within the National Fee Waiver Policy which gives free access to education and training to those who are unemployed, have low income or are receiving other forms of benefit.

All investment income from short-term deposits is credited to the Statement of Comprehensive Income in the period in which it is earned.

Maintenance of premises

The cost of maintenance is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Operating leases

Related costs in respect of operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term.

Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable organisation for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Although the College is registered for VAT it is not entitled to recover input VAT.

Provisions

Provisions are recognised when the College has a present or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Subsequent events

Subsequent events after the end of the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. In accordance with FRS 102 the College is required to identify events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue and make adjustments or disclosures where these are material to the understanding of the financial statements.

Statement of Principal Accounting Policies (contd.)

Fixed assets

a Land and buildings

The College holds its land and buildings at fair value and due to the specialist nature of the College buildings they are valued on a depreciated replacement cost basis. A formal valuation is performed by Avison Young, Chartered Surveyors, an independent, qualified valuer. Valuations take place at least every 5 years, unless there have been indications that there has been a material movement in the fair value. This is considered appropriate as the fair value is not considered to be volatile. In the years where no formal valuation is performed, a review of the impact of indexation of the formal valuation is performed by the surveyor with the indexation reflected in the financial statements.

Buildings are depreciated over their expected remaining useful economic life as assessed by Avison Young. Buildings owned by the College are split into components and each component is valued and depreciated separately. Land owned by the College is not depreciated. The economic lives of components currently in use are in the range 12.5 to 80 years.

Where assets are funded with specific grants, the related grants are credited to a deferred capital grant account and released to the Statement of Comprehensive Income over the expected useful economic life of the asset on a basis consistent with the depreciation policy. Assets under construction are recognised in the balance sheet to the extent that money has been paid or a liability incurred. Assets under construction are not depreciated until they are brought into use.

An annual impairment review is carried out for all fixed assets, if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable the asset is impaired. This is supported by a conditions survey which was carried out in June 2024 which set out a 10 year programme of buildings maintenance.

b Equipment

Individual items of equipment costing less than £10,000 are written off to the Statement of Comprehensive Income in the period of acquisition. Investment in ICT projects costing in excess of £10,000 have also been capitalised where individual items may have cost less than £10,000. The depreciation charge reflects the estimated useful life of the assets as follows:

Equipment	4 – 10 years
ICT Hardware and Software	4 years

The College charges depreciation in the year the asset is purchased. Where equipment is acquired with the aid of specific grants it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the Statement of Comprehensive Income over the expected useful economic life of the related equipment.

Statement of Principal Accounting Policies (contd.)

Retirement benefits

The College participates in two multi-employer defined benefit pension schemes. Teaching staff may join the Scottish Teachers Pension Scheme (STPS), which is administered by the Scottish Public Pensions Agency. Glasgow Kelvin College is unable to identify its share of the underlying assets and liabilities of the STPS and therefore, as required by FRS 102 'Retirement Benefits', accounts for its participation in the STPS as if it were a defined contribution scheme. Contributions are charged to the Statement of Comprehensive Income as they arise. This is expected to result in the pension cost being a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of periodic valuations using the projected unit basis.

Non-teaching staff may join the Strathclyde Pension Fund (SPF) which is administered by Glasgow City Council and which requires contributions to be made to its number 1 fund. The Fund is a defined benefit pension scheme, providing benefits based on final pensionable pay and length of service, which is contracted out of the State Earning-Related Pension Fund.

Assets and liabilities of the Fund are held separately from those of Glasgow Kelvin College. Fund assets are measured using market values. Fund liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability.

Contributions to the Fund are calculated so as to spread the cost of pensions over employees' working lives with the College. The contributions are determined by an actuary on the basis of triennial valuations using the Age Attained Method. The actuaries also review the progress of the scheme in each of the intervening years. Variations from regular costs are spread over the expected average remaining working lifetime of members of the Fund, after making allowances for future withdrawals. The expected cost of providing staff pensions to employees contributing to the Fund is recognised in the Statement of Comprehensive Income on a systematic basis over the expected average remaining lives of members of the Fund in accordance with FRS 102 and recognises retirement benefits as the benefits are earned and not when they are due to be paid.

Financial instruments

Financial instruments are recognised in the Balance Sheet when the College becomes party to the contractual provisions of the instrument. All of the College's financial instruments are classified as 'basic' in accordance with Chapter 11 of FRS102. All of the College's financial instruments are measured at transaction price.

Financial assets are derecognised when the contractual rights to the cash flows from the assets expire, or when the College has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Employee benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render services to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

Statement of Principal Accounting Policies (contd.)

Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Interest receivable

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured at fair value, net of transaction costs.

Agency arrangements

The College acts as an agent in the collection and payment of certain Student Support Funds. These funds are excluded from the College Statement of Comprehensive Income, and movements have been disclosed in the notes to the accounts. Where the College has more discretion in the manner in which funds are disbursed, and those funds do not meet the definition of agency funds, the income and expenditure relating to these funds are shown in the College Statement of Comprehensive Income.

Going concern

The Board of Management is satisfied that it has adequate resources to continue in operation for the foreseeable future. The College has now reassessed its medium-term financial sustainability and continues to implement the revised five year College Operating Plan 2024-29 Plan, approved in June 2024, and has updated the five year Budgets 2025-30, which will ensure the College remains financially sustainable over this period.

The board has assessed the key Strategic Risks and these have not affected the going concern status of the entity.

It is anticipated that the College will continue to be funded by Grant in Aid from SFC/GCRB and will continue to operate on a financially stable basis. As a result of this, the going concern basis continues to be adopted in the preparation of the financial statements.

2. Funding Council Grants (SFC)

	Notes	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
SFC recurrent grant (including fee waiver)		23,725	24,067
Release of deferred capital grants	16	1,285	1,594
FE & HE childcare funds	26/27	538	657
Maintenance grants		-	446
Other SFC grants		521	794
Strategic funding		-	-
Total		26,069	27,558

3. Tuition Fees

		Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Higher Education students		1,318	1,309
UK Further Education students		28	51
Non – EU Further Education students		79	43
Education contracts		788	848
Other contracts		1,469	1,215
Total		3,682	3,466

4. Other Income

	Notes	Year to 31 July 2025 £'000	Year to 31 July 2024 £ '000
Rental income		30	30
Other grant income		510	377
Release from deferred grants non–SFC	16	332	352
Income generating activities		444	115
Integrated Grant Fund		200	200
Total		1,516	1,074

5. Investment Income

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Net interest on pension assets	-	84
Total	-	84

6. Staff Costs

- a. The average monthly number of persons (including senior post holders) employed by the college during the year, expressed as full time equivalents was:

	Year to 31 July 2025 No.	Year to 31 July 2024 No.
Academic / Teaching departments	236	250
Academic / Teaching services	57	70
Administration & central services	55	48
Premises	22	21
Total	370	389

- b. Staff Costs for the above persons:

	£'000	£'000
Academic / Teaching departments	14,827	14,853
Academic / Teaching services	4,074	4,068
Administration & central services	2,885	2,661
Premises	1,075	984
Staff restructuring	540	629
Total	23,401	23,195

Analysed as follows:

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Wages and salaries	16,516	17,313
Social Security costs	2,247	1,798
Pension costs	4,098	3,455
Staff restructuring	540	629
Total	23,401	23,195

6. Staff Costs (contd.)

Staff costs for 2024/25 include £540k in voluntary severance payments for 13 members of staff who left during that year and 2 who agreed voluntary severance terms to leave early in the academic year 2025/26. The costs incurred during 2023/24 in respect of voluntary severance were £629k. These payments were approved by the College Remuneration Committee and the Board of Management.

In the year ended 31 July 2025 staff turnover was 11.3%.

The table below summarises the exit packages by cost band.

Exit package cost band	Number of voluntary redundancies	Number of other departures agreed (including any compulsory redundancies)	Total number of exit packages by cost band
<£10,000	1	-	1
£10,001 - £25,000	3	-	3
£25,001 - £50,000	9	-	9
£50,001 - £100,000	1	-	1
£150,001 - £200,000	1	-	1
Total number of exit packages	15	-	15
Total cost (£'000)	540	-	540

Pay awards for most staff are now negotiated nationally. The College has fully implemented national agreements for support staff during the financial year 2024/25 and which cover the period 1 September 2022 to 31 August 2025. The pay award for teaching staff for the period 1 September 2022 to 31 August 2026 was agreed in August 2024.

Increases for senior staff out with the National Bargaining framework, namely the Principal, 2 Vice Principals and 7 Directors, took account of National Bargaining and public sector pay policy. The pay award covers the period to 31 August 2025.

- c. The number of staff, including two senior post-holders and the principal, who received emoluments (excluding employer National Insurance, pension contributions and compensation for loss of office) in the following ranges were:

	Higher paid staff Year to 31 July 2025 No.	Higher paid staff Year to 31 July 2024 No.
£60,001 to £70,000	32	3
£70,001 to £80,000	6	7
£90,001 to £100,000	2	-
£101,000 to £110,000	1	2
£130,001 to £140,000	-	1
Total	41	13

There is a large increase in the number of higher paid staff in the £60,000 to £70,000 banding as emoluments for the year to 31 July 2025 include settlement of pay arrears from 1 September 2022.

7. Senior Post-Holder Emoluments

	Year to 31 July 2025 No.	Year to 31 July 2024 No.
The number of senior post-holders including the Principal was:	<u>3</u>	<u>3</u>
	£'000	£'000
Senior post-holders annual emoluments were made up as follows:		
Salaries	346	348
Voluntary severance	-	-
Benefits in kind	-	-
Pension contributions	80	74
Total emoluments	<u>426</u>	<u>422</u>

The above emoluments include amounts payable to the Principals of:

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Salary	151	139
Benefits in kind	-	-
Compensation for loss of office	-	-
Pension contributions	36	34
Total emoluments	<u>187</u>	<u>173</u>

The Highest paid member of staff during financial year 2024/25 was the Principal of Glasgow Kelvin College.

The pension contributions in respect of the principal and senior post holders are in respect of employer's actual contributions to the Teachers Superannuation Scheme (Scotland) and the Local Government Superannuation Scheme. These are paid at the same rates as for other employees. The members of the Board of Management, other than the Principal and other members of staff did not receive any payment from the College other than reimbursement of travel and subsistence expenses incurred in the course of their duties.

8. Other Operating Expenses

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Premises costs	3,203	3,107
Teaching services	1,218	1,271
Teaching departments	988	926
Administration and central services	960	859
Agency staff costs	90	97
HE & FE childcare	538	657
Other strategic expenditure	-	129
Total	6,997	7,046

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Operating lease payments	32	32
External auditor's remuneration	66	64
Other remuneration payable to external auditors	-	-
Internal audit including EMA and student funds audit	22	22
Other remuneration payable to internal auditors	8	-

Operating lease commitments as at 31 July 2025:

2025

	Expires in less than one year £'000	Expires between 1 and 5 years £'000
Other leases	10	1
Total	10	1

2024

	Expires in less than one year £'000	Expires between 1 and 5 years £'000
Other leases	32	7
Total	32	7

9. Interest Payable

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Net interest on pension assets	19	-
Total	19	-

10. Taxation

The Board does not believe that the College was liable for any corporation tax arising out of its activities during the period. The College charity number is SC021207.

11. Fixed Assets

	Land & Buildings Freehold £'000	Equipment £'000	Total £'000
Cost or valuation			
At 1 August 2024	53,247	14,047	67,294
Indexation	2,045	-	2,045
Additions	-	394	394
Disposals	-	-	-
Impairment	(66)	-	(66)
At 31 July 2025	55,226	14,441	69,667
Depreciation			
At 1 August 2024	3,339	13,126	16,465
Charge for year	1,528	507	2,035
Disposals	-	-	-
At 31 July 2025	4,867	13,633	18,500
Net book value			
At 1 August 2024	49,908	921	50,829
Net book value			
At 31 July 2025	50,359	808	51,167
Financed by:			
Revaluation	16,108	-	16,108
Financed by capital grant	29,828	804	30,632
Other	4,423	4	4,427
Net book value			
At 31 July 2025	50,359	808	51,167

Land and Buildings are revalued every 5 years. In the years where no formal valuation is performed, a review of the impact of indexation on the formal valuation is carried out. The College appointed Avison Young Chartered Surveyors to perform the valuations, including indexation. Avison Young are independent appropriately qualified valuers. The freehold land and buildings were revalued at 31 July 2022. The basis of this revaluation was depreciated replacement cost.

Land and Buildings with a net book value of £50,359k have been partially financed by Treasury funds.

A variation of 1% in the indexation rates used for land and buildings would result in a change in value of +/- £532k.

11. Fixed Assets (contd.)

Impairment of Fixed Assets

Following investigations that have been ongoing for some time, it has become apparent that significant works are required to remedy the building at Springburn. This is a material post balance sheet event and has resulted in an impairment of the value of this Campus of £8,223k which is included in the table above in the opening balance at 1 August 2024.

The sale of West Campus concluded on 10 October 2024. The impairment relating to this sale to reduce the carrying value of the building in the Financial Statements by £1,713k to the agreed selling value. The selling value of £1,753k was reclassified as an Asset Held for Sale as at 31 July 2024 and following completion of the sale of West Campus this carrying balance is now NIL.

12. Debtors: Amounts Falling Due Within One Year

	31 July 2025 £'000	31 July 2024 £'000
Trade debtors	189	105
Other debtors	118	96
Prepayments and accrued income	826	1,232
Total	1,133	1,433

Trade debtors and debts due from students are shown net of a provision for bad debts of £29k (2024: £40k).

13. Cash at bank and in hand

	31 July 2025 £'000	31 July 2024 £'000
Cash at bank and in hand	4,013	3,484
Bursaries and student fund accounts	9	9
Total	4,022	3,493

The College receives certain Funding Council grants on an agency basis. The funds are available solely for students and the College acts only as paying agent. The funds held in trust are reflected on the Balance Sheet, as both cash at bank and as a liability.

The above cash balances do not include an amount of £1k (2024: £1k) which is held by the College for the benefit of students.

14. Creditors: Amounts Falling Due Within One Year

	31 July 2025 £'000	31 July 2024 £'000
Trade creditors	331	314
Other creditors	9	-
Other taxation and social security	513	755
Accruals and deferred income	2,403	3,951
Deferred Government capital grants	1,617	1,946
VAT creditor	227	227
Bursary and discretionary funds for future disbursement	9	9
Total	5,109	7,202

15. Creditors: Amounts Falling More than one Year

	31 July 2025 £'000	31 July 2024 £'000
Deferred Government capital grants	29,015	29,909
Total	29,015	29,909

16. Deferred Capital Grants

	SFC £'000	Other £'000	Total £'000
At 1 August 2024			
Land and buildings	21,857	9,083	30,940
Equipment	867	-	867
Vehicles	48	-	48
Total	22,772	9,083	31,855
Received during period			
Land and buildings	-	-	-
Equipment	394	-	394
Vehicles	-	-	-
Total	394	-	394
Released to Income and Expenditure			
Land and buildings	780	332	1,112
Equipment	481	-	481
Vehicles	24	-	24
Total	1,285	332	1,617
At 31 July 2025			
Land and buildings	21,077	8,751	29,828
Equipment	780	-	780
Vehicles	24	-	24
Total	21,881	8,751	30,632

17. Provisions for Liabilities and Charges

	Defined Benefit Obligation £000	Unfunded Pension Liability £000	Job Evaluation Liability £000	Total £000
Balance at 1 August 2024	-	1,997	2,472	4,469
Paid during the year	-	(218)	-	(218)
Additional provision required in the year	-	(23)	418	395
Balance at 31 July 2025	<u>-</u>	<u>1,756</u>	<u>2,890</u>	<u>4,646</u>

The Unfunded Pension Liability provision is for anticipated future pension costs arising from previous early retirements. The provision has been revalued by a qualified actuary. A net interest rate of 3.05% (2024: 2.25%) has been applied in calculating the provision.

Unfunded pension liabilities are accounted for in accordance with Financial Reporting Standard 102: Provisions and contingencies.

18. Revaluation Reserve

	31 July 2025 £'000	31 July 2024 £'000
Balance as at 1 August 2024	14,549	23,610
Transfer (from)/to revaluation reserve in respect of:		
Historic cost depreciation adjustment	(420)	(363)
Revaluation of fixed assets	2,045	1,896
Impairment of Springburn Campus	-	(8,223)
Impairment of other assets	(66)	-
Release of balance of revaluation reserve – West Campus	-	(2,371)
Net transfer (from)/to revaluation reserve	<u>1,559</u>	<u>(9,061)</u>
Balance as at 31 July 2025	<u>16,108</u>	<u>14,549</u>

19. Post Balance Sheet Events

There are no post Balance Sheet events to report.

20. Capital Commitments

The College has no material capital commitments as at 31 July 2025 (2024: none).

21. Contingent Liabilities & Contingent Assets

The College has no contingent liabilities or assets as at 31 July 2025 (2024: none).

22. Shared Services

The College acknowledges that it, and its learners, benefit from the use of community assets owned by partner organisations (such as Glasgow City Council), including the facilities at The Bridge and parts of the Glasgow Learning Network. On the advice of independent, qualified surveyors, the College has decided that it is not practicable to place a reliable monetary value on the rights of access it has to such assets (for which it pays nominal rental charges).

Consequently, the College has not included any rights of access it has in the fixed assets Balance Sheet total.

23. Pension and Similar Obligations

The College's employees belong to one of two principal pension schemes:

- a) The Scottish Teachers Pension Scheme (STPS), managed by the Scottish Public Pensions Agency (SPPA); and
- b) The Local Government Pension Scheme for non-teaching staff which is managed by the Strathclyde Pension Fund (SPF).

The schemes are of the defined benefit type. The assets of the SPF scheme is held in separate trustee-administered funds. Arrangements for the STPS scheme is described below under the heading "**Scottish Teachers Pension Scheme**".

The total pension cost for 2024/25 was:

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Scottish Teachers Pension Scheme (STPS):		
Employer's contributions paid	2,921	2,234
Local Government Pension Scheme:		
Employer's contributions paid	364	824
Payment to SPF in respect of unfunded pensioners	219	227
Unfunded SPF provision released in year	(241)	(64)
	3,263	3,221
FRS 102 employer service cost and curtailments	774	173
Total pension costs	4,037	3,394

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the STPS was 31 March 2020 and of the LGPS (SPF) was 31 March 2023.

Scottish Teachers Pension Scheme (STPS)

The Scottish Teachers Pension Scheme (STPS) is an unfunded defined benefit pension scheme. Contributions, on a pay as you go basis, are credited to the exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the Scheme for the purpose of determining contribution rates. The STPS is a multi-employer pension scheme and the Scottish Public Pensions Agency (SPPA) have indicated that at the moment they are not able to identify the net share of underlying assets and liabilities for each employer on a "consistent and reasonable basis". Accordingly, the College has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

A full actuarial valuation was carried out as at 31 March 2020. Employer's contributions were payable during 2023/24 to the STPS at a rate of 26%.

23. Pension and Similar Obligations (contd.)

Strathclyde Pension Fund (SPF)

The Local Government Pension Scheme is administered by the Strathclyde Pension Fund, and is a multi-employer funded defined benefit scheme.

Contribution rates during the financial year were:

- a) Employer's - 6.5% from April 2024;
- b) Employee's - Tiered levels of contribution related to salary level ranging from 5.5% to 9.2%. The College payroll average contribution is 6.0%.

For the purposes of FRS 102 'Retirement Benefits' the College's actuarial valuation was calculated by the actuary as at 31 July 2025.

The major assumptions used by the actuary were:

	31 July 2025	31 July 2024
Rate of increase in salaries	3.45%	3.45%
Rate of increase for pensions in payment	2.75%	2.75%
Discount rate for scheme liabilities	5.80%	5.00%
Expected rate of return of assets	5.80%	5.00%

The current mortality assumptions are based upon recent mortality experience, the assumed life expectations on retirement are:

	31 July 2025	31 July 2024
Retiring today/current pensioners:		
Males	19.7	19.5
Females	23.3	23.3
Retiring in 20 years/future pensioners:		
Males	20.4	20.2
Females	24.1	24.1

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2023 model which makes an allowance for smoothing of recent mortality experience and long term rates of 1.5% p.a. for males and females.

23. Pension and Similar Obligations (contd.)

The assets in the scheme and the expected rate of return at the last actuarial review date were:

	Long term rate of return	Value at 31 July 2025 £'000	Expected Annual Return £'000	Long term rate of return	Value at 31 July 2024 £'000	Expected Annual Return £'000
Equities	5.80%	41,055	2,381	5.00%	39,100	1,955
Bonds	5.80%	14,807	859	5.00%	15,767	788
Property	5.80%	6,057	351	5.00%	5,676	284
Cash	5.80%	5,384	312	5.00%	2,523	126
Total		67,303	3,904		63,066	3,153

Interest payable of £19k (2024: £84k receivable) as noted above, is disclosed in the Income and Expenditure account within interest payable, Note 9 and interest payable, Note 5.

The employer contributions for the year to 31 July 2026 will be approximately £586k.

23. Pension and Similar Obligations (contd.)

Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for the year ended 31 July 2025:

Year Ended 31 July 2025	Assets £'000	Obligations £'000	Net Asset/ (Liability) £'000
Fair value of plan assets	63,066	-	63,066
Present value of funded obligations	-	42,328	(42,328)
Effect of the asset ceiling	-	-	(20,738)
Opening Position as at 31 July 2024	63,066	42,328	0
Service Cost			
Current service cost	-	1,094	(1,094)
Past service cost (including curtailments)	-	160	(160)
Effect of settlements	-	-	-
Total Service Cost	-	1,254	(1,254)
Net Interest			
Interest income on plan assets	3,137	-	3,137
Interest cost on defined benefit obligation	-	2,120	(2,120)
Interest on the effect of the asset ceiling	-	-	(1,036)
Total net interest	3,137	2,120	(19)
Total defined benefit cost recognised in Profit or (Loss)	3,137	3,374	(1,273)
Cash flows			
Participants' contributions	356	356	-
Employer contributions	480	-	480
Benefits paid	(1,422)	(1,422)	-
Effect of business combinations and disposals	-	-	-
Expected closing position	65,617	44,636	(793)
Re-measurements			
Changes in financial assumptions	-	(5,484)	5,484
Changes in demographic assumptions	-	121	(121)
Other experience	-	(376)	376
Return on assets excluding amounts included in interest	1,686	-	1,686
Changes in the effect of the asset ceiling	-	-	(6,632)
Total re-measurements recognised in Other Comprehensive Income (OCI)	1,686	(5,739)	793
Fair value of plan assets	67,303	-	67,303
Present value of funded obligations	-	38,897	(38,897)
Effect of the asset ceiling	-	-	(28,406)
Closing position as at 31 July 2025	67,303	38,897	-

23. Pension and Similar Obligations (contd.)

PY Comparative of Changes in the Fair Value of Plan Assets, Defined Benefit Obligation and Net Liability for the year ended 31 July 2024:

Year Ended 31 July 2024	Assets £'000	Obligations £'000	Net Asset/ (Liability) £'000
Fair value of plan assets	58,269	-	58,269
Present value of funded obligations	-	37,842	(37,842)
Effect of the asset ceiling	-	-	(18,823)
Opening Position as at 31 July 2023	58,269	37,842	1,604
Service Cost			
Current service cost	-	997	(997)
Past service cost (including curtailments)	-	-	-
Effect of settlements	-	-	-
Total Service Cost	-	997	(997)
Net Interest			
Interest income on plan assets	2,943	-	2,943
Interest cost on defined benefit obligation	-	1,908	(1,908)
Interest on the effect of the asset ceiling	-	-	(951)
Total net interest	2,943	1,908	84
Total defined benefit cost recognised in Profit or (Loss)	2,943	2,905	(913)
Cash flows			
Participants' contributions	367	367	-
Employer contributions	824	-	824
Benefits paid	(1,428)	(1,428)	-
Effect of business combinations and disposals	-	-	-
Expected closing position	60,975	39,686	1,515
Re-measurements			
Changes in financial assumptions	-	(1,506)	1,506
Changes in demographic assumptions	-	(777)	777
Other experience	(220)	4,925	(5,145)
Return on assets excluding amounts included in interest	2,311	-	2,311
Changes in the effect of the asset ceiling	-	-	(964)
Total re-measurements recognised in Other Comprehensive Income (OCI)	2,091	2,642	(1,515)
Fair value of plan assets	63,066	-	63,066
Present value of funded obligations	-	42,328	(42,328)
Effect of the asset ceiling	-	-	(20,738)
Closing position as at 31 July 2024	63,066	42,328	-

23. Pension and Similar Obligations (contd.)

The sensitivities and commentary presented to the College by the actuaries regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 July 2025:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	669
1 year increase in member life expectancy	4%	1,556
0.1% increase in the Salary Increase Rate	0%	41
0.1% increase in the Pension Increase Rate	2%	647

The principal demographic assumption is the longevity assumption (i.e. member life expectancy). For sensitivity purposes, we estimate that a one year increase in life expectancy would approximately increase the Employer's Defined Benefit Obligation by around 3-5%. In practice the actual cost of a one year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages).

24. Related Party Transactions

The Board of Management of the College is a body incorporated under the Further and Higher Educational (Scotland) Act 1992 and is largely funded by the Scottish Government via the SFC and GCRB. The SFC, GCRB and the Scottish Government are regarded as related parties. During the year the College had various material transactions with SFC and with other entities for which the Scottish Government is regarded as the sponsor Department such as the Student Awards Agency for Scotland. In addition, the College has had a number of material transactions with other Government Departments and other government bodies such as Local Authorities, Local Community Planning Partnerships and other Colleges and Universities.

Because of the nature of the College's operations and composition of its Board of Management (being drawn from local public and private sector organisations), it is inevitable that transactions may take place with organisations in which a member of the College's Board of Management may have an interest. All transactions involving organisations in which a member of the Board of Management may have a material interest are conducted at arm's length and in accordance with normal project and procurement procedures. Board members are required to declare an interest in relevant items on the agenda of meetings of the Board and its standing committees. The College had transactions during the year or worked in partnership with the following bodies in which members of the Board of Management hold or held official positions as listed below. The same disclosure of interests has been made in respect of members of the Senior Management Team.

Transactions during the year to the 31st July 2025 with related parties were as follows:

Organisation	Name	Position Held	Type of Transaction	Value £
Glasgow Kelvin Learning Foundation	I Patrick	Trustee	Income	38,365
Colleges Scotland	D Smeall, J Campbell	Non-executive director	Income	92,607
Glasgow Caledonian University	E Clafferty	Senior lecturer and year tutor in electronic and electrical engineering, software development	Income	245,529
Strathclyde University	J Hogg	Director of Continuous Improvement	Income	148,971
Glasgow East Arts Company	D Smeall	Non-executive director	Expenditure	38,414
Colleges Scotland	D Smeall, J Campbell	Non-executive director	Expenditure	47,755
Strathclyde University	J Hogg	Director of Continuous Improvement	Expenditure	6,152
Glasgow Chamber of Commerce	J Campbell	Member	Expenditure	2,400

Balances outstanding as at the 31st July 2025 with related parties were as follows:

Organisation	Name	Position Held	Type of Transaction	Value £
Debtor				
Colleges Scotland	D Smeall, J Campbell	Non-executive director	Debtor	33,122
Glasgow Caledonian University	E Clafferty	Senior lecturer and year tutor in electronic and electrical engineering, software development	Debtor	12,195

The Scottish Funding Council, Scottish Public Pensions agency and Strathclyde Pension Fund are also considered to be related parties. Information disclosing the transactions between the College and these parties can be found in the notes to the accounts, note 2 Funding Council Grants (SFC) and note 23 Pension and Similar Obligations.

25. Bursaries and other student support funds

	Year to 31 July 2025 FE Bursary £'000	Year to 31 July 2025 FE Discretionary £'000	Year to 31 July 2025 EMAs £'000	Year to 31 July 2025 SAAS HE Funds £'000	Year to 31 July 2025 Total £'000	Year to 31 July 2024 FE Bursary £'000
Balance b/fwd	9	-	-	-	9	874
Funds received in year	4,639	1,282	206	104	6,231	5,916
Expenditure	(4,630)	(1,282)	(206)	(104)	(6,222)	(5,907)
Repaid to SFC/SAAS	(9)	-	-	-	(9)	(874)
Balance c/fwd	9	-	-	-	9	9
Represented by:						
Repayable to SFC/SAAS	9	-	-	-	9	9
Retained by college for students	-	-	-	-	-	-
	9	-	-	-	9	9

For Student Support Funds the SFC/SAAS grants are available solely for students, with the College acting only as paying agent. The grants and resulting disbursements are therefore excluded from the Statement of Comprehensive Income.

26. FE Childcare funds

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Balance b/fwd.	-	-
Allocation received in year	403	512
Expenditure	(403)	(512)
Balance c/fwd	-	-
Represented by:		
Repayable to funding council as clawback	-	-
Retained by college for students	-	-

27. HE Childcare funds

	Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
Balance b/fwd.	-	-
Allocation received in year	135	145
Expenditure	(135)	(145)
Balance c/fwd.	-	-
Represented by:		
Repayable to funding council as clawback	-	-
Retained by college for students	-	-

28. Non-cash Budget for Depreciation

		Year to 31 July 2025 £'000	Year to 31 July 2024 £'000
	Notes		
(Deficit) before other gains and losses (FE/HE SORP basis)		(1,148)	(4,057)
Add back: Non-cash allocation for depreciation (net of deferred capital grant)	11/16	418	1,759
Operating deficit on Central Government accounting basis		<u>(730)</u>	<u>(2,298)</u>

Following reclassification, colleges received additional non-cash budget to cover depreciation, but this additional budget is not recognised under the FE/HE SORP accounting rules. As a result, colleges show a deficit equivalent to net depreciation (where funds are spent on revenue items) in order to meet Government accounting rules and the requirement to spend the entire cash allocation.

Under the FE/HE SORP, the college recorded an operating deficit of £1,148k for the year ended 31 July 2025. After taking account of the Government non-cash budget, the college shows an “adjusted” deficit of £730k on a Central Government accounting basis.

Accounts Direction for Scotland's Colleges 2024-25

It is the Scottish Funding Council's direction that institutions¹ comply with the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education (SORP) in preparing their annual report and accounts.

Institutions must comply with the accounts direction in the preparation of their annual report and accounts in accordance with the Financial Memorandum with the Scottish Funding Council (SFC) or the Regional Strategic Body (RSB) (for assigned colleges).

Incorporated colleges and Glasgow Colleges' Regional Board² are also required to comply with the Government Financial Reporting Manual 2024-25 (FReM) where applicable. In cases where there is a conflict between the FReM and the SORP, the latter will take precedence.

Incorporated colleges and Glasgow Colleges' Regional Board must send two copies of their annual report and accounts to the Auditor General for Scotland by 31 December 2025.

The annual report and accounts should be signed by the chief executive officer / Executive Director and by the chair, or one other member of the governing body.

Incorporated colleges and Glasgow Colleges' Regional Board should reproduce this Direction as an appendix to the annual report and accounts.

Scottish Funding Council

14 August 2025

¹ The term "institutions" includes colleges and Glasgow Colleges' Regional Board

² Glasgow Colleges' Regional Board was dissolved on 30 July 2025. The Scottish Funding Council will be responsible for preparing the 2024-25 accounts. This applies to all references made to Glasgow Colleges' Regional Board throughout this document.

