

2026 - 2030

Glasgow Kelvin College Finance & Growth Strategy

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Welcome

The Finance & Growth Strategy 2026–2030 sets out how Glasgow Kelvin College will secure long-term financial sustainability, resilience and financially contributory growth to deliver its mission of *Transforming lives through education*. Financial sustainability is fundamental to enabling the College to deliver high-quality, inclusive learning, invest in its people and infrastructure, and fulfil its role as a regional anchor institution supporting inclusive economic growth across Glasgow.

The strategy recognises the challenging environment facing the college sector, including constrained public funding, rising costs, demographic pressures and increasing expectations around digital capability, sustainability and partnership working. It establishes a disciplined framework for balancing financial control with ambition, ensuring that growth activity generates an appropriate financial contribution, strengthens reputation and builds long-term supporter relationships.

Strategy Purpose

The purpose of the Finance & Growth Strategy is to ensure that Glasgow Kelvin College remains financially sustainable, resilient and future-ready throughout the period to 2030. The strategy will:

- Align financial planning, growth and investment decisions with institutional priorities
- Maintain strong governance, assurance and regulatory compliance
- Diversify income in a way that delivers measurable and appropriate financial contribution
- Enable investment in people, digital infrastructure, estates and curriculum development
- Build relational, philanthropic and partnership-based income capacity through Friends of Kelvin

Income growth will be pursued only where it delivers clear contribution, strategic alignment and long-term sustainability.

Strategic Ambition, Priority and Objectives

The Finance and Growth Strategy is structured around four ambitions that are specific to finance and growth. These ambitions support the College Strategic Plan but do not replicate its ambition framework. Through disciplined financial management, diversified income streams, strong governance and the full implementation of Friends of Kelvin, the College will strengthen its resilience, deepen its partnerships and ensure that financial success directly supports learners, communities and long-term impact.

Strategic Ambition

1. Financial Sustainability and Resilience To secure a stable, resilient and compliant financial position that enables the College to meet its obligations, manage risk effectively, and invest confidently in its future	2. Sustainable Growth and Income Diversification To grow and diversify income in a planned, purpose-led and financially contributory way that reduces reliance on single funding sources	3. Efficient and Effective Use of Resources To maximise value and impact through efficiency, optimisation and informed investment decisions that strengthen contribution	4. Strategic Investment for Long-Term Impact To enable responsible, targeted investment funded through sustainable contribution and cost savings
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Strategic Objectives

1.1 Maintain a sustainable financial outturn Deliver a balanced financial outturn in each year from 2026–27 to 2029–30, with total variance within $\pm 2\%$ of the approved budget	2.1 Grow contributory non-core income Increase contributory non-core income year on year from 2026–27, reducing reliance on any single income source	3.1 Deliver identifiable efficiency savings Identify and deliver cashable efficiency savings by 2027–28 through process improvement and digital enablement	4.1 Apply contribution discipline to investment Approve digital and capital investment only where a contribution or efficiency case is demonstrated
1.2 Maintain short-term liquidity Maintain cash balances within the agreed operating range throughout the year, supported by routine cashflow monitoring	2.2 Apply consistent contribution assessment From August 2026, assess all new growth and partnership activity using an agreed full-cost and contribution approach	3.2 Align capacity to contribution By July 2027, demonstrate that staffing and estate utilisation prioritise higher-contribution activity	4.2 Build growth capability Build internal commercial and philanthropic capability by training key staff by July 2027
1.3 Maintain strong assurance and compliance Achieve a satisfactory or better internal audit opinion each year, with no critical findings, from 2026–27 onwards	2.3 Approve only viable growth From August 2026, approve only growth activity that meets agreed contribution and strategic fit criteria	3.3 Use contribution insight in decisions Use contribution information to inform investment, growth and exit decisions from 2027 onwards	4.3 Evaluate investment decisions Ensure capital investment decisions are affordable, sustainable and value-driven from January 2027 onwards
1.4 Embed financial accountability Ensure 100% of budget holders complete financial literacy and cost contribution training by July 2027	2.4 Complete portfolio review Complete a portfolio-wide review of non-SFC income and contribution by December 2026 and implement agreed changes by July 2027	3.4 Reinvest efficiency gains Reinvest efficiency savings into Board-approved strategic priorities from 2026–27 onwards	4.4 Safeguarding sustainability Protect financial sustainability while enabling innovation by 2027.

Strategic Enablers

	Digital Capabilities Digital enables stronger external engagement by supporting effective collaboration, insight sharing and digital-first interaction with employers, partners and communities. Data and analytics provide skills intelligence and evidence of impact, while digital platforms and experiences enable responsive engagement and partnership working. A coherent digital experience strengthens the College's reputation as an accessible, innovative and trusted regional partner.
	Sustainability Sustainability enables the Finance & Growth Strategy by ensuring that financial planning, investment decisions and growth ambitions are aligned with climate responsibility and long-term resilience. Carbon impact, climate risk and whole-life cost considerations are embedded within capital and procurement decisions, supporting value for money, risk mitigation and access to external funding opportunities.
	People Capability and Organisational Capacity The College will invest in financial, commercial and philanthropic capability across teams. This includes skills in pricing, partnership working, sponsorship development, stewardship and relationship management to ensure that growth activity—particularly Friends of Kelvin—is deliverable without hidden subsidy or over-stretch.
	Governance, Risk and Performance Management All growth and diversification activity, including Friends of Kelvin, will operate within clear governance arrangements, College risk appetite, defined contribution expectations and regular performance review. Under-performing initiatives will be redesigned or exited.
	Friends of Kelvin Friends of Kelvin will be fully implemented as a core pillar of the Finance & Growth Strategy, serving as a structured alumni, partner and supporter network that contributes financially, reputationally and strategically to the College's sustainability. The initiative will: • Build long-term relationships with alumni, former staff, employers, donors and community partners ○ Create diversified income streams through: Donations (one-off and recurring); Corporate sponsorship and CSR investment; Funded bursaries, equipment and innovation support; and In-kind contributions that reduce operating costs • Generate employer and partnership opportunities that lead to contributory income activity • Strengthen the College's influence, reputation and regional reach

Activities, Targets and KPIs to 2030

Key Activities

- Multi-year financial plans, modelling contribution from all growth streams
- Full-cost business cases for new income, sponsorship and partnership activity
- Implementation and scaling of Friends of Kelvin
- Annual portfolio reviews of income contribution and risk
- Investment in systems to support CRM, fundraising and performance reporting
- Capability development in commercial and philanthropic engagement

Strategic Targets

- Balanced budgets supported by sustainable operating contribution
- Cash balances maintained within agreed limits
- Year-on-year growth in contributory non-core income, including from Friends of Kelvin
- Improved contribution through efficiency, pricing discipline and digital enablement
- Reinvestment of surplus into strategic priorities and learner impact

KPIs 2025 to 2030

	KPI/Measure	Baseline	Target 2026	Target 2027	Target 2028	Target 2029	Target 2030
1.1/4.4	Annual financial outturn	Balanced	Balanced	Balanced	Balanced	Balanced	Balanced
1.2	Cash days in hand	1–15	Within agreed range	Within agreed range	Within agreed range	Within agreed range	Within agreed range
1.3	Internal Audit Opinion	Satisfactory or better	Satisfactory or better	Satisfactory or better	Satisfactory or better	Satisfactory or better	Satisfactory or better
1.4	Financial Literacy Training for All Budget Holders	By July 2027	Train New Staff & Refresh	Train New Staff & Refresh	Train New Staff & Refresh	Train New Staff & Refresh	Train New Staff & Refresh
2.1	% of income from contributory non-core sources	Baseline set	Increase vs baseline	Further increase	Sustained growth	Sustained growth	Sustained growth
2.1/4.2	Friends of Kelvin financial contribution	Setup	Established	Growing	Sustained	Growing	Embedded
2.2/2.3	Growth activity appraised with cost-model	<50%	100%	100%	100%	100%	100%
2.4/3.2/3.3	Portfolio income & contribution review	Not completed	Completed	Actions embedded	Sustained	Sustained	Sustained
3.1/3.4	Efficiency savings identified and reinvested	Baseline set	Savings Identified	Reinvested	Sustained	Sustained	Sustained
4.1/4.3	Investments evaluated and reviewed	0%	≥75%	100%	100%	100%	100%