



Briefing: Education, Children and Young People Committee - College Regionalisation Inquiry Report - March 2023

Summary

The Education, Children and Young People Committee published its [College Regionalisation Inquiry Report](#) on Wednesday, 22 March 2023.

The Committee looked at what has been learned from Regionalisation over the past decade and the implementation of it in practice with a view to understanding how this might inform future change within the college sector. In doing so the Committee sought views on college regionalisation regarding on the following topics:

- What has worked well in the college sector in the years following regionalisation?
- How might the sector further improve in the years ahead?
- How might colleges adapt in light of current challenges such as those resulting from COVID-19?
- What should be the priorities of the college sector in the years ahead?

In gathering evidence across the Autumn of 2022, the Committee took evidence from a variety of organisations and individuals, including Colleges Scotland, College Principals, the Scottish Funding Council and the Scottish Government, incorporating input from the Minister for Higher Education, Further Education, Youth Employment and Training.

Key Points

Regionalisation

The Committee, on the basis of the evidence it has gathered and received, has heard that:

- There have been positives from regionalisation, including the creation of colleges of scale, with a stronger and more credible platform to engage with educational and economic partners with regard to local economic development.
- Regionalisation has facilitated a coherence of curriculum across regions, which can aid learner pathways from school to higher education, reducing unnecessary duplication and providing improved support for students.
- Regionalisation has supported increases in Articulation and widened access to higher education.
- Regionalisation has enhanced the student voice, through the strengthening of student associations and student representation in college decision-making, allowing students to have a greater platform within their institutions.

Sector Transformation and Transition

- The Committee notes that the final purpose and principles statement is expected in Spring 2023. Given the competing demands placed on colleges, it is essential that the Scottish Government uses this statement to provide clear strategic direction to colleges as to what it expects, and needs, colleges to deliver.
- If the college sector is to build on the successes of regionalisation, the Committee has made it clear that colleges need a clear vision of what is expected of them, and to have sufficient funding to deliver that vision. If additional funding is unavailable, and flexibility within current funding arrangements is also not forthcoming, then the Scottish Government and Scottish Funding Council need to provide colleges with a clear steer on what they should be prioritising.

Sector Funding and Finances

- The Committee is concerned that colleges are currently making decisions to respond to the challenging financial climate without clear overarching strategic direction from the Scottish Government as to their purpose and what they must prioritise (as noted in paragraph 47 of the report). As such, colleges are being asked to take decisions for the future, uncertain as to whether those decisions will be compatible with the Scottish Government's vision.
- The Committee welcomes the fact that the Scottish Funding Council and Scottish Government have agreed to work on fairer distribution across the sector. The Committee would welcome an update on the progress of this work and seeks reassurance that the funding model will recognise and protect the importance of colleges' community education work and the support that the colleges provide to students, particularly to widening access students.
- The Committee believes that increased articulation has brought the apparent disparity in the funding for colleges and universities delivering courses at the same SCQF level into sharper focus. The Committee welcomes that the Scottish Funding Council has agreed to look at, and report on, this funding differential. The Committee believes that this needs to be fully considered and therefore urgently seeks an update from the SFC on this work. The Committee would expect this to include initial illustrative examples.
- The Committee recognises the challenging financial situation that colleges are facing, however, it is essential that the work that colleges do with students with additional support needs and those who are hardest to reach, is not disproportionately affected in the drive to make savings. Given the importance of this work, and the additional costs involved, the Scottish Government and Scottish Funding Council should monitor the impact on those groups and offer appropriate support.
- The Committee seeks reassurance from the Scottish Funding Council that the National Impact Framework, which is due to be published in Autumn 2023, will measure the impact of colleges' community development work.
- In the current financial climate, the Committee believes it is essential that the Scottish Government provides clarity to colleges regarding what they should be prioritising.

Sector Flexibilities

- The Committee recommends that the Scottish Government and Scottish Funding Council urgently give colleges as many financial and operational flexibilities as possible to help them deliver on the various strands of their work. This could include, but not be limited to: flexibility for year end, flexibility on SFC outcomes and flexibility in terms of access to additional funds.

- The Committee notes that the Scottish Government agreed to explore the possibility of end year flexibility in October 2021 and, in his evidence to the Committee, the Minister for Higher Education and Further Education, Youth Employment and Training stated that he would consider flexibilities that colleges could be given on an expedited basis. The Committee asks for an urgent update from the Scottish Government and the Scottish Funding Council in respect of the flexibilities colleges will be given.

Sector Infrastructure

- The Committee is extremely concerned about the significant level of back log and life cycle maintenance required to ensure that the college estate is wind and water tight, and the impact that this may be having on learners. Given the current situation, the Committee is further concerned about ability of colleges to meet their net zero targets by 2045. As such, the Committee recommends that the SFC do all it can to accelerate work to develop and implement its Infrastructure Investment Plan. The Committee would strongly encourage the Scottish Government to explore how the requisite resource can be provided to remedy the outstanding maintenance issues and place colleges on the path to Net Zero.
- The Committee has noted the increases in the capital budget for the college sector in the last Scottish Government Budget, and the challenging financial climate in which it has been allocated. The scale of the backlog, however, clearly outweighs the capital budget which has been allocated to help deal with it. To that end, the Committee would encourage the Scottish Government to give the SFC and colleges whatever flexibilities it can, to allow them to maximise any opportunities to secure investment.

Skills and Skills Alignment

- Whilst welcoming the current skills review, the Committee has noted its disappointment at the slow progress on skills planning in recent years.
- The Committee agrees with Audit Scotland that a more integrated approach to equipping people with the workforce skills Scotland needs is a key element of economic growth. It further agrees with Audit Scotland's conclusion that urgent action is needed on workforce skills planning.
- The Committee agrees that it is essential that industry articulates its upcoming needs to colleges and universities. However, it recognises that there are specific challenges for SMEs who may have insufficient time, staff or resources to be able to engage with colleges in the same way.
- The Committee recognises the importance for colleges, their students and employers to be able to respond effectively to the needs of the local economy. The Committee believes that it is the responsibility of business and key sectoral bodies to proactively engage with colleges / universities to articulate the skills that they require in the medium term, as this will allow colleges and universities to respond more effectively to help develop the work force.
- However, it acknowledges the challenges that SMEs can face if they do not have a sectoral body to help set out their skills needs. The Committee therefore recommends that colleges further develop their engagement with local SMEs to take account of their needs.
- The Committee recognises the need for horizon scanning of trends across the economy, to identify expanding sectors and those that are declining. The Committee agrees with Audit Scotland that in order to improve the current situation in relation to workforce skills planning, strong leadership from the Scottish Government is required, as is more effective joint working between Skills Development Scotland and the Scottish Funding Council.
- The Committee asks the Scottish Government whether relevant agencies have a good

understanding of the state of businesses so that they can identify support that may be required by employees at risk of redundancy, to allow rapid retraining and redeployment of staff from declining sectors to expanding sectors.

Student Mental Health and Wellbeing

- The Committee asks the Scottish Government to confirm whether demand for mental health counselling has increased over the four year period during which dedicated funding for counsellors has been provided, and how future demand will be met if this financial support is not available beyond the end of the academic year 2022/23.
- The Committee would welcome information on the framework for action being provided as part of the Student Mental Health Plan and whether it will be supported by dedicated resources.

Student Learning and Teaching

- The Committee recognises the positive contribution that colleges have made in supporting learners and providing opportunities for training and progression.
- The Committee notes the establishment of a strategic partnership forum on transitions. The Committee would welcome further information about the work the forum has undertaken to date, what plans it has for the next 12 months and how it will share best practice to improve effectiveness across Scotland.
- Colleges play a critical role in ensuring higher education is truly accessible to all and were pivotal to achieving the target that 16 per cent of entrants to first degree courses in higher education should come from the 20 per cent most deprived areas, early. However, the Committee is concerned about the stress on the college system, post-pandemic. It is concerned about the capacity of colleges to continue delivering the level of support required by learners despite significant financial challenges.

Widening Access

- The Committee has recognised that colleges play a critical role in ensuring higher education is truly accessible to all and were pivotal to achieving the target that 16 per cent of entrants to first degree courses in higher education should come from the 20 per cent most deprived areas, early. However, the Committee is concerned about the stress on the college system, post-pandemic. It is concerned about the capacity of colleges to continue delivering the level of support required by learners despite significant financial challenges.

Colleges Scotland
March 2023