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Public Audit Committee
The Scottish Parliament
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20 December 2024

Dear Convener,

EVIDENCE TO COMMITTEE – SCOTLAND’S COLLEGES 28 NOVEMBER 2024

Further to your letter of 3 December, following the session on 28 November, I am writing to provide an update to the Committee on the various subjects noted for a follow-up.

Clarity on delivery of programmes of reform

I have been clear in all of my communications on reform of the post school system that it is a complex, long-term commitment and one that we must ensure we get right. Change of this magnitude will not happen overnight.

Significant progress has been made, including through the consultations referenced, in laying the groundwork for delivering on the vision I set out in the Purpose and Principles in June 2023. I expect to communicate my decision on simplification of the post school funding body landscape in the coming weeks.

Consultation on Post-School Education and Skills Reform legislation concluded on 20 September 2024. Since then officials, and Craigforth, our external contractor, have been analysing the responses. A report on the consultation is being prepared and I intend to publish it early in 2025.

While these structural elements of the reform programme will take time to deliver, there has also been progress and pace with a number of other areas of work that are critical to colleges through the collaborative approach of the College Tripartite Alignment Group. Work is nearing completion on changes to the rules around college asset disposals - this will enable colleges to retain a significant proportion of the value of any sale to invest locally. The current work priorities are also:

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- Alternative funding streams: looking to learn from best practice across the college sector in order to increase non-public forms of funding in the sector.
- Curriculum Transformation Funding: looking at options around bespoke funding arrangements between the SFC and colleges to enable colleges to plan their curriculum more effectively over a number of years.
- Breadth and range of delivery: engaging with the college principals to better understand issues about the empowerment of senior college leaders to set their own strategic direction for each college, and any blockages that may prevent them from doing this. This relates to Audit Scotland's ask to provide additional strategic direction for colleges.

Minutes from meetings including actions are publicly available on the Scottish Government [website](#). I am happy to provide additional detail and updates to committee.

As I discussed with the Education, Children and Young People Committee in September, I have been clear with the colleges about what the Scottish Government is looking for regarding the future direction of travel. My priorities are better alignment with the needs of the local economies, where that is required and improved interaction with employers, so that courses are better aligned with employers' needs and therefore offer routes to sustainable employment for students. I am also looking for colleges to be at the heart of skills planning, if they are not there already.

I also value the role of our colleges in providing opportunities for many of the most disadvantaged in our communities. For example, colleges provide significant ESOL for refugee and asylum seekers and provide strong pathways to access university where that is the best option for the learner. It is important to remember that given the diversity of demographics, specialisms and regional requirements, every college is responsible for developing a distinct offer that meets the needs of the people it serves, there is not and should not be a one size fits all model for colleges.

What I see when I am out and about is that many colleges understand what they are doing and are getting on with it, so the challenge is to bring the whole sector into that space. I understand that there is work going on led by Colleges Scotland and College Principals, to consider a 10-year strategic vision for colleges. I look forward to the output of this work.

Work is currently underway on drafting the 2025/26 SFC Ministerial letter of guidance, which will be issued to SFC to follow on from the Scottish Budget announcement. The letter of guidance will set out Ministers' priorities for SFC and the college and university sectors and will be aligned to the Purpose and Principals for post-school education, research and skills.

Updates and future timescales of reform

In response to the comments from the Auditor General of Scotland that 'By the end of 2024, the Scottish Government should set out detailed and timely milestones to deliver the programmes of work to reform the post-school skills sector', I have provided an overview of progress with the individual projects within the Post-School Education and Skills Reform Programme in **Annex A**, along with details of the expected timescales for each of these.

In response to the Committee's request for an update on the review of the Regional Strategic Bodies in Glasgow and Lanarkshire I have set this out below.

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As my officials highlighted to the Committee, we consulted on the future reform of the Glasgow and Lanarkshire Regional Strategic Bodies between June and September 2024. Since the consultation closed on 20 September, I have taken the time to consider the practicalities of the changes, and to listen to constructive and knowledgeable views from across the sector via that public consultation.

In response to this, I announced on Thursday, 12 December 2024, that following our consultation analysis, the Scottish Government will be proceeding with plans to bring forward subordinate legislation to:

- Dissolve the GCRB, the Regional Strategic Body for the Glasgow college region;
- Remove the designation of New College Lanarkshire as the Regional Strategic Body for the Lanarkshire college region; and
- Designate each of the Glasgow and Lanarkshire colleges as “regional colleges”.

Subject to the Parliamentary process, we expect the new arrangements to be in place for the start of academic year 2025-2026.

During this transitional period, and until the required legislation passes through the Scottish Parliament, it is my expectation that the role and functions of the Regional Strategic Bodies and its Chairs will remain unchanged.

I remain clear that any changes made will be done so to strengthen oversight and accountability of the Glasgow and Lanarkshire colleges, while continuing to support regional coordination of curriculum planning and provision of streamlined learner pathways.

Yours sincerely



GRAEME DEY MSP

Minister for Higher and Further Education; and Minister for Veterans

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ANNEX A

Progress with Post-School Education and Skills Reform Programme projects

Individual project	Progress to date	Expected timescales
Simplification of the funding body landscape	<p>We are taking forward legislation to deliver simplification of the funding body landscape as part of the 2024-25 legislative programme. The 'Post-School Education and Skills Reform: Consultation on legislation' closed on the 20th of September 2024 with just under 200 responses received. Independent analysis of the responses to the consultation on post-school reform has been carried out by Craigforth.</p> <p>At the end of July, the Scottish Government commissioned baseline data and evidence from each public body to inform the outline business case appraising the three options outlined within the consultation. The outline business case has now been finalised. This has been presented to Ministers alongside the report analysing consultation responses to enable them to make an informed decision on their preferred option.</p>	<p>I expect that Ministers will make an announcement on their preferred option early in the new year.</p> <p>The announcement will be accompanied by the publication of supporting evidence including the consultation analysis report, consultation responses and the outline business case.</p> <p>After a decision is made and communicated, the approach and structures required for the next phase of the project will be developed and agreed with public bodies.</p>
Skills planning	<p>In this year's Programme for Government, the Scottish Government committed to leading a new, national approach to skills planning while also working with partners to strengthen regional approaches.</p> <p>To provide the necessary SG leadership, we have created a new policy unit to develop skills planning policy and deliver this reform project.</p>	<p>We are engaging with key stakeholders, internally and externally, and are progressing a formal business case for skills planning reform. We aim to arrive at a short-list of options for future skills planning models in March 2025.</p>

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	<p>This policy unit leads cross-government work, and continues to engage extensively with key partners, internally and externally, as we progress a formal business case on future skills planning arrangements, following HMT Green Book principles.</p>	<p>Ministers' chosen option will be announced in late 2025 with implementation to follow in 2026.</p>
<p>Apprenticeships reform</p>	<p>As part of the apprenticeship reform work, the Scottish Government will be looking to: reduce the complexity of the existing apprenticeship system; make it more transparent and maximise the value of investment to learners and the economy.</p> <p>We will seek to minimise disruption to the current apprenticeship delivery models whilst improvements are made over the next few years</p> <p>Modern Apprenticeships</p> <p>Current work to improve the evidence base for Modern Apprenticeships (MAs) involves mapping the existing operating and funding model, including employer investment and the costs of delivery, alongside building on the Withers Review to identify strengths and areas for improvement. This work is expected to continue until spring next year and will provide a foundation for future work with key stakeholders and learners to ensure that our considerable investment in MAs is maximised. We will report on outcomes in late 2025 / 2026 to enable the implementation of MA reform and improvements.</p> <p>Graduate Apprenticeships</p>	<p>Work to improve the evidence base on Modern Apprenticeships is expected to continue until spring 2025 and will provide a foundation for future work with key stakeholders and learners. We expect to be able to report on outcomes in late 2025 / 2026.</p>

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In the late spring a Graduate Apprenticeship (GA) Enhancement Group was established, chaired by Professor Stephen Decent, Principal and Vice-Chancellor, Glasgow Caledonian University. Membership includes Colleges Scotland, Universities Scotland, Skills Development Scotland and the Scottish Funding Council. It is supported by a number of workstreams. Work is now complete on the data and evidence needed to inform the future direction of GAs going forward.

The Scottish Government has and will continue to engage with Colleges Scotland, Universities Scotland, NHS Education Scotland and local authority representatives to better understand issues around the delivery of GAs and opportunities to support the wider public sector. Officials have also commenced engagement with employers and will continue to do so into the New Year with a view to making recommendations toward the end of the current financial year.

Foundation Apprenticeships

A Foundation Apprenticeship (FA) Enhancement Group was set up in 2022 following Education Scotland's review of FAs (published 29 March 2022), to support the future strategic direction of FAs in Scotland.

Aim is for recommendations on Graduate Apprenticeships to be made toward the end of the current financial year.

The first phase of work to review Foundation Apprenticeship offer aims to conclude by summer 2025.

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	<p>The FA Enhancement Group responsibilities include revisiting the purpose and objectives of FAs to help inform future policy ambitions and take forward the findings from the Education Scotland review, ensuring that the FA strategic direction is also in line with wider education reform.</p> <p>Following the publishing of the Independent Reviews ‘It’s Our Future - Independent Review of Qualifications and Assessment’ and ‘Fit for the Future: developing a post-school learning system to fuel economic transformation’, work has recommenced on the review of Foundation Apprenticeships. As part of this, the membership and terms of reference for the FA Enhancement Group are being reviewed and the reformed Group will be stood up in early 2025.</p> <p>This work will review the Foundation Apprenticeship offer alongside the other vocational courses offered in schools to identify a path forward that most benefits young people. This first phase of activity aims to conclude by Summer 2025.</p>	
Improving careers support	<p>This project is in the delivery/ scoping phase and will be informed by the development of the Career Services Collaborative,</p> <p>We have been working with members of the Career Services Collaborative to plan their next phase of work, to commence beginning of 2025.</p> <p>Beyond the Collaborative, we have been looking to how we can engage with a broader base of</p>	<p>A new model of the Career Services Collaborative will commence from early 2025, following appointment of a new Chair. This will build on the work undertaken to deliver the recommendations of the Career Review but widen its remit to all governmental careers policy.</p>

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	<p>stakeholders, such as employers and users of the careers support system. We have published the Programme for Government commitment to “improve career support so that there is better information on career choices, including potential job prospects and earnings, and connecting students, schools, and employers” and are working with key stakeholders to agree and implement the actions necessary to deliver this.</p>	<p>The discovery/ phasing of the Improving Careers Support project is scheduled to be completed by end of March 2025.</p>
<p>Post-school qualifications</p>	<p>Aligned to the Education (Scotland) Bill which is currently proceeding through the Scottish Parliament, a Short Life Working Group was set up to consider the scope of the accreditation function of Qualifications Scotland. This group has met three times and will have a final meeting early in 2025 to consider an options paper being developed by Scottish Government officials.</p> <p>We have gathered feedback from a range of stakeholders to ensure that parties with an interest in qualifications or who may be impacted by any changes to the current system will have the opportunity to contribute their views.</p>	<p>Following this meeting, advice on the options will be provided to Ministers for a decision on the matter.</p>
<p>Employer engagement</p>	<p>An employer engagement plan has been developed and is being implemented. This focuses on engagement with employers about the post-school reform programme, but it will also inform the long-term objective from the Withers Review and Purpose and Principles of enhancing the voice of employers in the skills system.</p>	<p>A Ministerial Employer Roundtable took place on 5 December 2024 attended by 20 employers.</p>

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