

## Education, Children and Young People Committee

Wednesday 5 February 2025

5<sup>th</sup> Meeting, 2025 (Session 6)

# Colleges Regionalisation Inquiry: Post-inquiry Scrutiny

## Introduction

1. In 2022, the Committee began its [college regionalisation inquiry](#), looking at what had been learned since reform of the college landscape as a result of the Post-16 Education (Scotland) Act 2013.
2. As part of its inquiry, the Committee considered:
  - what had 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?
3. The Committee published its [inquiry report](#) in March 2023. The Scottish Government responded in [June 2023](#).
4. The Committee wishes to follow up on the progress that has been made on its report recommendations, ahead of its work on the forthcoming Bill concerning post-school education funding and its upcoming [inquiry looking at widening access into higher education](#).

## Committee meeting

5. At its meeting today, the Committee will take evidence from Colleges Scotland and College Principals.
6. Appearing before the Committee will be:
  - Andy Witty, Director of Strategic Policy and Corporate Governance at Colleges Scotland
  - Joanna Campbell, Chair of the College Principals Group and Principal at Dumfries & Galloway College
  - Neil Cowie, Principal at North East Scotland College

- Audrey Cumberland, Principal at Edinburgh College

## **Supporting information**

7. SPICe has produced a briefing paper for this session which is attached at **Annexe A**.
8. Written submissions have been received from Colleges Scotland and College Employers Scotland. These submissions are included at **Annexe B**.

**Committee Clerks**  
**January 2025**

Annexe A



## Education, Children and Young People Committee

5 February 2025

### College Regionalisation: Post-Inquiry Scrutiny

#### Introduction and background

This SPICe briefing has been produced in advance of the Committee's follow up evidence sessions on its 2022-23 inquiry on college regionalisation. The briefing looks at the Committee's inquiry, the recommendations arising from it, and, where possible, an overview of progress made since the Committee's original inquiry.

Information about the 2025-26 budget for the college sector is available in the SPICe blog ['Further Education \(FE\) and Higher Education \(HE\) Budget 2025-26'](#) and the [SPICe briefing on the Scottish Budget 2025-26](#) produced for this Committee's 8 January 2025 evidence session.

The Scottish Government plans to reform the post-school education landscape, following on from reviews including the Independent Review of the Skills Delivery Landscape. Further information about the background to proposed reforms is available in the SPICe blog ['Post-school reform: One year on from Withers'](#).

As part of the reform programme, the [Scottish Government is expected to bring forward a Bill](#) setting out changes to the post-school funding landscape imminently. The legislation will propose the transfer of responsibility for funding apprenticeships from Skills Development Scotland (SDS) to the Scottish Funding Council (SFC), while responsibility for distribution of living support for further education students will move from SFC to the Student Awards Agency Scotland (SAAS). If these proposed changes are approved by Parliament, SFC will be responsible for funding further and higher education institutions, SAAS will be responsible for providing individual students with living support and loans and SDS will no longer be a funding provider.

The Scottish Government has recently published: an [outline business case](#) for the simplification of the post-school funding body landscape; an [analytical approach summary](#); and an [analysis of consultation responses](#). Further briefing about the Bill, consultation responses, and outline business case will be available from SPICe at a later date.

## College regionalisation inquiry 2022-23

Between June 2022 and March 2023, this Committee undertook an inquiry looking at college regionalisation ten years on. The [Committee report](#) was published on 21 March 2023. The [Scottish Government's response](#) was published on 12 June 2023 and a [Committee debate](#) on the report was held in Parliament on 13 June 2023. Prior to being appointed Minister for Higher and Further Education; and Minister for Veterans, Graeme Dey was a member of this Committee and took part in the inquiry.

The report included:

- A call for the Scottish Government's planned purpose and principles statement to provide clear strategic direction for colleges, enabling them to take decisions for the future.
- A call for the Scottish Government to provide clarity to colleges regarding what they should be prioritising.
- A call for the Scottish Government and SFC to provide an update on progress toward fairer funding distribution across the sector.
- Concern from the Committee about the capacity of colleges to continue delivering the level of support required by learners post-pandemic and in light of "significant financial challenges".
- A recommendation that colleges should be given "as many financial and operational flexibilities as possible", including flexibility on year end, SFC outcomes, and access to additional funds.
- Concern about college estate maintenance backlogs, and the impact these might be having on learners and the ability to meet net zero targets by 2045. The Committee recommended the Scottish Government should explore how resources could be provided to deal with outstanding maintenance issues.

The Committee concluded that there had been positives from regionalisation, including: the creation of colleges of scale better able to engage with educational and economic partners; improved coherence of curriculum; increases in articulation of learners from colleges to universities; and strengthening of student representation in decision making.

However, it identified frustrations in relation to finances and the funding model for the sector, contributing to a lack of flexibility for colleges to respond to economic and social needs and government priorities. Delivery of net-zero commitments was highlighted as a particular challenge. The report concluded regionalisation had

brought benefits, but a clear vision of what is expected of colleges and sufficient funding to deliver that vision was needed to build on success.

## Report recommendations: Update

The Committee's inquiry report contained recommendations aimed at the college sector, the Scottish Government and public bodies including SFC. The recommendations along with status updates on them are listed below.

**Please note:** The Committee's recommendations are in **bold** and status updates are provided below them.

### Delivering national economic strategy

- **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.**

In June 2023, the Scottish Government published '[Purpose and Principles for Post-School Education](#)'. This is a framework intended to set the policy direction for higher education (HE) and further education (FE). The aim is to ensure that, throughout their lives, people have the:

“... opportunity and means to develop the skills, knowledge, values and attributes to fulfil their potential and to make a meaningful contribution to society.” – [Purpose and Principles, Scottish Government, June 2023](#)

The principles of the post-school system are:

- **Transparent, Resilient and Trusted:** The system is financially and environmentally resilient; trusted to deliver, and subject to effective governance.
- **High Quality:** High quality opportunities are available for people to enhance their knowledge and skills at the time and place that is right for them.
- **Supportive and Equitable:** People are supported throughout their learning journey, particularly those who need it most.
- **Globally Respected:** Research, teaching, innovation and knowledge exchange undertaken by Scotland, must make a difference; enhance and contribute to global wellbeing, addressing 21st Century challenges such as the climate emergency and attracting inward investment and talent to study, live and work in Scotland.
- **Agile and Responsive:** Everybody in the system collaborates to deliver in the best interests of Scotland's wellbeing economy.

The Scottish Government also published [an Initial Priorities document](#) alongside Purpose and Principles. This set out the first steps toward post-school education reform. These include:

- the Scottish Government taking on responsibility for skills planning and the building of a regional approach;
- exploration of the development of a new single funding body;
- improving careers advice and education;
- reviewing student support for part-time learners, ensuring it takes account of all learning pathways including apprenticeships.

While the Purpose and Principles and Initial Priorities documents were broadly welcomed by the sector, sector representatives have also repeatedly said that colleges need further guidance on what to prioritise. At the Committee's 12 June meeting, Colleges Scotland's Shona Struthers said colleges would like a five-year support plan for the sector, setting out clearly what the Scottish Government wants colleges to prioritise. She later stated:

"If you are not going to invest, at least be clear about what it is that you do not want to be delivered..." – [Official Report, 12/06/24](#)

Audit Scotland's 2024 Scotland's colleges report recommended the Scottish Government provide more clarity:

"...on the aspects of their role to prioritise, in light of the increasing financial challenges and the breadth and diversity of their role. Colleges are currently making fundamental decisions about their future services without this clarity."  
– [Audit Scotland, Scotland's Colleges 2024](#)

Colleges Scotland's submission to the Committee ahead of this week's evidence session states that colleges can no longer wait for the Scottish Government to provide this vision, and that in spring 2025 it will [publish a "cohesive document"](#) consolidating the sector's' strategic priorities.

## Post-16 learning

- **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.**

The Scottish Government does not address this recommendation in its response to the Committee report, however during the Committee's debate in Parliament on 13

June 2023 the Minister stated the Scottish Government wanted to see partnerships between schools and colleges “being strengthened and developed” adding:

“...that will be a key feature of our programme of reform across the education and skills portfolio.” – [Official Report, 13 June 2023](#)

## Skills

- **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 [Scottish Government's response](#) to the Committee's report highlighted the Shared Outcomes Framework (SOF), collectively published by Skills Development Scotland (SDS), SFC and the Scottish Government to monitor and report on collaborative projects. The [Shared Outcomes Assurance Group](#) (SOAG) oversees this work. Its membership comprises of SDS, SFC and Scottish Government officials. At its [5 March 2024 meeting](#), the Shared Outcomes Assurance Group discussed the SOF. During this discussion, group members noted that good progress had been made to progress collaborative work. It was suggested that a wider discussion on how to incorporate this work into the reform of the skills system should take place.

In its response to the Committee's report, SFC stated there was:

“...effective working and communication between SFC and SDS operational teams on a regular and ongoing basis. For example, the development and publication of our respective Strategic Plans were closely aligned through

strategic planning and communications team engagement.” – [SFC response to Committee report, 22/09/2023](#)

During the Committee’s 2025-26 pre-budget scrutiny, members heard that the discontinuation of the Flexible Workforce Development Fund (FWDF) was having a negative impact on colleges, making building links with businesses more challenging.

In its submission ahead of the Committee’s evidence session, Colleges Scotland stated that it had sought the reinstatement of the FDFW following the announcement it would be cut, estimating that potentially over 2,000 employers and 45,450 learners would miss out on training opportunities in 2024-25.

As outlined in the Initial Priorities document, the Scottish Government has stated it intends to take on responsibility for skills planning, with colleges at the centre of planning at a regional level.

## Re-training

- **The Committee asks the Scottish Government to consider what barriers might exist to allowing colleges to develop their own qualifications, including micro-credentials, to be able to effectively respond to emerging scenarios and how these might be removed.**
- **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.**

The Scottish Government response to the Committee report does not mention consideration of barriers to colleges developing qualifications and micro-credentials. During the [Committee debate](#) on 13 June 2023, the Minister mentioned the role colleges play in upskilling and reskilling, but did not address the development of such courses.

The Scottish Government response does not mention understanding of businesses by the relevant agencies. However, SFC’s response does highlight the report’s reference to platforms to engage with local businesses, and also states that its College Infrastructure Strategy, published in November 2022, should demonstrate collaboration with local businesses and others.

## Careers advice

- **It is essential that the opportunities offered by colleges are fully understood and promoted to schools, students and employers. The Committee therefore welcomes the recent [Career Review](#) and its recommendations**



**which seek to ensure that career services are fit for purpose and future proofed to meet the demands of a changing world of work.**

In its response to the Committee report, the Scottish Government set out that it had accepted the recommendations of the Career Review. During the [Committee debate on 13 June 2023](#), the Minister said that good careers information, advice and guidance was important and this was a major theme in the Independent Skills Review recommendations. He added that work on this was “not starting from scratch”, as SDS had undertaken reviews of careers services and the [Careers Collaborative](#) will implement changes.

In a [written answer in 2 May 2024](#), the Minister stated:

In October 2022, the Career Review Programme Board published '[Delivering Careers By Design](#)', including 10 recommendations co-created working with stakeholders and young people.

Since then, '[Career Review Final Report](#)' published in March 2023 set out in further detail how the recommendations will be implemented.

Two of the ten recommendations have already been delivered. Recommendation 1; establishment of a new career development model and Recommendation 10; creation of a career services coalition – the Careers Services Collaborative.

The Collaborative continues to meet, chaired by Grahame Smith, to oversee further implementation of improvements to the careers offer, with a focus on the remaining recommendations. Further information on progress will be published via [www.careerreview.scot](http://www.careerreview.scot) over the course of the year.

## Regional Strategic Boards

- **The Committee seeks an update from the Scottish Government and the Scottish Funding Council on the progress, including timescales, to—**
  - **reform or dissolve the Glasgow Colleges' Regional Board;**
  - **dissolve the Lanarkshire Strategic Regional Board; and**
  - **ensure further integration across the University of the Highlands and Islands.**

In a [written answer published on 11 December 2024](#), the Minister confirmed that the Scottish Government will be proceeding with plans to:

- Dissolve the Glasgow Colleges' Regional Board, the Regional Strategic Body for the Glasgow college region;
- No longer have New College Lanarkshire designated as the Regional Strategic Body for the Lanarkshire college region; and

- Designate each of the Glasgow and Lanarkshire colleges as “regional colleges”.

Subject to Parliamentary procedure, the Scottish Government aims to have the new arrangements in place for the start of academic year (AY) 2025-26, with SFC and the Scottish Government working with both boards on transition plans and support for any staff affected. The consultation responses and analysis can be [viewed on the Scottish Government website](#).

## Serving the local community

- **The Committee recognises the Flexible Workforce Development Fund’s role in allowing colleges to work meaningfully with local employers and SMEs to deliver courses which meet their and their employees’ needs. The Committee encourages the Scottish Government to explore what more can be done to reduce the administrative burden on SMEs to allow more to engage with their local college and access flexible workforce development training opportunities.**

Funding for the Flexible Workforce Development Fund [ceased in 2023-24](#) and has not resumed. During 2025-26 pre-budget scrutiny, the Committee heard that the discontinuation of the Flexible Workforce Development Fund (FWDF) was having a negative impact on colleges, making building links with businesses more challenging. In its [pre-budget letter to the Minister](#), the Committee invited the Scottish Government to respond to calls from colleges, the business sector and from the SFC, for the fund to be reinstated. The [Minister’s response to the Committee](#) stated his own disappointment at the end of the fund and the inability to reinstate it, stating he remained open to suggestions on how this might be done.

## Putting the learner at the centre

- **The Committee recognises that many college student associations are working well and delivering on the aim of enhancing student voice and making the college experience more learner-centred.**
- **However, others may require strengthening. For some student associations, this may mean greater financial support or independence. For others, it may include more staff resource as well as more time and training support for student officers, to enable class and student representatives to be more independent, so that they can have real agency to offer robust challenge to their college boards and Principals.**
- **While recognising that college student associations should have flexibility as to how they are constituted, given the potential for disparity in their ability to challenge their boards and Principals, the Committee asks the Scottish Government to consider whether minimum standards should be set, to ensure that college student associations have appropriate levels of funding and independence to protect their ability to challenge their boards.**

The Scottish Government's response to the Committee's report does not address these recommendations. It is therefore unclear whether the Scottish Government is considering setting minimum standards for student associations.

## **Student poverty**

- **The Scottish Government should publish a clear timetable for when it plans to introduce the special support payment, along with the detail of who will be eligible and how this payment will interact with other Scottish benefits. The Scottish Government should also provide further information about its commitment to increase student support in line with the living wage by 2024-25.**
- **The Committee seeks an update from the Student Awards Agency for Scotland and Department of Work and Pensions regarding their position on summer support for students and whether, in the case of the Department of Work and Pensions, students should be eligible for Universal Credit during this period.**
- **While acknowledging that some colleges will be doing this already, given the mix of student views and needs regarding in person, hybrid and remote learning, the Committee highlights the importance of colleges carrying out analysis of—**
  - **students who are likely to benefit from digital/distance learning courses and training longer term (e.g. those with caring responsibilities, those with disabilities who cannot easily travel to campus, those who need reduced travel costs);**
  - **which students will struggle with this type of learning longer term; and**
  - **the likely impact on current college resources if this provision continues or is withdrawn in future.**
- **The Committee recognises that, for some courses, hybrid and remote learning will have positive or no discernible impact on outcomes. For others, for instance courses with a significant practical element, hybrid and remote learning may have a negative impact on outcomes. The Committee recommends that colleges share this information with students, ahead of enrolment, to ensure that they understand not only how and where their course is taught, but also the possible impacts of hybrid and remote learning.**

[Scottish Government data on student income for 2023-24](#) (published in December 2024) found that the majority of students from all backgrounds were struggling financially. 61% of FE students and 66% of students from underrepresented groups reported experiencing financial difficulty. This was the first time in 15 years this survey has been carried out in Scotland.

In December 2023 [the Scottish Government announced](#) maximum student loan amounts will increase by £2,400 from AY 2024-25. Bursary rates did not increase. The £2,400 increase is highlighted on SAAS award notices as Special Support and does not impact on benefit entitlement. Current rates of bursary and student loan by household income can be [viewed on the SAAS website](#). Postgraduate students are also entitled to the £2,400 Special Support Loan as part of their [overall living-cost loan](#).

In February 2024, the [Scottish Government announced](#) that students would be able to apply to spread their financial support over a 12 month period from August 2024. This was initially introduced for care experienced students in 2022. Care experienced students can also apply for up to £1,330 to help with accommodation costs over the summer months. More information about summer support is [available on the SAAS website](#).

Students remain generally exempt from claiming Universal Credit, apart from in certain circumstances such as having a child under the age of 16 (or aged between 16 and 19 in full-time non-advanced education), being ill or disabled and assessed by DWP as having limited capability for work, being a single foster parent, or being over pension age. A full list of eligibility criteria [can be found on the Child Poverty Action Group \(CPAG\) Scotland website](#).

On hybrid and digital learning, a report by the Quality Assurance Agency for Higher Education (QAA Scotland), Education Scotland, College Development Network (CDN) and sparqs was published in February 2024. The '[Future of Learning and Teaching: Defining and delivering an effective and inclusive digital/blended offering](#)' report was instigated by SFC to inform decision making on future development. The report found that active blended learning is becoming the norm and 'digital' is a tool for delivering this. It recommended that all provision should be accessible and inclusive, with clear information and ongoing promotion of digital literacy. The report also highlighted the need to ensure learning spaces align with learning and teaching strategies.

## Mental health support

- **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 2023/24.**
- **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.**

The Scottish Government provided around £20m between 2019 and 2023 to fund 80 additional mental health counsellors in colleges and universities. When this funding came to an end, [SFC provided funding of £3.21m in 2023-24](#) to assist colleges and

universities with the transition to new arrangements. During the Committee's budget scrutiny session on 8 January 2025, the Minister stated:

"Universities Scotland or Colleges Scotland have not said to the Government or the SFC that there is a real crisis and that they need more money, for example. They have coped with that. I pay tribute to them..." – [Official Report 8/01/2025](#)

In response to the [Committee's pre-budget scrutiny letter](#), the Minister said that the Student Mental Health Action plan "seeks to move to a mainstreamed approach to student mental health which will help students better access services". In evidence to the Committee on 8 January, the Minister said the action plan:

"...is an approach that requires the health boards and health and social care partnerships to take co-ownership of addressing the needs of those students. We will obviously monitor how that works in practice; I am hopeful that it will work." - [Official Report 8/01/2025](#)

In its submission to the Committee ahead of this session, Colleges Scotland stated that the delay in publication of the Student Mental Health Action Plan had impacted colleges' ability to plan ahead:

"Colleges had been expected to evolve their offer through the duration of this Transition Fund and they were aware this funding would be ceasing. However, colleges could not be fully sighted or adequately prepared for a transition to new arrangements, and any longer-term sustainable options, as the Student Mental Health Action Plan was not published until 13 September 2024." – Colleges Scotland submission, January 2025

Colleges Scotland also cites examples of colleges who have taken decisions to cut other services to fund mental health support from their core budgets.

## Widening Access

- **The Committee recognises and welcomes the significant and important work that colleges have carried out to support learners of all ages and abilities to realise opportunities for lifelong learning.**
- **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.**
- **The Committee acknowledges the limitations of the SIMD20 metric as a tool for identifying disadvantage, given it is based purely on geographic area rather than on individual circumstances. The Committee recognises that pockets of deprivation exist across Scotland, even within the most affluent**

**of areas, and that those students should also be able to benefit from widening access support. It further notes Sir Peter Scott's view that other factors should be considered alongside SIMD20 to ensure that students with the greatest need are identified. The Committee therefore recommends that the Scottish Government revisits the current widening access framework, with a view to ensuring these additional factors are included, and that support measures are targeted appropriately across Scotland.**

The limitations of SIMD as a measure for achieving widening access targets has been an area of ongoing interest for the Committee. The Scottish Government's response to the Committee's report stated that the Access Data Short-life Working Group was set up in 2023 to explore additional data sources. Free School Meals and Scottish Child Payment data were of particular interest. The [group published a final report in July 2024](#) recommending these measures continue to be considered, with exploration of legislative approaches to data sharing taken forward.

During the Committee's 2025-26 pre-budget scrutiny, the issues of limitations of SIMD data as a measure of progress toward widening access and the ending of funding for student mental health counsellors were explored. On widening access to university for those from SIMD 0-20 areas, the Committee asked the Scottish Government for an update on work to introduce new data measures and whether legislation was required for any changes.

In his response, the Minister stated that officials were looking at how to overcome data sharing barriers to allow free school meals (FSM) data to be shared for the purposes of widening access. This work includes engagement with UCAS on applicants self-reporting their FSM status. Scottish Child Payment and School Clothing Grant were also being considered as possible measures. The Minister also stated of SIMD:

“...continued use of a single measure has hit an inevitable ceiling.” - [Minister's response to Committee pre-budget scrutiny letter, 31/10/24](#)

The Minister [told Committee members on 8 January 2025](#) that a pilot scheme in Aberdeen and Aberdeenshire was looking at data-sharing on free school meals.

Colleges Scotland's submission to the Committee highlighted the limitations of SIMD in rural areas and stated that the widening access agenda should link in with wider reform work.

## **Articulation**

- **The Committee recommends that the Scottish Funding Council consider whether there are practical steps that it could take to—**
  - **encourage quicker progress towards the target that 75 per cent of students are granted 'advanced standing', and**
  - **achieve greater consistency in the approach from HE institutions.**

- **The Committee recognises that institutions will not be able to reach the 75 per cent target immediately. The Committee therefore recommends that schools, colleges, universities and careers guidance services provide clear information to learners about whether articulation is likely to be an available pathway for their chosen course.**

Articulation is the progression from college courses into year two or three of university courses. During its inquiry, the Committee heard that it offers opportunities to students from SIMD 0-20 areas looking to get into university and is an important tool for widening access.

[SFC's response to the Committee report](#) stated it continued to encourage institutions to commit to articulation with full academic credit for prior study (known as advanced standing) where possible, but that this was not a mandatory pathway and some students will choose to start in an earlier year. SFC also stated that, in its own review in 2021, it had recommended articulation pathways should be widened out to include multiple entry points such as direct university entry and via apprenticeship routes. SFC's review recommended working with students and institutions to develop "a refreshed set of institutional expectations on fair access pathways", with an emphasis on ensuring students did not have to repeat levels of study.

Colleges Scotland's submission to the Committee highlighted the priorities of the Joint Articulation Group, co-convened by Colleges Scotland and Universities Scotland. The priorities include developing more routes using a wider range of qualifications, make student transitions smoother, and provide students with information to enable them to find routes.

## Data

- **The Committee recognises the importance of good quality data in forming a clear and true picture of how the college sector is delivering on its promises to learners. It does not, however, consider that the data currently collected and published regarding completion rates at colleges accurately reflects the performance of colleges or indeed the performance of individual students.**
- **While the Committee notes that the Scottish Funding Council is currently undertaking work to improve this, the Committee believes that it is essential that these data issues are remedied as the current measures are unfair to both learners and institutions. The Committee therefore seeks an urgent update from the SFC on progress made in producing statistics which—**
  - **provide a more accurate picture of course / activity success,**
  - **establish comparability with other parts of the UK, and**
  - **allow for easier identification of any issues.**
- **The Committee agrees that collecting and sharing data on the destination of FE learners, in a timely manner, which ensures that learner outcomes are**

tracked and allows policymakers to develop interventions as required, is imperative. It therefore recommends that the Scottish Funding Council urgently considers how it could include this in the data collected from colleges.

- **The Committee seeks an update from the SFC on the establishment of the National Impact Framework, linked to the National Performance Framework, and whether the Framework will require the collection and analysis of data to assess colleges longer-term impact on the work force.**

In its [2023 response to the Committee's report, the SFC stated](#) that its College Performance Indicators (CPIs) focused on the performance of institutions, not individuals and collecting data about individual learners was not its purpose. Interventions relating to individual students are made at college level.

SFC also said that, in future, data on early withdrawals would be published as a separate metric on student success to bring the measures used more closely into line with statistics collected at UK level. SFC also stated that it had begun collecting data on reasons for non-completion and early withdrawal from AY 2021-22. Since then, in June 2024 SFC consulted on plans for further changes to collection of CPIs, and [announced in September 2024](#) that for data from 2023-24 onwards:

- Students withdrawing early from course enrolment will be excluded from the 'calculation of success' CPI;
- Contextualised statistics on early withdrawals will be incorporated into the CPI publication to ensure appropriate consideration and aid understanding;
- Additional statistics will be published regarding reasons given for early withdrawal and non-completion.

Also in June 2024, SFC set out details of its Outcomes Framework and Assurance Model, which replaces the previous system of Outcome Agreements. The document states that the Scottish Government's Purpose and Principles document:

"...both incorporates Scottish Government's strategic intent for the tertiary sector and obviates the need for a National Impact Framework at the present time." – [Outcomes Framework and Assurance Model consultation document, SFC, June 2024](#)

The Outcomes Framework and Assurance Model is intended to cover SFC-fundable bodies and the outcomes they are delivering, whereas the Scottish Government's Purpose and Principles covers the whole post-school system. The new system replaces previous assurance and accountability measures (including Outcome Agreements) from AY 2024-25. An [SFC blog from June 2024](#) sets out further information about the Outcomes Framework and Assurance Model:

"The model will provide an even clearer picture of the direction of travel for tertiary education and research and, at the same time, will allow colleges and



universities to progress towards national goals in a way that works for them. The new system builds on the diversity of the tertiary education sector in Scotland and recognises the different strengths and missions of colleges and universities.

Moreover, the new system will be supported by an assurance model which, in striving to reduce the administrative burden on institutions, will make the best possible use of existing sources of data and reporting. Our new assurance mechanisms for quality and research will be fully integrated within the overall system to avoid any duplication of effort.

Underpinning the assurance element of the framework will be regular interactions with colleges and universities.” – [SFC blog, June 2024](#)

On college leaver destinations, [SFC stated in its 2023 response to the Committee](#) that its College Leaver Destinations (CLD) publication provides information on the destinations of “successful, full-time, college leavers” with known destinations. SFC stated that its collection and publication of this data “does not lag behind other nations” and it is published “as soon as is practicable”.

## Financing

- **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 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.**

As set out in the [SPICe briefing for the Committee's 8 January 2025 meeting](#), the 2025-26 college resource budget is a 2% increase on the 2024-25 Budget allocation. This small resource budget increase follows tight finances in the sector, as Audit Scotland's 2024 colleges report states:

“Scottish Government funding for colleges reduced by £32.7 million in cash terms in 2024/25, and has reduced by 17 per cent in real terms since 2021/22.” – [Audit Scotland, Scotland's colleges 2024](#)

As covered in the 'Delivering National Economic Strategy' section of this briefing, since the publication of the Committee's report, the Scottish Government has published the [Purpose and Principles](#) and [initial priorities](#) documents. However, during 2025-26 pre-budget scrutiny, the Colleges Scotland stated there was a further need for a five-year support plan for the sector, setting out clearly what the Scottish Government wanted to see colleges prioritise. Giving evidence to the Committee on 4 September 2024, the Minister said he was “slightly bemused” by the request:

“If the college sector is looking for clarity on the raft of asks that it has—historical asks and implicit asks—it is a fair point that we could clarify those in conversation with the colleges and consider the prioritisation of some of them.” – [Official Report, 4/09/24](#)

However, he stated that if the request for a five-year plan related to the future direction of travel for the sector, the government had been “clear with the colleges about what we are looking for”. He added:

“We are looking for better alignment with the needs of the local economies, where that is required—I stress those words—and improved interaction with employers, so that courses are better aligned with employers' needs and therefore offer sustainable employment for students. We are also looking for colleges to be at the heart of skills planning, if they are not there already, and we want to exploit the potential for colleges to come together and become managing agents for a collective in certain disciplines of apprenticeship delivery.” – [Official Report, 4/09/24](#)

As also mentioned in the 'Delivering National Economic Strategy' section of this briefing, Colleges Scotland now plan to publish a vision for the sector this spring.

From 2023-24 SFC introduced flexibilities around the [allocation and delivery of college credits](#) (see 'Flexibilities' section below for more information). [During the Committee's 2025-26 pre-budget scrutiny, SFC's Karen Watt said](#) the new funding model was "continuing to evolve" with a review of teaching funding. This review was considering changing demographics and demand, subject prices, and what the SFC should and should not be funding (e.g. senior phase activities, apprenticeships).

The Committee's 2025-26 pre-budget scrutiny letter to the Minister asked to be kept updated on progress. The Minister's response stated that the [Colleges Tripartite Alignment group](#) continued to discuss and progress flexibilities for the college sector. On the SFC review of college funding distribution, the Minister said that SFC would continue to evolve the funding model where possible, though its funding review would need to take wider planned reform of the sector into account.

Colleges Scotland's submission to the Committee states that it is of the view that a "fundamental review of the funding model which increases autonomy, clarity and certainty of funding for colleges and which focuses on system outputs as opposed to inputs" is needed.

Monitoring of community development work is not mentioned in the SFC or Scottish Government responses to the Committee's report.

## Flexibility

- **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.**

From 2023-24 SFC introduced flexibilities around the [allocation and delivery of college credits](#). New flexibilities include: 20% of teaching funding no longer being associated with the delivery of credit thresholds; and colleges can now claim credits for full-time students on courses lasting over 20 weeks if the students are still active five weeks after the course start date. Previously, students had to have attended for at least 25% of the course for credits to be paid.

During [the Committee's 10 January 2024 evidence session](#) on post-school education and skills reform, the Minister said colleges had not been able to utilise credit flexibilities as expected, and this had been down to a lack of understanding and explanation about what the changes would mean. The Minister said:

“In essence, the colleges had asked for a one-size-fits-all approach that did not entirely suit all the individual colleges.” – [Official Report, 10/01/24](#)

During the [Committee's 5 June evidence session](#) on 2025-26 pre-budget scrutiny, EIS-FELA's David Belsey said the ability for colleges to carry over reserves from one year to the next would be welcome in the longer term. Audit Scotland's Mark MacPherson said it was difficult for colleges to explore alternative measures for raising revenue in the current economic climate. At the [12 June evidence session](#), Colleges Scotland's Shona Struthers said that many of her members wished to see a review of the funding model for colleges, and a less restrictive scrutiny model. SFC's Karen Watt reiterated SFC's call for multiyear financial settlements.

During a [debate on college funding on 8 May 2024](#), the Minister said colleges were to be given further flexibilities around disposal of assets. The [Minister also told the Committee at its 8 January 2025 meeting](#) that one of the roles of the [Colleges Tripartite Group](#) is to develop financial flexibilities for the college sector.

Colleges Scotland's submission to the Committee states the sector has sought further flexibilities that have not yet been agreed and introduced.

## College estate

- **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.**

As set out in the [SPICe briefing for the Committee's 8 January 2025 meeting](#), the capital budget for 2025-26 has decreased by 23.6% on the 2024-25 Budget to £64.8m (largely due to the completion of the Dunfermline learning campus).

Colleges Scotland's submission to the Committee described the cut to the college capital budget as “alarming”, stating “many buildings are in a state of disrepair” and Reinforced Autoclaved Aerated Concrete (RAAC) issues remain unaddressed. The submission adds:

“Based on a Colleges Scotland survey in May 2023, at least £775m was required to bring estates either to the baseline condition or, where a campus/building is life expired the valuation undertaken to arrive at a

replacement. This amount does not include the additional funding which will be required to assist colleges in achieving Net-Zero targets as public sector bodies.” – Colleges Scotland submission, January 2025

Audit Scotland’s [Scotland’s Colleges 2023](#) report found that colleges have a maintenance and lifecycle backlog:

- Since 2018-19 capital funding for the college sector was £321 million short of requirements for lifecycle and backlog maintenance.
- The 2023 report states that SFC set aside £4.7m in 2023-24 for urgent repairs, and this was in high demand with bids totalling £20m received from the sector. Bids had to be triaged “to a shortlist to fit the budget”.

[SFC Emergency Capital Maintenance Funding of £2.5m](#) was available for colleges to apply for in 2024-25, however this is a reduction on the £4.7m available in 2023-24, and falls significantly short of the funding needed across the sector.

SFC’s Karen Watt [told the Committee on 12 June 2024](#) that SFC is currently reviewing college infrastructure and would produce a costed plan by the end of 2024, however publication of this investment plan has [since been pushed back to early 2025](#). Colleges Scotland’s submission states that the sector has been engaging with SFC to identify needs over the next ten years.

## Industrial Relations

- **The Committee heard strong evidence that good relationships and developing trust will be essential to the effective working of the NJNC in the future.**
- **While acknowledging that the onus is on employers and unions to improve relations between the two, given the long-standing nature of the problem, the Committee recommends that the Scottish Government consider whether there is a role it can play to support the development of better relations.**
- **The Committee calls on college management and unions to set out how they are going to respond to the lessons learned report, to ensure that improvements are put in place to avoid future disputes. The Committee recommends that this is set out urgently, so that action can begin to address these issues immediately.**
- **The Committee will revisit this issue once the responses from unions, employers and the Scottish Government to the Strathesk lessons learned report have been received.**

The [National Joint Negotiating Committee \(NJNC\)](#) was established to jointly agree terms on issues including pay and conditions. It brings together colleges with unions EIS-FELA, GMB, Unite and UNISON and secretariat is provided by College Employers Scotland (CES). The [National Recognition and Procedure Agreement](#)

[\(NRPA\)](#) was agreed by all parties and endorsed by the Board of Colleges Scotland in January 2015.

In the years since the establishment of the NJNC and the NRPA, pay negotiations have been challenging. While the Scottish Government does not have a direct role in negotiations, it commissioned the [Lessons Learned – resetting national collective bargaining in the colleges sector report](#) seeking recommendations to improve the process. This is known as the Strathesk report and was carried out in 2021-22.

The report found the issue of low trust between negotiating sides required to be addressed to make progress. It also found the “absence of a commonly accepted evidence base” posed a problem. It recommended that the national bargaining process should be reset, the Bargaining Agreement reviewed, a protocol on information sharing should be agreed, negotiating skills should be improved via training and behaviour should be reset away from “ill-tempered exchanges”.

The Scottish Government has not formally responded to the Strathesk report. [The Minister told Parliament during a Member’s Debate on Further Education Pay](#) on 7 May 2024 that the report stated Scottish Government intervention in past disputes had not been helpful. He encouraged employers and unions to “find a resolution and, more generally, try to facilitate an improvement in the approach to interaction between them.”

During a [Ministerial Statement to Parliament on 30 May 2024](#), the Minister said:

“There are those who have demanded direct intervention by the Government in the dispute, despite the financial position being crystal clear, the Strathesk Resolutions report being candid in branding previous interventions “unhelpful” and the national bargaining processes excluding such a role.” – [Official Report, 30/05/24](#)

In its written response to the Committee’s report, [College Employers Scotland \(CES\) stated in June 2023](#) that it agreed with the Committee’s conclusion that there should be a review of NRPA, stressing this should be “independently facilitated” and would ideally be accomplished through the appointment of a new, publicly funded independent chair of the NJNC. CES also agreed a code of conduct for meetings would lead to improvements and said that it would be open to discussing decision making processes around collective bargaining with trade unions.

In its submission to the Committee ahead of this evidence session, CES highlighted the agreement of a three-year pay deal (2022-23 – 2024-25) for college support staff and a four year pay deal for lecturing staff (2022-23 – 2025-26).

The Scottish Government is providing £4.5m in the college resource budget for 2025-26 to cover some of the pay deal for lecturing staff, but funding is not being provided for the support staff pay deal. The Minister told this Committee on 8 January 2025 that the government was not directly involved in negotiations and had not had an approach for extra money to fund a deal. He said:

“It will be up to the unions and the college employers to get together in due course this year to look at a pay settlement for the support staff in the context of 2025.” – [Official Report, 8/01/25](#)

The CES submission states that at a November 2024 meeting between trade unions and the college sector, there was agreement that ACAS should be used for a facilitated session on culture and behaviours within the national bargaining process. There was also agreement on the need to review the NRPA, and another discussion on this was held in January 2025, but a subsequent meeting has been postponed by the trade unions.

The CES submission also states proposals for an Independent Chair of the National Bargaining machinery has been rejected by the unions. Describing this as a “one of the key recommendations in the Lessons Learned report”, CES states:

“The rejection of such a crucial proposal is not accepted by employers as we believe it is fundamental to the improvement of the National Bargaining machinery.” – CES submission, 27/01/25

**Lynne Currie, Senior Researcher (Further Education, Higher Education and Children’s social work, child protection and adoption, SPICe Research**

**30 January 2025**

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The Scottish Parliament, Edinburgh, EH99 1SP [www.parliament.scot](http://www.parliament.scot)

## Annexe B

# Colleges Scotland written submission of 27 January 2025

## Introduction

Having given evidence to the Committee in October 2022 to inform the College Regionalisation Inquiry, we are pleased to have the opportunity to review the progress that has been made on its recommendations. We have structured our response in line with the outline of the original Inquiry Report published in March 2023.

## Key Points

### Purpose of Colleges

The Committee noted that the final Purpose and Principles statement was expected in Spring 2023 and expected the Scottish Government to use this statement to provide clear strategic direction to colleges as to what it expects, and needs, colleges to deliver.

The Scottish Government subsequently published the [Purpose and Principles for post-school education, research and skills](#) in June 2023, which accepted a number of the recommendations in the [Skills Delivery Landscape Review](#). In response, Colleges Scotland advised that this document set out some areas of change which would maybe help to bring stability to Scotland's colleges.

Through Colleges Scotland, college sector leaders have shared a consensus view that Purpose and Principles does not deliver clear strategic direction to colleges. Within our [Draft Budget Submission for 2025/26](#), Colleges Scotland called for the Scottish Government to use this Budget settlement to provide clear strategic direction to colleges as to what it expects, and needs, colleges to deliver, a message reiterated by Audit Scotland in its [Scotland's colleges 2024 briefing](#) that colleges: *"need more clarity from the Scottish Government on the aspects of their role to prioritise, given the scale of the challenges, to help them manage their funding"*.

Our position is that this longer-term approach, and strategic direction, should be developed through the college sector. Colleges Scotland, working with sector leaders, is now of the view that we cannot continue to wait for a vision to emerge and so the sector is working on a vision to 2035, with the sector leading the sector to develop this.

As a first step, Colleges Scotland has consolidated the sector's strategic priorities into a cohesive document that reflects the collective input and perspective of the colleges. The document, titled [Colleges – Anchor Institutions Fuelling Scotland's Economic Success](#) outlines our short-term priorities and provides a framework for addressing the key challenges and opportunities facing the sector. This foundational



document sets the stage for a Strategic Plan for the sector, which will be published in spring 2025.

### **Skills and Serving the Local Community**

The Committee recommended that colleges further develop their engagement with local SMEs to take account of their needs, whilst also recognising the Flexible Workforce Development Fund's (FWDF) role in allowing colleges to work meaningfully with local employers and SMEs to deliver courses which meet their and their employees' needs.

At the time this report was published, colleges were continuing to successfully deliver the FWDF, servicing the needs of industry and SMEs across Scotland by providing access to upskilling and reskilling opportunities.

However, following the Draft Budget announcement in December 2023, it was confirmed by the Scottish Government that the FWDF was to be discontinued. Colleges Scotland, working with our members, and in partnership with businesses and representative organisations, [sought the reinstatement of the FWDF](#), having estimated that potentially over 2,000 employers and 45,450 learners would miss out on training opportunities in 2024/25 if the Fund was not reinstated, whilst also reinforcing the findings of the [Scottish Government commissioned evaluation](#) which evidenced the successful role of colleges in delivering the FWDF. However, the Scottish Government did not do this.

### **Regional Strategic Boards and Creating Colleges of Scale**

The Committee sought an update from the Scottish Government and the Scottish Funding Council (SFC) on the progress, including timescales, to, reform or dissolve the Glasgow Colleges' Regional Board; dissolve the Lanarkshire Strategic Regional Board; and to ensure further integration across the University of the Highlands and Islands.

The Minister for Higher and Further Education; and Minister for Veterans has subsequently confirmed the Scottish Government's position and intentions in writing in response to a [Parliamentary Question](#) and to the Chair of the [Public Audit Committee](#).

Colleges Scotland has worked with both the Regional Strategic Boards, and the individual institutions within these regional arrangements, and will continue to work with the governance structures which will be in place in future for the benefit of institutions and learners.

### **Student Poverty**

The Committee highlighted the importance of colleges carrying out analysis of specific student cohorts who required additional support, as well as the impact on college resources if this provision was withdrawn in future.

Colleges offer educational and vocational opportunities and wrap around support to people from some of the poorest and most disadvantaged communities in Scotland,

proactively working with learners to enable their access to education and in doing so addressing the attainment gap, by helping the most disadvantaged and furthest learners access the labour market. However, this role is being impacted by diminishing funding for elements such as Digital Poverty, which had been in place to resolve a lack of access and/or skills which prevented students from taking part or progressing in tertiary education. This funding was discontinued after 2023/24.

The Scottish Government's [Student Finance and Wellbeing Study](#) published in December 2024 evidences the continued challenges faced by students, with the majority struggling financially –61% of further education students reported they had experienced financial difficulty and two-thirds (66%) of students from under-represented groups reported they were experiencing financial difficulties. In spite of the reductions in funding, colleges are continuing to mitigate as best as they are able, the impact of student poverty, including through the provision of free breakfasts and meals, accessible digital equipment, and making washing and clothing facilities available for learners.

### **Mental Health Support**

The Committee sought information on the framework for action being provided as part of the Student Mental Health Plan and whether it would be supported by dedicated resources.

The original commitment from the Scottish Government for Student Mental Health and Wellbeing was for four years of counselling funding, underpinned by a commitment of £20m, although only £15.7m was utilised across the four years. This commitment was scheduled to conclude without any clear direction from Scottish Government been published as to the role and responsibilities for institutions due to the delays in developing and publishing the Student Mental Health Action Plan.

In light of this situation, Colleges Scotland wrote to the then Minister on 15 March 2023 with this letter signed by 21 Principals to outline our collective concerns, informed by the [Thriving Learners](#) research produced with the Mental Health Foundation and the need for continued funding, which led to the creation of the Student Mental Health and Wellbeing Transition Fund in 2023/24 for one year in duration.

Colleges had been expected to evolve their offer through the duration of this Transition Fund and they were aware this funding would be ceasing. However, colleges could not be fully sighted or adequately prepared for a transition to new arrangements, and any longer-term sustainable options, as the Student Mental Health Action Plan was not published until 13 September 2024.

It is also important to bear in mind that those colleges who have taken the decision to fund mental health support from their core budgets have had to take difficult decisions on what other services they need to cut or reduce to learners as a result.

For example, we are aware of one college which has made the decision to prioritise mental health for existing students through removing the commercial business support function that the college had, thereby impacting the college's ability to respond to other Scottish Government approaches to the college sector on

increasing commercial activity. Others have cut administrative support functions as the only viable option, conscious that this creates inefficient working.

### **Widening Access**

The Committee recognised and welcomed the significant and important work that colleges have carried out to support learners of all ages and abilities to realise opportunities for lifelong learning, whilst also noting that colleges played a critical role in ensuring higher education is truly accessible to all. Simultaneously, concerns were raised about the stress on the college system, post-pandemic, and the capacity of colleges to continue delivering the level of support required by learners despite significant financial challenges.

Colleges play a significant role in offering individuals opportunities for progression and pathways into university. To further explore this role, Colleges Scotland held a series of roundtables in Autumn 2024 focused on the Fair Access agenda and the role colleges could play if included. At these, college sector attendees expressed their disappointment that the Scottish Government was not supportive of the recommendation to consider strengthening the remit of the Commissioner for Fair Access to assume responsibility for advising on fair access to the whole of tertiary education. Collectively, there was a desire for the college sector contribution to the fair access agenda to extend beyond facilitating access for those learners from the most disadvantaged backgrounds to access higher education through Articulation and other forms of university-college collaboration.

There was an overarching view that widening access for learners into both further and higher education is something colleges do intrinsically. It was contended that there needs to be a holistic approach to access, which includes changed methods of measuring learner retention and evidencing success, as opposed to just simply getting learners 'through the door'.

Some colleagues highlighted that the Scottish Index of Multiple Deprivation measure does not work effectively in rural areas, and that there needs to be a broader range of metrics used to provide a fuller picture and identify where the gaps are, in terms of ensuring access to further and higher education for those learners from deprived backgrounds within those geographical regions with less deprivation more generally.

The Widening Access agenda should be interlinked with the wider reform work underway in relation to Skills Planning at both regional and national level. Attendees across the roundtables noted the opportunities to work in partnership with the health and social care sector, and other local agencies, to tailor their college offering to the needs of their local community.

Colleges are welcome and accessible learning environments, but further engagement with the Scottish Government is required to consider what barriers exist to individuals accessing further education and how these can be resolved to facilitate both the recruitment and retention of those learners from the most disadvantaged backgrounds. Examples raised across the roundtables included a lack of access to affordable childcare, transport, and student support funding.

## Articulation

The Committee recommended that schools, colleges, universities and careers guidance services provide clear information to learners about whether articulation is likely to be an available pathway for their chosen course.

The Joint Articulation Group, co-convened by Colleges Scotland and Universities Scotland, is one of the main conduits for developing nation-wide approaches to articulation. The Group's members have agreed five key priorities and ambitions for both sectors in a post pandemic world, which are being progressed collaboratively by the college and university sectors. If these priorities and ambitions are met, then students across Scotland will benefit from a greater diversity of study routes.

1. **Develop more routes from wider range of qualifications.** Historically, articulation routes have used Higher National qualifications (HNQs). HNQs are important, but other qualifications exist too. The Group will work to expand the definition of articulation, and help to develop articulation routes from other qualifications.
2. **Enable students to find articulation routes.** The [Pathways](#) portal shows articulation pathways across the Lothians, Borders, Fife, Stirling, and Clackmannanshire. We want to expand this to the whole of Scotland.
3. **Work to support future articulation.** The Scottish Qualifications Authority (SQA) is developing the Next Generation of HNQs and we will be working with SQA to ensure these new qualifications continue to support and expand articulation.
4. **Making student transitions smoother.** We will focus on supporting transitions for articulating students and we will work with students to do this. We recognise that the pandemic has had an impact on the learning of future students, so additional support to help with the transition between at college and at university is required.
5. **Improve information about articulation.** Potential learners are not always aware of articulation as an option and we want to change that. We will work with the provider of careers advice to school pupils and college students, Skills Development Scotland, to ensure that articulation is clearly signposted as a route from college to university with careers advisors, teachers, and lecturers.

## Financial Sustainability

The Committee raised concerns that colleges were 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 and that colleges were being asked to take decisions for the future, uncertain as to whether those decisions would be compatible with the Scottish Government's vision. The Committee also believed it was essential that the Scottish Government provided clarity to colleges regarding what they should be prioritising.

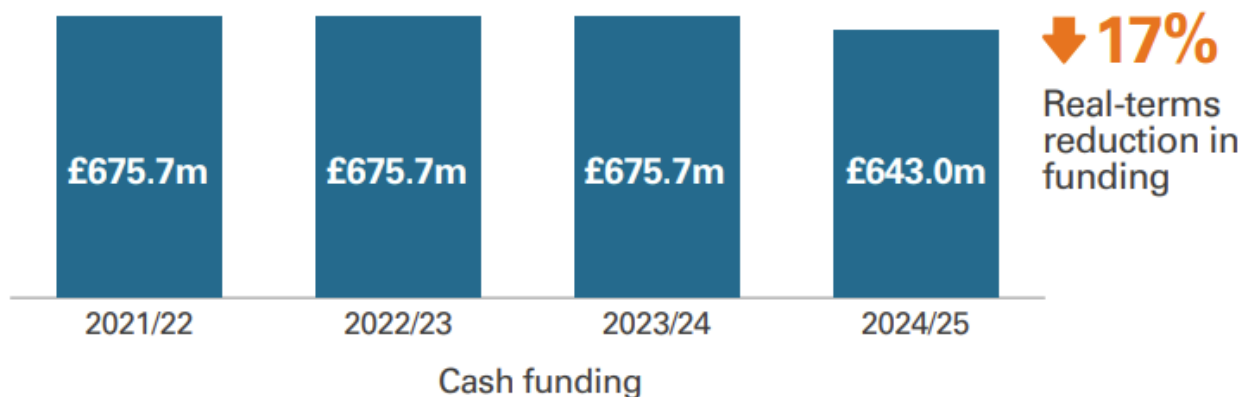
For college leaders, this clarity has not emerged and the funding context is devastating; there is now clear impact of disinvestment in the college sector, presenting in the form of curriculum reductions, potential campus closures and declining opportunities for learners.

Providing high-quality opportunities for the people of Scotland becomes increasingly difficult as college funding has already been reduced by 17% in real terms between 2021/22 and 2024/25, as evidenced by [Audit Scotland](#). This continued erosion of resources jeopardises the sector's capacity to meet Scotland's needs, undermining efforts to build a prosperous and equitable future.

## Exhibit 2.

### Cash and real-terms resource funding for the college sector 2021/22 to 2024/25

Cash and real-terms funding have reduced since 2021/22.



Source: Audit Scotland analysis of Scottish Government budgets

Whilst colleges are continuing to respond to regional and local economic and community demand, there is a lack of a clear overarching vision for the role of colleges in Scotland, and the central question regarding the purpose of a college remains unanswered.

Colleges Scotland, working with sector leaders, is now of the view that we cannot continue to wait for a vision to emerge and so the sector is working on a vision to 2035, with the sector leading the sector to develop this.

As a first step, Colleges Scotland has consolidated the sector's strategic priorities into a cohesive document that reflects the collective input and perspective of the colleges. [Colleges – Anchor Institutions Fuelling Scotland's Economic Success](#) outlines our short-term priorities and provides a framework for addressing the key challenges and opportunities facing the sector. This foundational document sets the stage for a Strategic Plan for the sector, which will be published in spring 2025.

The Committee welcomed the fact that the SFC and Scottish Government had agreed to work on fairer distribution across the sector. The Committee also sought an update on the progress of this work and sought reassurance that the funding

model would recognise and protect the importance of colleges' community education work and the support that the colleges provide to students, particularly to widening access students.

Through the Tripartite Alignment Group, it has now been agreed to undertake a further review of the funding model for colleges in Scotland. Due to the length of time since the current model was designed, and the fact it was never fully implemented, Colleges Scotland is of the view that this needs to be a fundamental review of the funding model which increases autonomy, clarity and certainty of funding for colleges and which focuses on system outputs as opposed to inputs. This now needs to proceed at pace to enable colleges to have the flexibility and agility to respond to industry need and to better serve learners. This should include a focus on comparability of funding for individual learners.

### **Flexibility**

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

Through ongoing engagement with the Scottish Government and SFC, Colleges Scotland has gained some adjustments to the current funding model which has helped to provide some welcome flexibilities. However, the sector sought further requests for other flexibilities to aid financial stability, yet these have not been agreed and introduced. A fundamental review of the funding model should take the sector into a position wherein flexibilities do not need to be introduced.

### **College Estates**

The Committee was 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 this situation, the Committee was further concerned about ability of colleges to meet their net zero targets by 2045. As such, the Committee recommended that the SFC do all it could to accelerate work to develop and implement its Infrastructure Investment Plan. The Committee also strongly encouraged the Scottish Government to explore how the requisite resource could be provided to remedy the outstanding maintenance issues and place colleges on the path to Net Zero.

The announcement of a £20.1 million (23.7%) cut in Capital funding for the college sector as part of the 2025/26 Draft Budget, reducing it to £64.8 million, is alarming. We must again advise the Committee that the failure to increase investment in college estates and address critical digital infrastructure needs is unacceptable for those learners choosing to study at a college.

Many college buildings are in a state of disrepair, with some containing Reinforced Autoclaved Aerated Concrete (RAAC) that remains unaddressed. Students and staff

are expected to work and learn in substandard and deteriorating conditions. This situation demands immediate attention.

There should be a solution to the renewal of Scotland's college estate and digital infrastructure as a key pillar of investment of public sector assets. Based on a Colleges Scotland survey in May 2023, at least £775m was required to bring estates either to the baseline condition or, where a campus/building is life expired the valuation undertaken to arrive at a replacement. This amount does not include the additional funding which will be required to assist colleges in achieving Net-Zero targets as public sector bodies.

The [College Infrastructure Strategy \(CIS\) Delivery Plan](#) was published by the Scottish Funding Council in December 2023 and outlined a programme to deliver an Infrastructure Investment Plan for the college sector. This update focused on three infrastructure themes: physical, digital, and net zero.

Colleges Scotland has been engaging with the SFC through the Infrastructure Delivery Group to oversee a Baseline data collection from the college sector to identify the required investment in college sector infrastructure and address identified needs over the next ten years for capital projects, backlog maintenance, compliance works, and planned and operational maintenance.

This evidence will inform a Capital Infrastructure Investment Plan to be published in early 2025 and Colleges Scotland will continue to work with the SFC and Scottish Government on an appropriate funding vehicle which enables colleges to access funding with which to address their capital and infrastructure requirements.

## College Employers Scotland written submission of 27 January 2025

Dear Convener,

### College Regionalisation Inquiry Report – Recommendations on Industrial Relations

Further to the committee's previous recommendations on industrial relations, College Employers Scotland (CES) can provide the following updates.

#### Lessons Learned

CES provided written correspondence to the Committee on the employers' response to Strathesk Solutions' Lessons Learned report on [7 June 2023](#). Since that response, employers have continued to implement the report's recommendations, including providing advanced negotiation training for the management side and completing an internal governance review.

In addition, the Scottish Government has convened three Lessons Learned meetings with representatives of the recognised trade unions and the college sector between March 2024 and November 2024. The Scottish Funding Council also attended the initial meetings of this series.

At the November 2024 meeting, there were productive discussions and agreement between all parties on the use of ACAS for a facilitated session on culture and behaviours within the national bargaining machinery, to be guided by the Principles of Public Life. The Scottish Government has been tasked with exploring this further and updating employers and trade unions on progress.

At the November 2024 meeting, there was also agreement on the need to review the National Recognition and Procedures Agreement (NRPA). Initial discussions between the employers and trade unions on reform of the NRPA began positively in January 2025 although a meeting to discuss this has been subsequently postponed by the trade union side.

Unfortunately, however, there has been a unilateral rejection by the trade unions of the role of an Independent Chair of the National Bargaining machinery, one of the key recommendations in the Lessons Learned report. The rejection of such a crucial proposal is not accepted by employers as we believe it is fundamental to the improvement of the National Bargaining machinery.

#### Improvement in Relationships

The Committee's previous report was published on 21 March 2023, when employers and trade unions were at the beginning of a dispute over the 2022/23 pay award. Subsequent prolonged industrial action, a resulting boycott, and multiple changes to



both the Support Staff and Lecturing Staff secretaries have all made improvements in relationships during this period challenging.

However, in June 2024 employers and support staff trade unions did come to an agreement on a three-year pay deal (2022/23-2024/25), and in September 2024 employers and the lecturing staff trade union, the EIS-FELA, agreed a four year pay deal (2022/23-2025/26). The enhanced pay proposal for lecturers was only made possible because the Scottish Government agreed to provide £4.5 million in additional funding for an increased lecturer pay award for 2025/26.

These multi-year pay awards, and recent changes to the internal governance of UNISON, have led to a more settled period of industrial relations in the sector, and has allowed for a re-setting and improvement in relationships between employers and support staff trade unions. This has led to support staff receiving their pay rises as scheduled at the start of the 2024/25 academic pay year - a first since National Bargaining was introduced – and constructive discussions on re-setting the National Job Evaluation Project. It is hoped that there will be a similar re-setting and improvement in relationships between employers and the EIS-FELA.

## **Conclusion**

In summary, the period since the publication of the Committee's initial report has been a challenging one for industrial relations in the college sector. However, the successful conclusion of multi-year pay awards and recent personnel changes have allowed for a more settled period and an improvement in relationships.

This improvement has provided much-needed space to explore the longer-term changes that were highlighted in the Lessons Learned report, specifically in relation to the NRPA and the culture and behaviours within the National Bargaining machinery.

It is only by fixing these longer-term issues, highlighted within the Lessons Learned report, that employers and trade unions will ultimately be able to achieve the much sought-after improvement in industrial relations within the college sector.

Please don't hesitate to get back in touch if you require any further information.

Yours sincerely,

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