

# **Evidence to the Education and Culture Committee – February 2014**

## **Impact of Budget Changes and Priorities**

### **1. Introduction**

As part of the report by the Education and Culture Committee on the Draft 2014/15 Scottish Budget the Committee requested further evidence from Colleges Scotland on the issues of impact on people of working age and lifelong learning opportunities.

The Committee also sought views on the preparedness of colleges for future staff provision and community-based learning.

Colleges Scotland has drawn on two sources to provide this update to the committee – firstly we conducted a survey of members on their views regarding the impact the changes in funding and priorities has had in their specific college or region. Responses were received from nine regions.

Secondly, we have provided analysis on recently released data from the Scottish Funding Council (SFC) gathered from the colleges on provision for 2012/13 including student numbers, full-time equivalents (FTEs) and the impact of specific priorities being set. We have provided examples of the types of provision that experienced the most significant changes identified in the SFC data.

### **2. Survey of Membership**

Colleges Scotland circulated a survey to member principals. We received ten responses to this from nine regions at both regional and what will become 'assigned' college level. This survey sought views on: the impact of funding reduction on the region/colleges ability to offer places to adults in work or not in work; the changes the region/college has made to lifelong learning provision; the driver of change in provision for lifelong learning changes; recent changes made or planned for community-based provision; any plans to reduce staffing and drivers of those changes; whether staffing levels will be able to meet funding allocations.

### **3. Key Findings – Survey**

- Part-time provision had been cut by all respondents, and full-time for young learners was identified as priority provision by nine respondents.
- Two attributed part of this to a fall in demand: one from individuals and another from a reduction in demand from employers.
- Four respondents indicated that demand remained high for individuals wishing to access part-time courses.
- Two indicated they have focused on providing full-time courses for unemployed young people and part-time courses for people in work, who access via work or on a commercial basis at cost to the learner/employer.
- Nine respondents noted that guidance from the Scottish Government/SFC on putting resources as a priority for funding full-time places was a key driver of reducing part-time provision.

- Six noted that funding cuts had influenced reductions in provision. The impact of a cap on fee waivers was also mentioned, as a deterrent to those on low incomes if they had to pay for courses.
- Specific concerns about funding emerged with four respondents noting the way funding was being distributed, the formula being used, and changes in the unit of resource.
- Community provision had been cut by six respondents. Three also identified a compounding effect on provision due to funding reductions and prioritising of young people among community partners.
- All respondents stated they had recently reduced staff numbers and five indicated they expect to reduce numbers further. Three stated this was driven by merger. Three indicated they did not expect to make staff cuts in the next twelve months.
- Three indicated concerns on funding covering staff requirements to deliver their targets. Three believed funding would be sufficient to cover staffing.

#### 4. Statistical Information

Recent statistics from the SFC further elaborate on these issues. The following data is sourced from the SFC *Baseline Report for Academic Year 2012/13* and the SFC Infact database.

##### Part-Time Provision Falling

The data from SFC shows a continuing downward trend in the numbers undertaking further education (FE) and higher education (HE) on a part-time basis in Scottish colleges. There has been a drop in FE part-time enrolments by half – over 200,000 – since the peak number in 2007/08 of 398,606. In 2012/13 this had fallen to 202,135. A fall of around 20,000 enrolments occurred between 2011/12 and 2012/13, showing a slight 'levelling off' in the trend.

It is important to note that enrolments are not student numbers. In terms of student numbers the total fall is from 379,233 to 238,805 between 2007/08 and 2012/13, a reduction of over 140,400 in terms of headcount.

##### Types of Provision Affected

**Table 1: Headcount by Mode of Attendance 2007/08 to 2012/13**

	Year					
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
<b>Mode of attendance of course</b>	Count	Count	Count	Count	Count	Count
<b>Short full-time</b>	15,784	14,732	11,672	10,295	9,444	13,361
<b>Block release</b>	8,663	8,251	7,289	5,711	4,712	4,588
<b>Part-time (day release)</b>	75,601	74,216	58,286	46,700	33,281	29,094
<b>Other part-time day course</b>	126,811	124,572	121,027	104,295	82,357	75,234
<b>Evenings and weekends only</b>	55,275	53,296	44,081	36,369	29,337	26,278
<b>Assessment of work-based learning</b>	10,738	9,069	8,004	7,650	7,957	6,965
<b>Distance learning</b>	13,653	14,938	11,135	6,063	5,833	6,744
<b>Locally based learning</b>	2,807	2,302	1,676	1,483	1,272	1,116
<b>College based private study</b>	1,019	946	976	1,003	385	313
<b>Other open learning or directed private study systems</b>	30,983	27,068	23,829	18,651	14,263	10,107
<b>Flexible learning</b>	13,980	18,013	17,970	18,073	15,196	14,834
<b>Full-time</b>	67,645	70,732	76,775	79,646	80,981	78,393
<b>Part-time, but previously met old full-time criteria</b>	3,752	3,770	3,245	3,360	2,903	1,966
<b>OVERALL</b>	<b>426,711</b>	<b>421,905</b>	<b>385,965</b>	<b>339,299</b>	<b>287,921</b>	<b>268,993</b>

Source: SFC Infact database

**Part-time and evening and weekend courses** – numbers in these types of courses have seen the most significant falls of all types of provision. There are 51,577 fewer people studying part-time day courses, which is a 41% fall. In evening and weekend provision the proportion is 52%, a reduction of 28,997.

**Industry partnerships** – part of the fall can be attributed to reduced activity generated from partnerships with industry. One factor may be reducing spend on staff training and development in a recession, the figures from the *Baseline Report for Academic Year 2012/13* show a steady drop in work-based, day and block release type learning. For example in day release alone student numbers there were over 75,500 in 2007/08, but are only just over 29,000 in 2012/13. These courses are not able to run without partnership support from employers.

**Short courses/non recognised qualifications** – in the *Baseline Report for Academic Year 2012/13*, SFC set out detailed examination of the impact of guidance (SFC/26/2009) which announced that the SFC would no longer be funding courses running less than 10 hours, or those which lead to non recognised qualifications. Of the 208,000 enrolment drop shown between 2007/13, the SFC attributed half of these to the changes in funding rules impacting on short and non recognised qualifications (NRQs) courses.

Short/NRQs courses can be broadly split into two types:

1. **Leisure courses** – these include courses that are not necessarily vocational in nature such as sports, languages, digital photography, cookery and art. These are more likely to be self-funded and make up a larger proportion of evening and weekend course delivery than they do in other modes of study, and are delivered as part of the sector's broader lifelong learning offering.
2. **Introductory and pre-access courses** – these are courses that while vocational in nature, do not in themselves lead to qualifications as recognised by assessors independent of the college such as the Scottish Qualifications Authority (SQA), but are designed to provide a grounding in a vocational subject, a route into or back into vocational learning for people without recent experience of further or higher education, or with no/low level entry qualifications.

**School type course provision rising** – as the numbers taking courses in NRQs has fallen, the number taking courses such as intermediate and higher level, as well as access, have increased by over 35,000. While a portion of this will be school age learners, it is possible that part of this increase could be attributed to a number of older learners who would have previously done an NRQ type vocational course are now doing school level qualifications, however this is difficult to ascertain from the data available.

### Who Has Been Affected?

**Table 2: Students by Age between 2007/08 and 2012/13**

Year	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	Change 2007/08 to 2012/13
Age of student (start of academic year)	Count	Count	Count	Count	Count	Count	Count
under 16	72,404	76,970	68,894	55,053	29,907	25,364	- 47,040
16-18	64,519	66,353	65,998	62,475	57,592	56,575	- 7,944
19-24	56,842	57,758	57,379	55,264	54,158	52,705	- 4,137
25-59	172,753	161,008	143,716	124,888	108,708	98,125	- 74,628
60-64	9,603	9,397	7,880	6,283	4,671	3,845	- 5,758
65 & over	12,229	12,196	10,268	7,946	5,068	3,957	- 8,272
<b>OVERALL</b>	<b>388,350</b>	<b>383,682</b>	<b>354,135</b>	<b>311,909</b>	<b>260,104</b>	<b>240,571</b>	<b>- 147,779</b>

Source: SFC Infact database

## Adult Learners

- As of 2011/12 older working age adults (25-59) are now outnumbered by younger learners (16-24). This is a significant shift from 2007/08 where older learners outnumbered younger by around 50,000.
- In terms of patterns of study, 25-59 years olds are most likely to study on a part-time day or evening and weekend basis, in courses not provided in partnership with employers. These are the areas in which the most significant total numbers of students have fallen since peak levels of 2007/08. Numbers of students aged 25-59 studying part-time on day courses is now at 61% of its 2007/08 level, with around 20,500 fewer students; and evening and weekend numbers are at 46% of their 2007/08 level, with a fall of around 19,600 students.

## Adults with No Qualifications

- 59% of 25-59 year old learners had no qualifications on entry (57,986 of 98,912). This compares to 48% of 16-24 year olds (53,081 of 111,650).
- 68% of all 25-59 year olds with no qualifications (41,541) are studying part-time in courses not provided in work or through release from an employer.
- SFC data indicates that adults with no qualifications tend to study entry level or non advanced qualifications, or those perhaps not attained at school. A large number undertake NRQ courses (19,530) such as taster/pre-access courses.
- The proportion of adults with no qualifications has fallen at a greater rate than the overall rate for all adults aged 25-59. Numbers of adults studying in 2012/13 is now at 57% of its 2007/08 level, whereas the number of adults with no qualifications sits at 46% of the 2007/08 level.
- While the number of adults studying full-time has increased overall by more than 2,200 between 2007/08 and 2012/13 (14%) the numbers of those with no qualifications studying full-time has not. That number has generally stayed around 7,000 (in 2007/08 it was 7,251 and 2012/13 it was 6,879) though the number fell by almost 800 students in the last year, it does not appear to be part of a trend at this point (2011/12 to 2012/13).
- It is also relevant to note how these individuals are funded for their study. For example, employers funded the study of almost 34,000 adults with no qualifications in 2007/08. In 2012/13 that had fallen to 14,363, 42% of its previous level.
- The pattern of self-funding shows a greater tendency for those with no qualifications to pay for their studies. Of the 15,022 adults who self-funded last year (2012/13) the majority of those – 9,904 – had no qualifications on entry.

## Women Aged 25-59

- In terms of gender balance, female learners were outnumbered by male learners in the 16-24 age group, however they significantly outnumber male learners in the older group. There are 8% more male learners in younger groups but 39% greater numbers of women in the 25-59 group (2012/13 figures).
- Female learners in the adult group (61,124) appear to strongly prefer part-time learning particularly day, evening and weekend, open, flexible and distance learning, with fewer than one in six – only 9,600 – studying full-time.

## Young Learners

- As young learners under 16 would by virtue of their age have few qualifications, we have not conducted a differential analysis as above on those with no qualifications.
- There were 25,364 students aged under 16 recorded as studying in college in 2012/13, 47,040 fewer than there were in 2007/08 (72,404).
- These learners, as with the 25-59 cohort, also favour courses classed as short/NRQs. Over 50,000 of these students in 2007/08 were studying NRQs – almost 70%. In 2012/13 that number had fallen to just under 14,000, closer to half of the total. The high proportion is to be expected as the courses offered in school-college partnerships have often been bespoke taster classes designed to complement the curriculum and school timetable, and sometimes delivered jointly with a particular school. Those which are ‘recognised’ may reflect those attending specifically to gain qualifications such as Highers that are not offered in their school.

## 5. Conclusion

As can be seen above, it is not a simple picture. The guidance requiring that full-time provision be prioritised and funding of NRQs would cease does appear to have had a significant impact on provision, with both the comments of colleges and data showing that decreases in part-time, evening and weekend provision has reduced across all subject areas.