

Colleges Scotland's Submission to the Education and Culture Committee on Skills Development Scotland – Spending Decisions and Outcomes

Introduction

Colleges Scotland welcomes the opportunity to submit views on the spending decisions and outcomes delivered by Skills Development Scotland (SDS). Our responses to the questions on each specific theme are answered in turn below.

1. Evidence of success in meeting the outcomes set out in its Operating Plan

Please note that this response is based on the information on the 2014/15 Operating Plan that is contained in the 2015/16 SDS Operating Plan.

Engagement between SDS and the college sector falls into the categories below.

Modern Apprenticeships (MAs): In 2014/15, SDS awarded 2,134 MA new starts to colleges, out of 26,943 in total (around 8% of directly funded places). In 2013/14 colleges bid for 44% more places than they were allocated. Scotland's colleges support the Scottish Government's ambition to expand the number of MAs and are well placed to deliver more than their current allocation. Colleges are keen to work directly with SDS to realise this ambition for growth in the 2015/16 allocations and beyond.

The Commission for Developing Scotland's Young Workforce (DYW) final report '[Education Working for All!](#)' published in June 2014 made a number of recommendations for improving MAs, which the college sector welcomed. It identified that the distribution of the MA programme is structured through a complex annual tendering process. This is a resource intensive process for SDS, colleges, training providers and employers, and creates unpredictability and risk in the system. Colleges would welcome opportunities to work with the Scottish Government and SDS to reduce the administrative burden of applying to the system. In particular, some form of highly trusted status for those organisations who are applying on a regular basis would be a positive step.

Foundation Apprenticeships: The engagement by SDS with the college sector in developing new Foundation Apprenticeship models and the successful pathfinder projects (in the Forth Valley and Fife regions) in 2014/15 was well received by the sector. The college sector looks forward to further support from SDS in securing provision for another 18 Foundation Apprenticeship pathfinder projects in 2015/16 in key growth areas such as Engineering, Energy, Construction, Finance, Digital Industries and Health & Social Care.

Certificate of Work Readiness: Colleges have worked with SQA to develop a customised award – the Certificate of Work Readiness. This has enabled young people to experience the workplace and gain a national award, while employers have a standard that they can have confidence in. This has been a valuable tool for colleges in preparing young people for employment, in line with the DYW strategy. SDS has helpfully endorsed this qualification by including it in its requirements for employability training.

College Regional Outcome Agreements (ROAs): Colleges develop their ROAs using information and projections provided by SDS in the form of Skills Improvement Plans (SIPs) and Regional Skills Assessments (RSAs). In 2014/15 a total of six SIPs were published to make the total up to 11. The new SIPs covered Engineering, Chemical Sciences, Construction, Energy, Life Sciences and Highlands & Islands. A total of 11 RSAs were produced by SDS.

The sector has benefited from the data provided by RSAs and SIPs. However, while the RSAs provide a good overview of skills requirements they have proved to be too broad brush for effective use as planning tools for regional educational provision and require to be supplemented by more local Labour Market Information. The SIPs provide a useful basis for curriculum design and development and allow colleges to be confident that their students will be appropriately qualified and work ready. The sector looks to SDS to timely refresh this data, keeping it up-to-date with the rapid pace of change in key industries.

Energy Skills Challenge Fund: SDS has been a key partner of the Energy Skills Partnership (ESP) – a network of colleges supporting the government’s policy of moving to a low carbon economy in Scotland. SDS has provided investment funding, advice and brokering of partnerships with key energy industry bodies. Over 300 people have benefited from the training delivered in this way. The college sector would benefit from a similar level of support for other key growth sectors including Health & Social Care and the proposed Construction Skills Partnership, modelled on ESP. The college sector would also welcome more timely decisions from SDS on the availability of budgets for this activity.

Pilot of Quality Assurance (QA) Audits of MA Providers: The college sector, well used to regular audits of the quality of its provision and its own QA systems, welcomes the introduction of a systematic quality assurance and improvement process for all MA providers that commenced in spring 2015. The college sector is confident that the high quality of its provision will be confirmed and that this will open up the way for greater allocation of MA places to the colleges.

Partnership Action for Continuing Employment (PACE): PACE supports companies whose workers are facing redundancy. SDS liaises with Business Gateway and colleges to identify and deliver aspects of re-training and employability skills for redundant workers. The actual uptake of this training is often less than planned (and funded). More could be done to market the services of PACE.

My World of Work (My WoW): SDS has enhanced its online web service – My WoW – to give young people and adult’s access to tools for self-assessment and career planning. This service is available to all college students. In some colleges My WoW has become a key element in its provision for Careers Information and Guidance (CIAG) for students at key transition points. More sustained marketing and support on the part of SDS could help to make this the norm for all students.

Individual Learning Accounts (ILAs): SDS funds ILAs that are targeted at low income households to give support to pay for course fees. From a college sector perspective this is a successful strategy through which over 26,000 learning opportunities have been funded in 2014/15.

Employability Fund (EF) (formerly New College Learning): EF contract awards are based on decisions taken locally by Local Employability Partnerships (LEP), normally involving representatives from the local authority, SDS, and the Department of Work and Pensions. LEPs use the Strategic Skills and employability pipeline (SSP) framework to plan employability and skills provision in their local authority area. Stage 3 of the SSP relates to preparation for entry to a MA and around half of all EF starts are at this stage.

EF starts are allocated to each LEP based on the relative share of school leaver destinations and unemployment statistics per local authority area. Each LEP decides how they wish to distribute this by age and stage within contracts in response to local needs and taking account of other provision available in their area. A portion of starts is ring-fenced for college provision. Colleges have the potential to make a larger contribution to successful outputs and outcomes from this particular funding stream, especially in the light of current developments of senior vocational pathways whereby school pupils can prepare for entry to MA programmes.

A review of the ring fenced allocation to colleges via the EF would be useful as it is a stream of income that is not being accessed by some colleges. One reason may be that the EF does not provide sufficient funding to cover the cost of meeting the requirements of the target group.

16+ Data Hub: As part of the Scottish Government’s strategy ‘[Opportunities for All](#)’, SDS has worked with colleges and local authorities, Scottish Funding Council (SFC) and the Student Awards Agency Scotland to develop multi-partner data sharing so that all young people can be tracked in their post-school destinations. The contribution of SDS’s expertise has been valued in this exercise.

2. Performance against the Strategic Plan 2012-15 and the intended focus of the next Strategic Plan

The SDS Corporate Plan and its Operating Plan share a considerable amount of information. Therefore the responses to the previous question are applicable to this theme also.

3. Measures being taken to use resources more effectively (in line with Christie Commission recommendations)

SDS has increased its use of virtual meetings to reduce operating costs and contribute to carbon reduction. This is a more efficient use of its resources. The improvement to its digital resources in areas such as CIAG has also contributed to efficiency and impact on the environment. However, there is probably a need for a review of the Corporate Training System (SDS's database system) and the impact that this system has on the resources of colleges when using it.

4. The effectiveness of SDS in partnership working to ensure a coordinated approach to learning, training and accessing employment for young people, including involvement in the Scottish Government Strategic Forum

Most colleges have good relationships with SDS, with substantial engagement at a variety of levels. Colleges Scotland wishes to work with SDS to ensure that this is the case for all colleges. Colleges Scotland is the voice of the college sector in Scotland and represents the sector in its engagement with Scottish Government and its agencies. As part of Colleges Scotland's new governance arrangements, we have sought to establish dialogue with SDS around the contribution that the college sector makes and could make to the Scottish Government's policy agenda for young people and employability, however this has not yet resulted in any formal engagement. It is important that SDS engages not only with the colleges individually but also with the sector agency as it presents what is collectively one of the most significant and successful sectors in the training and re-training of young people and adults in Scotland.

5. Assessment of the impact of targeted measures to engage with those young people not currently achieving positive destinations on leaving school (e.g. disabled and looked after young people)

The DYW strategy set out recommendations for improving representation on SDS's MA programmes. It recommended that SDS should set 'realistic but stretching' improvement targets for gender, those from black and minority ethnic communities, those with disabilities and care leavers.

SDS has responded with a series of actions in 2014/15 that included:

- Develop a pilot specifically targeting Care Leavers to progress directly to MA opportunities incorporating pre-apprenticeship training to develop personal efficacy and sustainability in the MA.
- Link the recruitment of MAs to employer incentives: Employer Recruitment Incentive for Targeted Young People offers funding to employers to support young people aged 16-24 who are care leavers, disabled people, young carers or ex-offenders to sustain employment, including undertaking a MA.
- Work with Additional Support Needs (ASN)/disability organisations to raise awareness of a range of ASN and disabilities and to build capacity of providers and employers to encourage applications for EF/MA programmes.

These represent a range of reasonable actions to which colleges can make a contribution. The college sector has a strong record of making provision for students with a range of protected characteristics and for care leavers and has the capacity to support SDS in achieving these objectives. SDS has already awarded Equalities Challenge Funding grants to colleges. The focus of the fund is improving representation of disabled people, people from ethnic minorities and care leavers on the MA programme as well as addressing gender bias on MA frameworks where this exists.

The College Development Network also has the expertise and specialist networks to provide capacity building for the college sector in recruiting from these disadvantaged groups.

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Colleges Scotland