

MSP Briefing: Delivering Future Enterprise and Skills Support in Scotland – Phase One Outputs from the Enterprise and Skills Review

Ahead of the Scottish Government debate on Wednesday 26 October 2016 on the Phase One Outputs from the Enterprise and Skills Review, Colleges Scotland wishes to provide you with an overview of the key points for the college sector.

Key Outputs Colleges Scotland wants to see implemented from the Review:

- Creation of an Enterprise and Skills Board for Scotland, to be chaired by the Cabinet Secretary for Education and Skills, to provide strategic leadership and vision.
- A review of the learning and skills journey.
- Regional focus to be maintained with colleges acting as Regional Skills Hubs.
- Colleges to be developed as hubs to support innovation in SMEs and ensure access to support resources for start-ups across Scotland.
- A simplified policy and funding regime where there is a single interface for colleges.
- A stronger focus on the importance of working internationally.

The college sector plays a vital role in the Scottish economy and the provision of skills for Scotland's workforce. Colleges Scotland fully supports the Scottish Government's ambition for Scotland to rank in the top quartile of OECD nations for productivity, equality, sustainability and wellbeing. In order to achieve this ambition there must be a shift in how the government and its agencies bring together colleges, the private sector, universities and other key stakeholders. Going forward we believe there must be agreement of a shared vision between the government and the education sector, strong leadership both nationally and regionally, and a better aligned simpler policy and funding framework focused on delivering results that directly contribute to our shared vision and delivering for our economy.

Shared Vision and Strong Leadership at National Level

Colleges Scotland believes that there would be great benefit in more coherent and consistent strategies across skills, education, careers advice and employability in Scotland. In our response to the call for evidence, we suggested the creation of an Enterprise and Skills Board for Scotland. We are pleased to see that the creation of a new Scotland-wide statutory board is one of the key recommendations of the Phase One report. We suggest that this should be chaired by the Cabinet Secretary for Education, and included amongst its membership chairs of the agencies and representatives from colleges, universities, business and local government.

Review of the Learning and Skills Journey

Colleges Scotland has been calling for a review of the learning and skills journey so we welcome the recommendation for a review of the learner journey. We are in the process of setting out the college sector's vision on the learning and skills journey and initial thoughts on what a coordinated learning and skills framework across the full educational landscape could look like. This will also address potential productivity gains that could be achieved across the education sector as a whole by having a more joined up, seamless and efficient learner journey, and one which places the individual learner at the centre. The college sector would be pleased to fully contribute to such a review.

Responsiveness to Regional Challenges

The report recognises the growing role of regional colleges as education hubs, focused on the needs of each region's learners and employers. Colleges Scotland's submission to the review, proposed that colleges should act as Regional Skills Hubs. There is an opportunity to develop a collaborative

leadership model, where a common approach and consistent policy implementation is seen between key stakeholders who support and deliver across the education and skills landscape. If a 'Regional Skills Hub' model was adopted that encompasses schools, colleges, universities, local authorities, SDS, employers and Community Planning Partnership, this could provide the much needed joined up approach within which to operate.

Colleges already engage with key stakeholders (e.g. local authorities, SDS, enterprise networks and other community planning partners) to discuss joint planning to meet regional skills needs including the contribution of regional outcomes.

Stronger links between these bodies will clearly assist with the development of a functional skills pipeline which creates more vocational pathways for learners and the right skills for local businesses. Colleges are uniquely placed to fulfil this kind of "hub" role and their involvement could be managed through the Regional Outcome Agreement process which, with more regional autonomy, would bring direct benefits to businesses. Colleges would combine the work they already deliver for local businesses to address the demand for apprenticeships within a region and assess the need for training and providing upskilling.

Supporting Innovation and Entrepreneurship

Scotland's colleges have a key role to play in encouraging and supporting an innovative economy, facilitating knowledge transfer of skills for innovation within the economy, providing business incubator space and ensuring access to resource to aid start-up of ventures. Innovation is a priority identified in the Scottish Government's *Economic Strategy* and Programme for Government.

Innovation for small and medium-sized enterprises (SMEs) is focused on skills innovation, for the benefit of the SME and the wider economy. The effective working relationships and knowledge between colleges and SMEs within a region means that colleges are ideally placed to support SMEs in relation to innovation, including acting in partnership with universities and innovation centres. To aid this relationship and maximise the benefit within the new regional landscape, colleges are looking afresh at developing the capacity for regional engagement to:

- work with universities and innovation centres
- support innovation
- roll out business incubator space
- ensure access to resource to aid start-up of ventures.

Simplifying the Policy and Funding Regime

A key outcome of the review should be to rationalise and simplify the policy and funding regime. The public funding framework for enterprise and skills has not fundamentally changed over the past couple of decades, with a funding regime geared towards organisational need and stability and less towards delivering for the needs of the country to achieve economic success and social cohesion.

At present colleges receive funding from multiple sources which operate based on different policies, funding methodologies and accountability regimes. Colleges Scotland would like to see this streamlined and simplified.

Working Internationally

The report recognises the importance of working internationally to deliver maximum benefit for Scotland. Colleges in Scotland have a history of attracting staff and students from around the world and leading on key overseas projects, and we want to maintain this work and relationships.