



**Colleges
Scotland**

**2026 Scottish Parliament
Election**

Opportunity That Works





Introduction

Scotland's colleges give people opportunities, are essential to Scotland's economic wealth, strengthen communities, and fulfil the needs of employers. People of all ages access a huge range of qualifications in further and higher education each year, as well as short upskilling courses, retraining in partnership with employers, and learning for personal development. College student satisfaction rates are very high, and the proportion of students going on to positive destinations is increasing.¹

However, the erosion of investment into colleges is very apparent. Student numbers are down by 11.6% since the start of this Parliament,² and colleges are unable to meet student and employer demand for some courses and apprenticeship programmes. There has not been enough funding for colleges to keep up with repairs and maintenance of their estates - investment has not been made available to keep some campuses even wind and watertight.

Funding across the education system in Scotland has long been uneven. Colleges receive less investment per student than any other part of the education system, even when delivering the same level of qualification. The most recent Budget for 2026/27 will provide colleges with an uplift of £70 million in investment, which is welcome, as is the recent recognition that colleges are part of Scotland's anti-poverty infrastructure. However, the announcement does not fully restore the 20% cut to investment which colleges have experienced over recent years.³

Clearly the need for long-term stability remains. Colleges are part of the public sector in Scotland, a valuable national asset, and improve people's lives.

Election 2026

The Scottish Parliament election is an inflection point: this is the moment to ensure that colleges succeed. The next Scottish Government will determine the success of Scotland's colleges, and their ability to provide opportunities to students. All political parties can help support and safeguard college education for people in Scotland. Many of the solutions lie in the recommendations of James Withers' Independent Review of the Skills Delivery Landscape,⁴ which will be partially implemented by the Tertiary Education and Training (TET) Act. However, Scotland's communities and economy need a more ambitious and transformative approach to ensure college education is future-proofed.

Over the next decade, more than 1.3 million people are required to fill job openings created by predicted economic growth and to replace workers leaving the labour market.⁵ Colleges are part of the positive solution for Scotland to meet that demand. With campuses in every community, online learning, short courses and industry-focused qualifications, colleges can play a bigger, bolder and brighter role in delivering success, driving Scotland's economic productivity, and lifting people out of poverty.

The period from 2026-31 could be an exciting time of change in Scotland's skills delivery landscape. When colleges are supported, the sector can transform into the destination of choice for upskilling and reskilling opportunities. There is immense added value that colleges provide Scotland economically and socially, and it has been recognised that investment in colleges is investment in the common good of the country.⁶

The opportunity to come to college should be available to everyone, because college is an opportunity that works.

1 Scotland's colleges 2025, Audit Scotland: <https://audit.scot/publications/scotlands-colleges-2025>

2 College Statistics 2024-25, Scottish Funding Council (SFC): <https://www.sfc.ac.uk/publications/college-statistics-2024-25/>

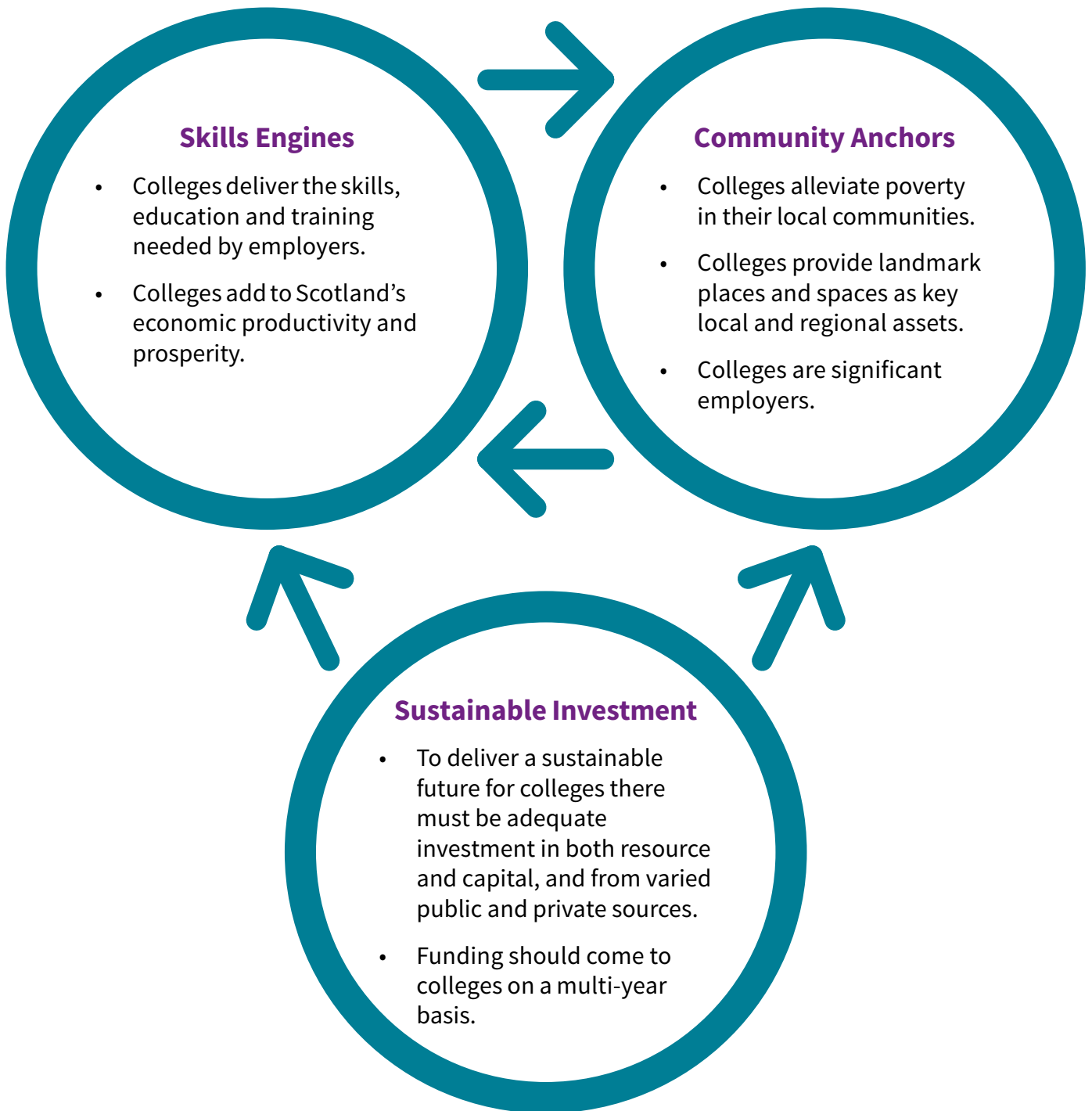
3 Scotland's colleges 2025, Audit Scotland: <https://audit.scot/publications/scotlands-colleges-2025>

4 Skills review published, Scottish Government: <https://www.gov.scot/news/skills-review-published/>

5 Scotland's Labour Market Drivers, Skills Development Scotland (SDS): <https://www.skillsdevelopmentscotland.co.uk/media/n5igv3fp/scotlands-labour-market-drivers.pdf>

6 'Investment in colleges is investment in Scotland's common good', Ben Macpherson, 1 February 2026, The Scotsman: <https://www.scotsman.com/opinion/investment-in-colleges-is-investment-in-scotlands-common-good-5496997>

Key Themes



Skills Engines

In 2024/25, colleges educated 209,285 students.⁷ Over half of S4 school leavers (52%) and 38% of S5 school leavers go into further education at colleges.⁸ Colleges deliver 14,420 apprenticeships, and 20% of all higher education in Scotland, and in 2023/24 delivered over 63 million hours of learning. 8,675 students progress from college to university, many into year two or three of a degree course.⁹ 48% of college enrolments are from learners aged over 21.¹⁰

Current Challenges

Colleges are the skills engines of Scotland's regional economies. By helping people gain skills and qualifications, and offering opportunities to upskill and retrain, colleges create wealth in the economy, provide employers with a qualified workforce, support people to get good jobs and build great careers.

The Scottish economy is £52 billion better off cumulatively over the 40-year working life of college graduates.¹¹ Every year, over 200,000 college students gain skills in everything from artificial intelligence to welding, car maintenance, hair and make-up for film and TV, to childhood practice, aviation, and health and social care. College graduates are an essential part of Scotland's economy and workforce. Productivity in Scotland is boosted by up to £72,000 by every college graduate working in our economy. These graduates also help to support the equivalent of an additional 203,000 full-time jobs in the Scottish economy, over their 40-year working lives.¹²

Fully maximising the potential of colleges will help to close the skills gaps across critical industries. Skills Development Scotland (SDS) notes that there could be a requirement of 1.3 million people in Scotland over the next ten years (2025-35) to replace workers leaving the labour market and to take up opportunities created through expansion demand.¹³

Scotland has an ageing population. There are more than one million people aged 65 and over in Scotland (20.1%), over a quarter of a million more than the number of people under 15.¹⁴ There is a need for older adults to access upskilling and retraining opportunities to allow them to stay in the labour market for longer, take up opportunities created by expansion of demand, and cope with cost-of-living challenges.¹⁵

7 College Statistics 2024-25, SFC: <https://www.sfc.ac.uk/publications/college-statistics-2024-25/>

8 Initial Leaver Destinations, Scottish Government, 2023/24: <https://www.gov.scot/publications/summary-statistics-for-attainment-and-initial-leaver-destinations-no-7-2025-edition/pages/section-3-school-leaver-initial-destinations/>

9 Report on Widening Access 2023-24, SFC: <https://www.sfc.ac.uk/publications/report-on-widening-access-2023-24/>

10 College Statistics 2024-25, SFC: <https://www.sfc.ac.uk/publications/college-statistics-2024-25/>

11 The economic contribution of colleges in Scotland, Fraser of Allander Institute: <https://fraserofallander.org/publications/the-economic-contribution-of-colleges-in-scotland/>

12 The economic contribution of colleges in Scotland, Fraser of Allander Institute: <https://fraserofallander.org/publications/the-economic-contribution-of-colleges-in-scotland/>

13 Scotland's Labour Market Drivers, SDS: <https://www.skillsdevelopmentscotland.co.uk/media/n5igv3fp/scotlands-labour-market-drivers.pdf>

14 Scotland's Population 2023 - The Registrar General's Annual Review of Demographic Trends, National Records of Scotland (NRS): <https://www.nrscotland.gov.uk/publications/scotlands-population-2023-the-registrar-generals-annual-review-of-demographic-trends/>

15 Understanding older workers in Scotland, CIPD: <https://www.cipd.org/uk/knowledge/reports/understanding-older-workers-scotland/>

Future Solutions

The Scottish Government-commissioned Withers Review¹⁸ recommended national skills planning, connected to a place-based approach to skills needs through regional economic partners, all through a colleges and universities first approach to ensure value for money.

Prosper, the membership organisation for businesses and public bodies, has also called for a new model of regional skills planning and place-based delivery which combines public and private funding to provide the flexible and responsive training employers need.¹⁹ CBI Scotland in its Manifesto proposition also notes that: *“Scotland needs a skills system aligned to the economy we are building, not the one we inherited.”*²⁰

A 2025 report from Professor Joe Little,²¹ co-author of the Scottish Government’s *The Entrepreneurial Campus* report, also states that a world-class vocational education system requires close alignment with economic or business growth ministries, not just the education portfolio, and that recognition and visibility for colleges in the skills landscape are essential.



Scottish Engineering has warned that the current engineering skills deficit has the potential to become an *“economic disaster”* which *“jeopardises the entire economic programme of the Scottish Government”* if not addressed.¹⁶

Impact by 2031

With investment in colleges, Scotland will be in a stronger position to succeed as a nation. Scotland’s colleges will be firmly positioned as the engines of skills-led regional growth - driving productivity, inclusion, and economic resilience.

With colleges leading apprenticeship delivery, workforce upskilling and retraining at scale, employers will receive proactive and rapid responses to labour market needs.

If colleges are playing a central role in accessing inward investment and growth deals aligned to regional and national priorities, more people will be qualified and able to move into good jobs, employers’ skills shortages will be addressed, and Scotland will have a flexible, future-ready workforce equipped to meet the demands of a changing economy.



A 2023 skills report from ClimateXChange noted: *“Achieving Scotland’s net zero goals by 2045 will require significant expansion of the renewable energy workforce.”*¹⁷

16 Skills shortage crisis should shame ministers into action, The Herald, 11 January 2025: <https://www.heraldscotland.com/opinion/24849689.skills-shortage-crisis-shame-ministers-action/>

17 Training provision in Scotland’s onshore wind and solar industries, ClimateXChange, 3 February 2025: <https://www.climatexchange.org.uk/publications/training-provision-in-scotlands-onshore-wind-and-solar-industries/>

18 Skills review published, Scottish Government: <https://www.gov.scot/news/skills-review-published/>

19 Scotland’s Blueprint: The Art of the Possible, Prosper: <https://prosper.scot/resources/scotlands-blueprint/>

20 CBI Scotland: Business Manifesto, CBI Scotland: <https://www.cbi.org.uk/media/gbjbrvse/cbi-scotland-business-manifesto-2026.pdf>

21 New report highlights future trends for colleges, Colleges Scotland: <https://collegesscotland.ac.uk/news/latest/656-new-report-highlights-future-trends-for-colleges>

By 2031 Colleges should be:	To achieve this, the next Scottish Government needs to:
<ul style="list-style-type: none"> • At the heart of skills-led regions, as part of a Colleges First approach, where funding flows directly into colleges as the key skills partners of Regional Economic Partnerships (REPs). 	<ul style="list-style-type: none"> • Establish a strengthened Skills Stream under each REP where colleges play a leading role in skills planning and delivery. • Issue a joint letter of guidance between the Education and Skills Directorate and the Economy Directorate, to closer align college investment to the needs of learners, employers and the economy. • Support adults to stay in or rejoin the workforce with upskilling and retraining opportunities delivered by colleges.
<ul style="list-style-type: none"> • The lead partner within regions for apprenticeship provision, through the new structures of the TET Act, to solve labour market and skills shortage issues. 	<ul style="list-style-type: none"> • Improve Scotland’s apprenticeship system by designating colleges as lead partners to deliver an additional 10,000 Modern Apprenticeships in key sectors, raising overall delivery to 35,000, with additional investment for colleges to support this.
<ul style="list-style-type: none"> • Benefitting from a significant share of the Growth and Skills Levy. 	<ul style="list-style-type: none"> • Introduce a ‘Flexible Workforce Development Fund 2.0’, funded by Scotland’s share of the Growth and Skills Levy, to give employers a Colleges First option to access low-cost training and upskilling opportunities for their workforce. • Clarify how the Levy is distributed.
<ul style="list-style-type: none"> • Integrated into inward investment projects and funding streams so that colleges benefit from new investment coming to Scotland. 	<ul style="list-style-type: none"> • Work closely with the UK Government to capitalise on UK-wide Skills Priorities which enable growth opportunities in Scotland. • Commit that all new or reformed City Region Deals, Regional Growth Deals, and sector deals consider national/regional skills requirements and directly involve colleges as a key partner. • Help colleges market themselves nationally and internationally as the ‘go-to’ place for lifelong learning opportunities and upskilling.
<ul style="list-style-type: none"> • Delivering new ways of learning and teaching across Scotland’s regions. 	<ul style="list-style-type: none"> • Support the strength and diversity of colleges through new models, recognising where colleges in distinct areas of geography or expertise take the lead in delivering qualifications and training.



Community Anchors

Colleges have a vital role to play in providing education and training to people who come from deprived backgrounds – in 2023/24 some 15,716 students from the bottom 10% of deprived areas in Scotland and 29,458 from the bottom 20% completed their course or achieved partial success.²² The Scottish Government scores colleges as having an ‘exceptional’ impact on addressing socio-economic disadvantage because colleges support people to boost their access to opportunities, including high proportions of students from deprived areas and increasing numbers of students who are disabled or who come from care experienced backgrounds.²³

Current Challenges

Colleges are community anchors. For generations, colleges across Scotland have maintained a strong local and regional presence which strengthens place-making and community wealth building. Colleges provide students, staff, community partners, and employers with reliable access to high-quality opportunities, physical places and spaces, and economic and social networks, helping to unlock the significant human, social and intellectual capital that exists in our society.

From Shetland to the Borders, colleges anchor communities. But run-down campuses and inadequate digital infrastructure are holding them back.²⁴²⁵ To make a start on resolving the backlog and lifecycle maintenance needs across Scotland, tens of millions of pounds are required to make repairs, resolve outstanding costs for removing RAAC, upgrade outdated infrastructure like heating and plumbing, and renew digital infrastructure.

Colleges require a plan for the future which embraces a changing curriculum, is cognisant of the potential impact of AI, and which can adapt to changing ways and places of learning. As community anchors, colleges require increased capital investment to respond to the needs of local communities, co-locate with other public services, and have high-quality, industry-standard learning environments. Students deserve to learn in, and staff deserve to work in, college buildings which are modern, and fit-for-purpose.

College students are typically less well-off financially than university students, and colleges deliver a wide range of services to reduce poverty and inequality. Parents and students with caring responsibilities are a core part of the college student demographic. The Scottish Government recognises²⁶ the role of post-school education in providing people with the knowledge and skills needed to thrive in life and work, strengthening access to employment, and supporting higher wages in employment for parents and carers.

22 College Student Outcomes 2023-24, SFC: <https://www.sfc.ac.uk/publications/college-student-outcomes-2023-24/>

23 Scottish Budget 2026-27, Spending Review and Infrastructure Delivery Pipeline: Strategic Integrated Impact Assessment, Scottish Government: <https://www.gov.scot/publications/scottish-budget-2026-27-spending-review-infrastructure-delivery-pipeline-strategic-integrated-impact-assessment/pages/3/>

24 Draft Budget Submission 2024/25, Colleges Scotland: <https://collegesscotland.ac.uk/documents/news/media-releases/2195-cs-draft-budget-submission-2024-25/file>

25 Further Education (FE) and Higher Education (HE) Budget 2025-26, SPICe, 20 January 2025: <https://spice-spotlight.scot/2025/01/20/further-education-fe-and-higher-education-he-budget-2025-26/>

26 Tackling Child Poverty Delivery Plan: Progress Report 2024-25, Scottish Government: <https://www.gov.scot/publications/tackling-child-poverty-delivery-plan-progress-report-2024-25/>

One in four college students has a reported disability,²⁷ with more students needing individualised additional support to learn, thrive and achieve at college with a diagnosed or undiagnosed Additional Support Need, or because of neurodiversity. In 2022, the Thriving Learners Study²⁸ found that more than half of college students surveyed (54%) reported having moderate, moderately severe, or severe symptoms of depression.

Colleges are also essential places for people who have recently arrived in Scotland as providers of tuition in English for Speakers of Other Languages (ESOL), enabling individuals to integrate into their communities and become economically active. Coming to college gives students the opportunity to learn from a wide range of perspectives, and develop the skills needed for work: collaboration, problem-solving, and digital skills.



The Scottish Government’s Student Finance and Wellbeing Study interviewed over 2,000 students and found that 61% of FE students had experienced financial difficulty. Some 47% of FE students in financial hardship reported skipping meals. About one in six (15%) of FE students had accessed support from foodbanks. Around 1 in 10 (9%) FE students received discretionary funding to help them get by.²⁹



The Education, Children and Young People Committee heard evidence of huge unmet demand for college opportunities, with one college reporting it had turned away 764 students after interview, a third of whom wanted to study science, technology, engineering and mathematics. Another college reported receiving 700 applications within 24 hours for a 24-person ESOL class.³⁰

27 Meeting the support needs of learners in Scotland’s colleges, Education Scotland: <https://education.gov.scot/inspection-and-review/hm-chief-inspector-reports-and-guidance/national-thematic-inspections/meeting-the-support-needs-of-learners-in-scotland-s-colleges/>

28 Thriving Learners, Mental Health Foundation: <https://www.mentalhealth.org.uk/our-work/research/thriving-learners>

29 Student Finance and Wellbeing Study (SFWS) Scotland 2023-2024: main report, Scottish Government: <https://www.gov.scot/publications/student-finance-wellbeing-study-sfws-scotland-2023-2024-main-report/>

30 Education, Children and Young People Committee, 18 June, 2025: <https://www.parliament.scot/chamber-and-committees/official-report/search-what-was-said-in-parliament/meeting-of-parliament-18-06-2025?meeting=16511&iob=141002>

Future Solutions

Perceptions of college education are changing, with experts like James Withers noting the shift to a new core principle: “*all learning that contributes to a positive destination has parity of esteem*” and “*there is no ‘golden pathway.’*”³¹

Colleges are now formally recognised as part of Scotland’s anti-poverty infrastructure, with the Scottish Government noting: “*the best and most sustainable way to keep children out of poverty is to ensure their parents have access to high-quality, stable and fulfilling employment*”³² when announcing the College RISE (Raising Income through Skills and Education) programme, in the 2026/27 Budget. RISE aims to expand proven programmes that work: targeted childcare so student parents can attend classes, free breakfast and lunch clubs, and creating pathways for disabled learners into sustainable employment in key economic sectors.

The Scottish Government’s Student Finance and Wellbeing Study³³ has evidenced that further consideration is needed to ensure the student support offering is fair and sustainable; that there should be more consideration given to how carers and those from low-income backgrounds can be further supported when studying; and that the system must address the balance between repayable and non-repayable education related income, especially in relation to student loans.

Audit Scotland has stressed the importance of colleges making decisions on estates in line with wider public sector reforms. “*Given the scale of the estimated costs to maintain college estates in their current form, colleges are widely considering physical and digital estate rationalisation to help achieve savings.*”³⁴

Impact by 2031

Scotland’s colleges are a cornerstone of the nation’s anti-poverty and public service infrastructure. With sustained investment to colleges, fair student support and inclusive provision, more learners – particularly those facing disadvantage, disability or in-work poverty – will be able to access, remain in, and succeed in education.

As trusted community anchors with modern estates and digital reach, colleges will strengthen local resilience, improve life chances, and play a central role in reducing inequality, raising incomes and supporting inclusive economic and social wellbeing across Scotland.



31 Fit for the Future: developing a post-school learning system to fuel economic transformation, Scottish Government: <https://www.gov.scot/publications/fit-future-developing-post-school-learning-system-fuel-economic-transformation/pages/2/>

32 Scottish Budget 2026 to 2027, Scottish Government: <https://www.gov.scot/publications/scottish-budget-2026-2027/documents/>

33 Student Finance and Wellbeing Study (SFWS) Scotland 2023-2024: main report, Scottish Government: <https://www.gov.scot/publications/student-finance-wellbeing-study-sfws-scotland-2023-2024-main-report/>

34 Scotland’s colleges 2025, Audit Scotland: <https://audit.scot/publications/scotlands-colleges-2025>

By 2031 Colleges should be:	To achieve this, the next Scottish Government needs to:
<ul style="list-style-type: none"> Recognised as a key part of Scotland’s anti-poverty infrastructure. 	<ul style="list-style-type: none"> Commit to multi-year investment for the anti-poverty RISE programme. Fund investment for in-work training which supports people to increase their income by upskilling and reskilling.
<ul style="list-style-type: none"> Held in the same high esteem as other parts of the education system. 	<ul style="list-style-type: none"> Provide school pupils with the opportunity to experience college education through a skills-rich programme of school-college partnership that provides progression to college or employment. Ensure college education is promoted to the same level as university education by teachers and careers advisors. Promote parity of esteem for college education, for example by introducing a civil service-college secondment programme.
<ul style="list-style-type: none"> In receipt of more investment to support students with additional needs. 	<ul style="list-style-type: none"> Fully fund the delivery of education and training to college students who are disabled or who have additional support needs. Create a national ESOL Plan and put in place funded solutions for provision.
<ul style="list-style-type: none"> Implementing different approaches to student support funding which actively work to prevent student withdrawal, including non-repayable student funding packages as opposed to loans. 	<ul style="list-style-type: none"> Increase levels of student support funding in real terms, and in line with inflation, to ensure this is fair and sustainable for college learners. Allow colleges flexibility across HE and FE student support funds to maximise the benefits to students.
<ul style="list-style-type: none"> Implementing funded student experience packages in line with institutional and local needs. 	<ul style="list-style-type: none"> Consolidate existing funding packages across HE/FE delivered in colleges into a single student experience funding package which allows students to access mental health support, sport, careers guidance, financial advice, protections against gender-based violence, and tackle digital poverty.
<ul style="list-style-type: none"> Strengthened community anchors, with modern, high-quality estates and digital provision that allow for increased community and business engagement. 	<ul style="list-style-type: none"> Agree the investment level and mechanism for implementing the College Infrastructure Investment Plan. Consider colleges as places to co-locate appropriate community services, as part of the Single Scottish Estate programme. Ensure colleges, as public bodies, are designated as the lead providers for education and training for other public bodies on a statutory basis.

Sustainable Investment

Since 2021, investment in Scotland’s colleges has declined by 20% in real terms. Colleges have responded by finding ever-more unsustainable efficiency measures, including cuts to courses and staff headcount. A multitude of reviews and reports, as well as Parliamentary scrutiny, have highlighted the lack of long-term financial sustainability. Colleges have had a recent funding boost, with the Budget for 2026/27 promising to deliver an additional £70 million for colleges, but this does not address previous years of underinvestment.

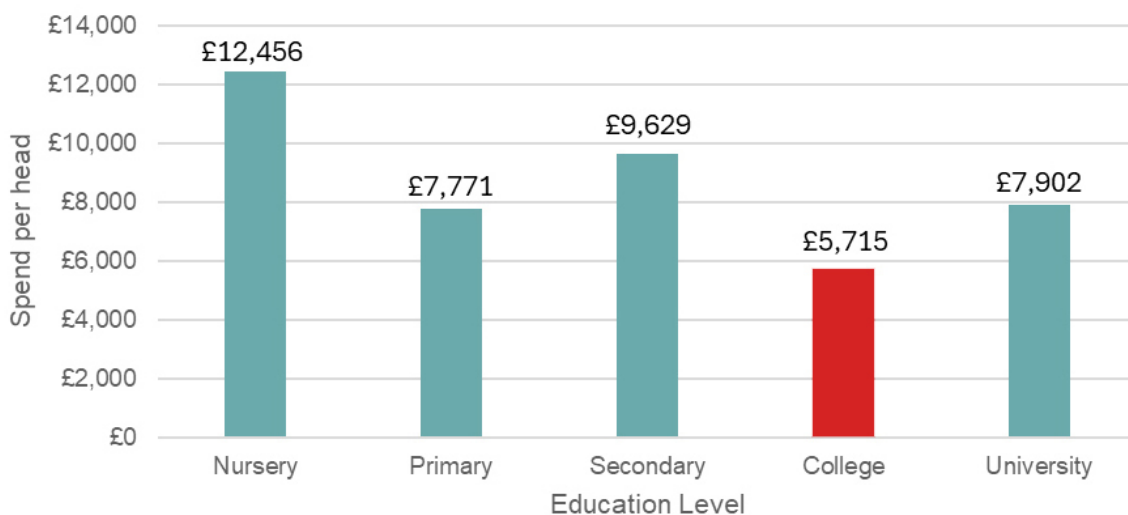
Current Challenges

For colleges to maintain their role as valuable community anchors, and as the skills engines of the Scottish economy, sustainable and fair funding is required. Investment in Scotland’s colleges is inadequate, and inequitable with other parts of the education and skills landscape. Audit Scotland has evidenced the decline in real terms sector funding.³⁵ The SFC, the National Union of Students Scotland, and Audit Scotland have all warned about the risks to the sustainability of colleges.³⁶

Investment has been removed from the system over and above reductions in core funding. For example, £26 million was allocated and then withdrawn from the college sector for a one-off Transformation Fund in 2023. The Scottish Government also removed around £10 million by closing the Flexible Workforce Development Fund.³⁷ Specific investment in mental health counselling, and to alleviate digital poverty, has also been withdrawn over the course of this Parliament.

Investment in individual college learners is also the lowest across all parts of the education system, an inequality which is difficult to understand given that many learners at college are studying for the same level of qualification as students in other parts of the system:³⁸

Average Expenditure per place for each Education Level (real terms) (2023/24)



35 Scotland’s colleges 2025, Audit Scotland: <https://audit.scot/publications/scotlands-colleges-2025>

36 Financial Sustainability of Colleges in Scotland 2023-24 – 2027-28, SFC: <https://www.sfc.ac.uk/publications/financial-sustainability-of-colleges-in-scotland-2022-23-to-2027-28/> / Scotland’s colleges 2025, Audit Scotland: <https://audit.scot/publications/scotlands-colleges-2025> / NUS Scotland Warning Ahead of Scottish Budget: invest in education or risk the collapse of Scotland’s colleges and universities: <https://www.nus-scotland.org.uk/nus-scotland-budget-2026>

37 Flexible Workforce Development Fund (FWDF): evaluation, Scottish Government: <https://www.gov.scot/publications/evaluation-flexible-workforce-development-fund-fwdf/>

38 Written Answer SW6-36497, Scottish Parliament: <https://www.parliament.scot/chamber-and-committees/questions-and-answers/question?ref=S6W-36497>

Colleges have coped with under-investment within the limited means at their disposal, notably consolidating parts of the curriculum, reducing student numbers, reducing staff, reducing community opportunities to use college spaces, and leveraging private sector investment where possible. However, as registered charities and public bodies, colleges are required to balance the books. They cannot borrow money or keep any additional income in reserve across financial years.

Increased staff costs and decreased real-terms funding has led to colleges having to review their staffing structures, and FTE staffing numbers have dropped 6.4% over the last decade. At the same time, other parts of the public sector have seen staffing numbers grow.

National Bargaining outcomes have increased the cost base at colleges, and there is also a risk of tension between colleges as Fair Work employers, and their ability to bid competitively for commercial work and generate their own income, when some bidders may not comply with the same Fair Work criteria.



Colleges are major employers in Scotland, with 10,112 full-time equivalent staff in 2023-24.³⁹



Staff costs account for an average of 65% of overall college spending, rising to 80% at some colleges.⁴⁰

Future Solutions

The Withers Review recommends many changes to the current landscape, including providing for multi-year funding commitments to allow greater certainty in planning, ensuring that funding and provision can be aligned to need (not just demand), and clear articulation of the areas that are a national priority.⁴¹

Prosper⁴² has stated: “*The Scottish Government and Scottish Funding Council (SFC) should reform the funding model for post-school education and training to enable colleges, universities and training providers to significantly scale-up the availability of flexible and responsive learning routes, as well as provide full-time degree courses.*”

Impact by 2031

Sustainable investment to colleges will future-proof the provision and response to national and regional skills needs. With equitable investment across post-16 education, greater autonomy and an ability to diversify income streams, Scottish Government investment in education will be delivered on a best value-for-money basis and reduce duplication.

A well-supported, highly skilled and valued workforce will underpin high-quality learning, ensuring colleges remain adaptable, innovative institutions that strengthen Scotland’s economy, communities, and long-term skills pipeline.

39 Scotland’s colleges 2025, Audit Scotland: https://audit.scot/uploads/2025-10/briefing_251002_scotlands_colleges_2025.pdf

40 Scotland’s colleges 2025, Audit Scotland: <https://audit.scot/publications/scotlands-colleges-2025>

41 Fit for the Future: developing a post-school learning system to fuel economic transformation: <https://www.gov.scot/publications/fit-future-developing-post-school-learning-system-fuel-economic-transformation/pages/5/>

42 Scotland’s Blueprint: The Art of the Possible, Prosper: <https://prosper.scot/resources/scotlands-blueprint/>

By 2031 Colleges should be:	To achieve this, the next Scottish Government needs to:
<ul style="list-style-type: none"> Sustainably and equitably funded, compared to the other parts of the post-16 education and skills landscape. 	<ul style="list-style-type: none"> Commit to sustainable investment in colleges – real-terms increases which go beyond inflation, and a multi-year settlement which delivers certainty. Core funding should be prioritised over separate funding pots. Address funding equity and fairness across the education landscape by equalising per student funding based on the level of a qualification studied, not the place of study. Avoid duplication of funding in different parts of the post-16 education landscape by ensuring the learner journey is as effective and efficient as possible. Identify and measure unmet need for college courses and work positively with colleges to identify gaps in provision.⁴³
<ul style="list-style-type: none"> Funded through more diverse income streams from both the public and private sectors. 	<ul style="list-style-type: none"> Deliver opportunities for cross-portfolio investment linked to Scottish Government priorities. Fund colleges to develop diversified income streams from the private sector. Ensure that colleges as Fair Work employers are supported in public procurement exercises.
<ul style="list-style-type: none"> More autonomous and flexible in how they utilise the funding available to best respond to regional and national skills priorities. 	<ul style="list-style-type: none"> Support a fundamental review of the funding model. Fully explore flexibilities within ONS classification of colleges, including the ability to borrow money to invest for the future, hold reserves, and maximise finances between years. Explore different models of college funding, for example cash and credits approach.
<ul style="list-style-type: none"> Places where the workforce is highly skilled, diverse, resilient and valued, and which are flexible to the changing demands of industry and students. 	<ul style="list-style-type: none"> Commit to funding the outcomes of Job Evaluation for professional services staff. Fully fund the professional registration of college lecturers. Use the principles and resources of the Public Service Reform Strategy to enable colleges to undertake effective and affordable workforce planning.⁴⁴

43 Scotland's colleges 2025, Audit Scotland: <https://audit.scot/publications/scotlands-colleges-2025>

44 Scotland's colleges 2023, Audit Scotland: https://audit.scot/uploads/docs/report/2023/briefing_230907_colleges_2023.pdf

Conclusion

The success of colleges and the success of Scotland are inextricably linked. The 2026 election is Scotland's opportunity to choose investment over decline.

When colleges thrive, Scotland thrives – with skilled workers filling critical gaps, communities strengthened, and economic prosperity within reach.

We call on all political parties to commit to sustainable and equitable funding which can establish Scotland's college network as an engine of skills delivery, anchored in our communities, and boosting productivity throughout Scotland.

Scotland's colleges create opportunities that work.





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