MEMORANDUM OF UNDERSTANDING BETWEEN COLLEGES SCOTLAND AND THE SCOTTISH TRAINING FEDERATION

1 Background

Colleges Scotland is the collective voice of, and advocacy body for, colleges in Scotland.

The Scottish Training Federation (STF) is a body that represents organisations operating in the field of work-based training in Scotland.

2 Term

- The parties have been working together informally for several years and would now like to enter into a formal MoU.

- This MoU shall commence on the day of signature, 18 November 2026 and shall endure for a period of 24 months unless either party no longer wishes to adhere to the terms of this MoU and in which case the parties agree that they shall give to the other 3 months prior notice to that effect.

3 Areas of Co-Operation

Colleges Scotland and the STF are both committed to working together to ensure that Apprenticeship provision in Scotland is valued equally, alongside other types of skills development and will work collaboratively to ensure that reforms to public policy best reflect the evolving needs of industry and skills providers.

The parties shall collaborate in the following areas:

4 Joint advocacy on apprenticeships

To advocate on behalf of the respective members of both organisations, where the parties agree that their interests are aligned, to secure the following outcomes:

- **Apprenticeship targets**: The target for Modern Apprenticeships to be reset to up to 35,000 each year by the end of the Parliament.

- **Apprenticeship funding**: Funding that better reflects the actual cost of delivery and greater transparency regarding the allocation and use of apprenticeship funding, including funding originating from the Growth and Skills Levy.

- **A mixed economy of delivery**: The continued use of plural delivery models for apprenticeship delivery, recognising the important and complementary roles of colleges, employers and independent training providers.

- **Implementation of the TET Act 2026**: Apprenticeship funding and contracts allocated through fair, transparent and equitable arrangements.

- **Quality Assurance overlaps**: Organisations engaged in the quality assurance of Apprenticeships should continue to work together to identify areas of overlap and take steps to reduce any duplication, and bring forward a simplified, single process that is lean and impactful.

- **Multi-year contracts**: The current annual contracting process is inefficient, time-consuming and does not promote longer-term planning and investment. Multi-year contracts should be introduced to provide stability and continuity in the training provider delivery infrastructure.

- **Programme refinements**: A range of refinements to the existing Modern Apprenticeship delivery model should be introduced to fine-tune delivery and better reflect delivery conditions, including: a reduction in output-based funding values; greater flexibilities with key performance indicators and a review of early leaver policies.

5 Consultation and Communication

Both parties agree to:

- Meet regularly throughout the year to share information and intelligence.
- Issue reciprocal invitations to relevant conferences.
- Seek to issue shared communications where possible.

6 Legal nature of this MoU

- Both parties hereby agree that the provisions of this MoU shall not be legally binding and nothing contained in this MoU shall impose or create any legally enforceable obligations on, or rights for, either party whatsoever.
- This MoU may be amended by agreement of both parties in writing.

On behalf of Colleges Scotland

Signature *Gavin Donoghue*
Name: Gavin Donoghue
Date: 18 November 2026

On behalf of STF Limited

Signature *Caroline McFarlane*
Name: Caroline McFarlane
Date: 18 November 2026