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Agenda Article

Colleges Scotland is working to build a more effective, modern and sustainable college sector for the nation's people and economy.

We are doing so in a tough climate of public spending cuts. Change which may always have been desirable is now essential. Recent headlines about predicted budget deficits in colleges around the country make the financial situation profoundly clear. That is why we are committed as a sector to address this challenge head on, and put the interests of colleges in the driving seat of a process of change which is unavoidable.

Access to high quality education and training must be protected. Colleges across Scotland are fundamental to skilling the country's future workforce, and supporting economic growth and productivity.

The sector went through a major regionalisation process, as well as mergers four years ago, yet colleges have continued to deliver right through these challenging times. Our colleges contribute £14.9bn to the Scottish economy, and independent research shows that taxpayers in Scotland receive £5.70 in economic gains for every £1 spent on colleges.

We are committed to working with the Scottish Government and Parliament to ensure that colleges, as public bodies, are financially secure. As part of that objective, we are proactively looking into efficiencies, particularly around the learner journey, that will not only meet the changing needs of students and their expectations, but also provide a better, more relevant educational experience for the modern workplace and economy.

A key element of this approach relates to our staff. We absolutely appreciate and value the vital work that both our teaching and non-teaching employees have in the experiences and outcomes of Scotland's 227,000 students in colleges. It is no surprise that staff costs account for a huge proportion of college budgets, which effectively means that these budgets have very little room for flexibility.

But we recognise the importance of properly rewarding people for their contribution to Scotland's future workforce, and that is why we are offering competitive, fair and sustainable pay and conditions.

We are currently engaged in talks with teaching and non-teaching unions under the remits of the new national bargaining process. The development of national bargaining in the sector is something that unions called for, the government committed to and is itself part of our change process.

We are proposing an offer that is above inflation and indeed public sector pay policy. Unfortunately, it is Scotland's college student community who will experience ongoing disruption if unions continue to reject the fair and sustainable offer that is on the table.

We are keenly aware of the funding available, and will continue to seek an offer for our staff that is fair, fully costed and deliverable in the long term. Any other approach would be dishonest and doomed to fail.

It is essential that dialogue continues with all parties to ensure that we resolve this as quickly and effectively as possible. Colleges Scotland pledge to play a full and constructive role to make this happen.

Part of the prize for staff is to ensure that pay is not treated in isolation, but rather for pay and conditions to be addressed together.

The sector must also provide the best possible learning and teaching facilities. Colleges have capital funding to ensure that their estates are fit-for-purpose in the long term. These funds are obviously separate from revenue funding that provides for staff costs – all of which should be considered in the wider picture.

It is frustrating that some people continue to suggest dipping into money in college Arm's Length Foundations (ALFs) for revenue costs, and important to understand why this is not feasible.

ALFs are separate charitable bodies, independent of colleges, that were created to ensure that money was not lost to the sector due to colleges being reclassified as public bodies. The funds, which colleges must apply for, specifically support special projects to deliver the needs of students, such as new facilities. They cannot be used for ongoing costs such as salaries – which in any event would mean that such spending would not be sustainable in the long term. The level of funding and criteria varies from region to region, but no ALF would be able to fund an on-going wage increase for college staff.

Colleges are a key part of helping people achieve success and building a successful Scottish economy. With the right support, our best days lie ahead.

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