



Scottish Funding Council
Promoting further and higher education

Comhairle Maoineachaidh na h-Alba
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Colleges - Progress and Ambitions

Summary of 2015-16 college outcome agreements



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COLLEGES: PROGRESS & AMBITIONS

SUMMARY OF 2015-16 COLLEGE OUTCOME AGREEMENTS



In their outcome agreements Scotland's colleges have demonstrated the outcomes that each of the 13 college regions will aim to deliver in return for the Scottish Government's investment of funding. They have outlined their contribution to delivering key Scottish government priorities and strategies including Developing the Young Workforce and to –

- Deliver a more efficient and effective college system
- Meet the needs of the learners and communities in each region
- Deliver opportunities and outcomes for learners
- Deliver a better service for employers and industry
- Make colleges stronger strategic players in their regions.

Here we set out what the college sector has achieved since the beginning of 2012-13 – when the post-16 reforms began to take effect – and take a forward look at the commitments the college sector has made for 2015-16 and beyond.

Deliver a more efficient and effective college system

The Scottish college landscape has fundamentally changed over the past three years. 2014-15 was the first full academic year involving the operation of the new regional structure of 10 single-college regions and 3 multi-college regions. It has also seen the establishment of 4 new regional college boards of governance with renewed membership. The creation of larger colleges operating on a regional basis through merger has led to a reduction in the number of colleges from 43 in August 2010 to 26, although the colleges are delivering the same (or additional) volume of full time equivalent students.

Throughout this complex period of change the sector has continued to deliver on its key priorities, such as the commitment to young people, development of new pathways for learners and continued improvements in learner success rates. We have been monitoring the impact of mergers through post-merger evaluations and the early signs are that challenges have been negotiated and clear evidence of successful practice is evident.

We are starting to see evidence of a range of wider benefits, including:

- Innovative developments in curriculum to increase flexibility and choice including new vocational pathways
- Enhanced models for student engagement
- Reduced competition and duplication of provision
- Pooling of staff expertise and skills to promote good practice and enhance the learner experience
- Stronger partnerships with universities leading to increased opportunities for articulation and progression to employment
- A clearer alignment to community partners planning arrangements to help meet current and future training and skills development needs and a closer interface to the needs of employers through industry advisory groups

Financial benefits

By targeting resources more effectively and redirecting resources to front-line services, we are expecting the sector to demonstrate savings of around £50 million by 2015-16. We will measure this through the change in the activity price in real terms, between 2012-13 and 2015-16. We have also introduced a new simplified 'credits' model for funding.

We will continue to monitor progress in the newly-merged colleges: routinely, through our outcome agreement process; and additionally, through our post-merger evaluation process.

West College Scotland, the merger process to date has resulted in recurring annual savings of approximately £6m, the majority of which relates to salary savings recognised through the voluntary severance process of £5.6m, with further savings being attributable to areas such as VAT, subscriptions, licence agreements, insurance and printing.

Stronger students' associations

The 13 college regions all now have functioning students' associations, this includes 4 regions that did not merge but which have received financial assistance from the Scottish Funding Council (SFC) through the *Partnerships for Change* initiative to build their students' association capacity, bringing them in line with the new merged colleges.

This allows the colleges to meet the new legislative requirement that colleges have strong, effective students' associations. SFC, NUS and stakeholders have developed a *College Students' Association Framework* to help shape the future development of students' associations.

To capture further progress in this area a national survey of student satisfaction and engagement is being piloted in 2014-15 developed by college representatives, SFC, Education Scotland NUS and sparqs.

Dundee and Angus College Students' Association and College developed a formal Partnership Agreement, including the joint 'D&A Pledge' to work in partnership to achieve a series of high level and public ambitions.

Edinburgh College have a joint target with Edinburgh College Students' Association contained in their partnership agreement to increase the percentage of women enrolled onto construction and engineering courses from 6.7% to 7.4%.

Meet the needs of the learners and communities in each region

Activity

The majority of regions slightly exceeded their activity (WSUMs¹) allocation for 2013-14 and the total sector target was exceeded. Those regions that under-delivered were confident of meeting their 2014-15 targets. We are making minor adjustments to core regional allocations in colleges based on our demographic model, moving provision to regions which the model shows should be growing regions from those that it shows should be shrinking.

¹ WSUM is the unit of funding that SFC uses in its funding of colleges. It relates broadly to the amount of learning activity provided by the college.

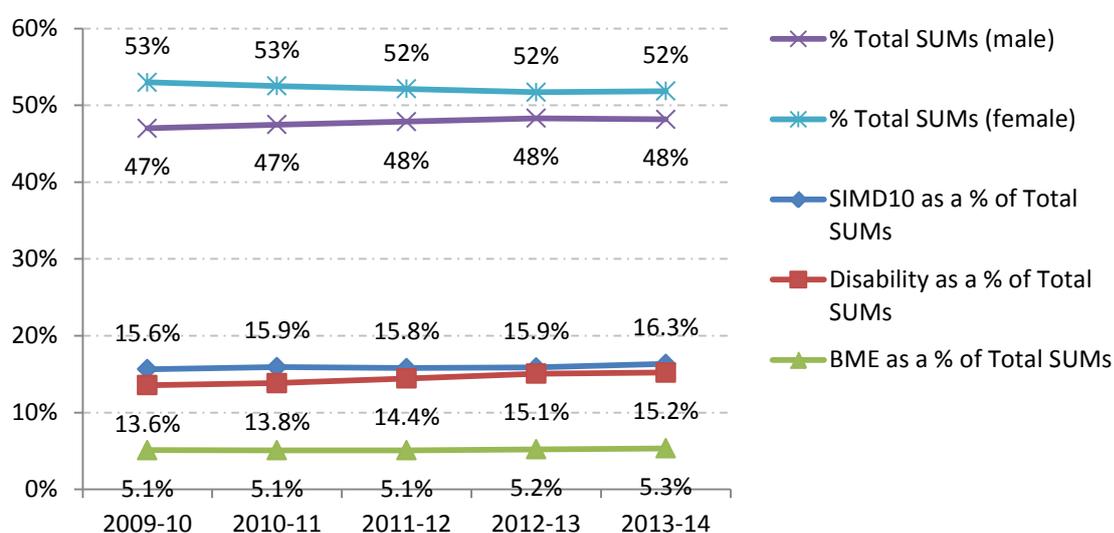
Access

The Post-16 Education (Scotland) Act 2013 sharpens the focus on meeting the needs of under-represented groups of learners, including by placing duties on regional colleges, regional strategic bodies and SFC to have regard to widening access. Through outcome agreements, we expect colleges to make a full assessment of under-representation and need, with a view to further improving access, participation and success among specific groups of learners, including those with profound and complex needs.

Colleges continue to devote a significant amount of resource to meeting the needs of learners from deprived areas. The proportion of activity directed towards those in the 10% most deprived postcode areas has increased slightly to 16.3% of all SUMs in 2013-14, and success rates among this group have been improving steadily.

The outcome agreements for 2014-15 onwards demonstrated that colleges continue to be committed to the needs of those in the 10% most deprived postcodes. From the 2014-15 outcome agreements we estimate that, collectively, the colleges will target around 17% of learning activity towards this group by 2016-17. There is no significant change from this target in the 2015-16 outcome agreements.

Trends in college activity for under-represented groups



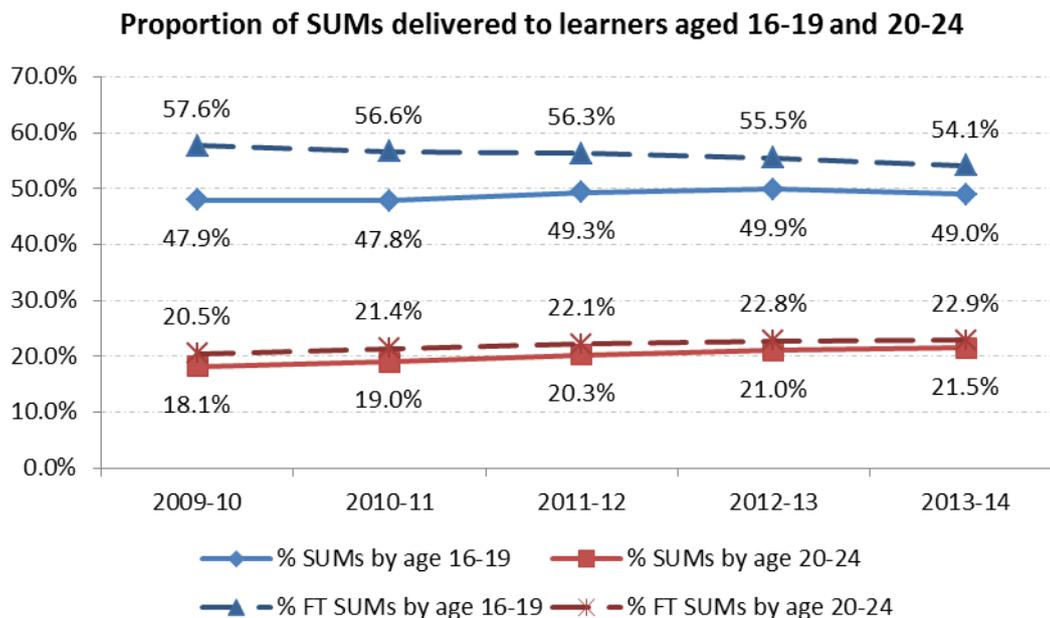
Source: FES

The Glasgow Colleges plan to increase by 3.3% the volume of learning delivered to learners from the 10% most deprived postcode areas in Scotland.

Opportunities for young people post-school

The colleges are playing a crucial role in delivering Opportunities for All, the Scottish Government's offer of a place in education or training for all 16-19 year olds

currently not in education, employment or training, and, where possible, also 20-24 year olds. Since 2011-12 colleges have prioritised their resources towards the needs of this group: by 2013-14, this represented 70.5% of learning activity. At the same time, the proportion of school leavers who were unemployed and seeking work continued to drop².



Source: FES

The 2015-16 outcome agreements confirm that colleges will continue to give priority to young people. One significant factor is that the size of the 16-24 population in Scotland is declining: a decline that is forecast to continue until 2023³. This means that holding the proportion of SUMS that go to 16-24 year old steady can meet the needs of that group while also maintaining provision for those over 24.

To that end, we will work with colleges to ensure that we are striking an appropriate balance between provision for those over 24 and those under. In the meantime, through their outcome agreements colleges have already committed to monitor participation rates to ensure groups are not under-represented and that their curriculum offering is broad and accessible to all.

Right Learning Right Place

In their outcome agreements, colleges have committed to providing education that

² SFC Learning for All Report (2015)

www.sfc.ac.uk/web/FILES/Statistical_publications_SFCST062015_LearningforAllMeasuresofSuccess/SFCST062015_Learning_for_All_2015_Measures_of_Success.pdf

³ NRS Population projections (2013) <http://www.nrscotland.gov.uk/statistics-and-data/statistics/statistics-by-theme/population/population-projections>

best meets the changing social and economic needs of Scotland. Some of the ways they have said they will do this include: increasing vocational pathways in the senior phase, matching curriculum to regional skills needs, increasing STEM provision, supporting the National Gaelic Language Plan, and collaborating with partners in local authorities, schools and employers.

Land-based provision - SFC in 2013, recognising there was a need to develop a set of structures to facilitate the process of planning and co-ordinating land-based provision across the sector, set up the Land Based Providers Group, chaired by SRUC, to work closely in partnership and negotiate provision across Scotland.

The SFC has now asked SRUC, given its status as the National Provider, to lead on the development of a National Strategy for Land-Based Education and Training. The aim will be to develop a coherent land-based education and training strategy for the sector. SFC and SRUC expect that the process will allow SRUC and partner colleges to rationalise provision.

Gaelic - As well as the colleges in the Highlands and Islands partnership, four other college outcome agreements demonstrate a commitment to the provision of Gaelic language and support of Gaelic culture. Six colleges outlined their intentions to survey their communities and/or work with their Community Planning Partnerships to identify demand.

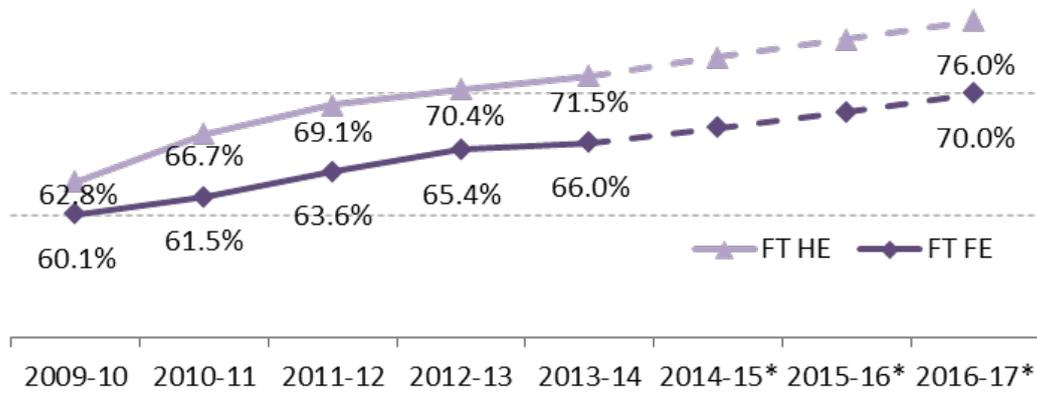
Improving outcomes and opportunities for learners

Our core ambition for the college sector is to improve opportunities and outcomes for learners: optimising chances for people to participate in college learning, irrespective of background or personal characteristics; enabling effective pathways to be created between schools, colleges and universities and employers; breaking down barriers to the achievement of qualifications; and equipping learners to progress successfully into employment, further learning or training.

Two of the strongest indicators of the success (or otherwise) of the college sector are:

- The proportion of learners who successfully complete their qualifications (taking into account that, for some learners, there are unavoidable reasons for not completing successfully)
- The proportion of those learners who go on into employment, further learning or training.

% of enrolled students successfully achieving a recognised qualification

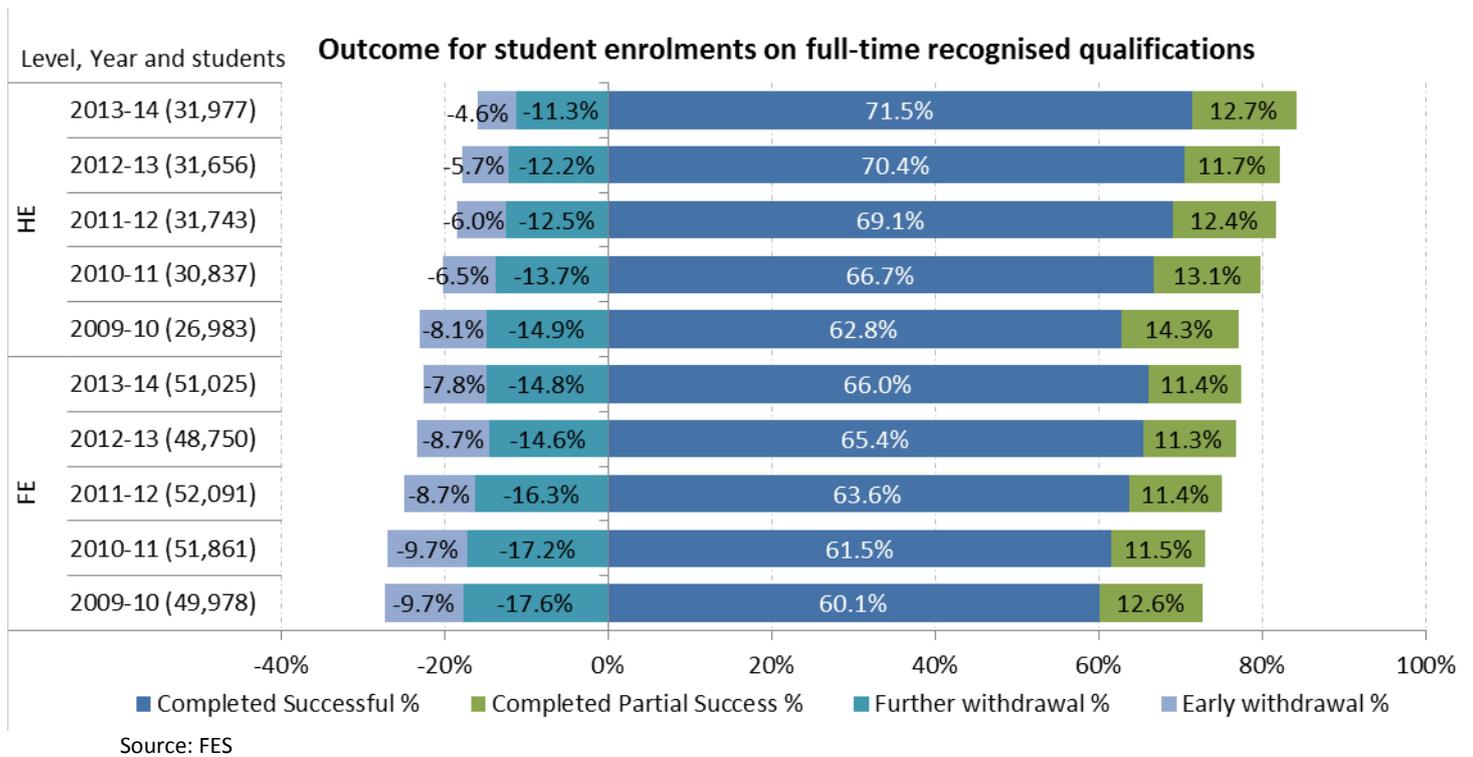


*Data for 2014-15 and 2015-16 is not yet available. The 2016-17 figure is an estimate based on cumulative 3 year OA aspirations

Source: FES

Learner success for full-time FE and HE is generally above or on target. The sector has shown steady year-on-year improvement on learner success in recent years. Moreover, this trend is set to continue. Based on the 2014-15 outcome agreements, colleges are forecasting improvement to 76% (HE) and 70% (FE) by 2016-17.⁴

Keeping more students on courses, the sector has also shown steady year-on-year improvement on reducing the levels of early and further withdrawal.



⁴ Forecasts are estimates based on targets outlined in colleges 2014-15 outcome agreements

Pupils with care experience are significantly under-represented in our colleges and universities and those that are recruited have poor educational outcomes. A new initiative for 2015-16 among SFC, Who Cares? Scotland, the Centre for Excellence for Looked After Children in Scotland, NUS and others will set a national ambition to improve the intake to college and university of care experienced learners including those in the senior phase and target improvements in the educational outcomes of this group.

North East Scotland College works closely with its two local authorities and Robert Gordon University through an information sharing protocol which helps to identify those from a looked after children/care leavers background and prioritise support. The college is also developing a Corporate Parenting Plan in response to the Children and Young People (Scotland) Act 2014.

Glasgow Kelvin College's Transitions to Learning and Work programme, which is supported by the Big Lottery Fund, works with schools, social work services and health services to engage and support over 50 looked after children and care leavers each year. The programme provides flexible programmes of personal development and introductory vocational skills development which re-engage care leavers in formal learning and support their progression to further study, training or employment.

We are developing robust evidence to show what happens to learners after they gain their qualifications, and so by the end of 2014-15 all colleges will have reported on the first destinations (3-9 months on) of full-time learners after they qualify⁵.

Developing Scotland's Young Workforce

Alongside their outcome agreements each college region was asked to develop an implementation plan with their partner local authorities as part of the Scottish Government's programme for Developing Scotland's Young Workforce (DYW). The outcome agreement guidance outlined the expectation that college regions would commit to ambitious targets for 2015-16. Our guidance stated that the implementation plan should include the following key elements:

- Outline the level of partnership in the region – at a strategic and operational level
- Detail the strategy to deliver DYW in the region and the college's role and contribution to that

⁵ We will publish college destinations data for AY 2013-14 in summer 2015.

- The plan to expand senior phase opportunities to fully meet regional demand
- A strategy that works with partners to tackle gender imbalance and other inequalities
- A strategy that works with partners to improve employability in the region.

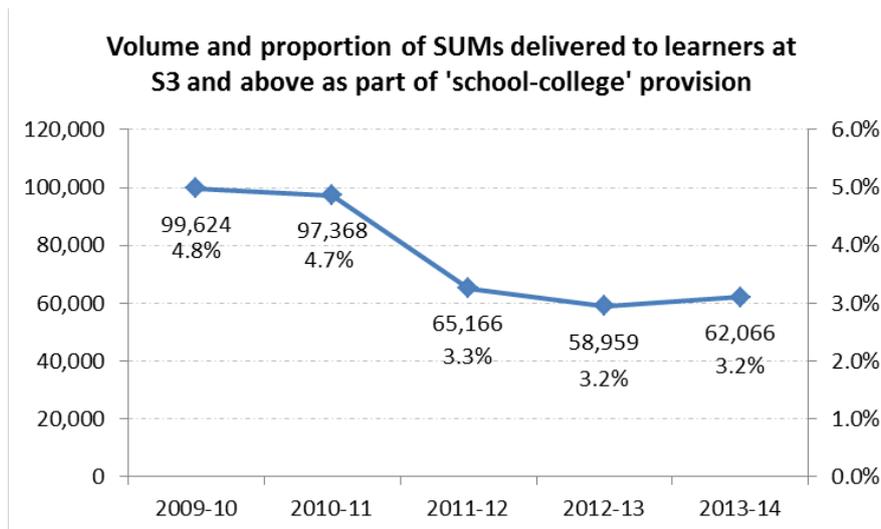
College regions have committed to increases in activity for pupils in their senior phase, demonstrating the ambition to offer a wider range of courses to more than four times as many senior phase pupils in 2015-16. Colleges have provided commitments to work experience and employer engagement; and the articulation of each region's continuing professional development plans to ensure all those who advise learners are providing relevant and up-to-date employment advice.

Forth Valley College has set ambitious targets to increase the number of work placements available from 476 in 2013-14 to 600 in 2016-17. Alongside this their Employer Engagement Systems development project will capture this increase and enable evidencing and monitoring of wider employer engagement activity.

In Lanarkshire the colleges will provide 3,732 substantial placements in business and industry to full time learners.

One of the main priorities will be to grow college provision in schools. The level of commitment from colleges to grow senior phase pathways is impressive and we are confident of overall growth in this area beyond the activity delivered in 2013-14. This growth will be targeted on the most appropriate age groups, introducing new approaches that allow school pupils to begin a vocational pathway as part of their senior phase curriculum, achieve recognised qualifications and progress seamlessly to further learning, training or work. We will be defining school-college activity differently in 2015-16, with greater emphasis on vocational pathways.

Fife College has doubled the volume of learning opportunities for Fife schools covering all areas of their curriculum. They are also looking to create a one-stop shop for the creation of work placements.



Source: FES

The status of the regional DYW implementation plans reflect the partnerships' different starting points and strengths, and the complexity of local contexts, eg where multiple local authorities are involved. Colleges will continue to work with their partners to refine and develop their approaches, and we will ensure that work is supported by learning from the 7 regions which undertook Early Adopter activity in 2014-15. It is important that college delivery responds to school and local authority need. For that reason, college planning timescales need to fit with local authority ones. We are taking proactive steps to assist with improvements in DYW plans for future years:

- SFC and Skills Development Scotland are working to develop a shared definition of "good" work-experience and placements
- SFC is also working with SDS and College Development Network to share careers staff materials between SDS advisers, college advisers and college lecturing staff
- We are working to secure provision and outcomes for learners with care experience

Edinburgh College's new STEM Academy aims to recruit its first cohort of students in 2015-16. Over the next three years it aims to build on the core strengths of the South East of Scotland Academy Partnership model to develop a curriculum that transforms the educational experience for all students who study STEM subjects.

New College Lanarkshire has supported North Lanarkshire Education Department to establish a Construction Academy - a partnership between New College Lanarkshire, North Lanarkshire Council, schools and industry partner Mears. The Construction Academy will be located in Bellshill and provides a training facility for pupils from S4-

S6 to undertake qualifications and gain practical experience in the construction industry.

College regions have made great efforts to describe a commitment to gender action in their 2015-16 outcome agreements. To develop this commitment we will work to sharpen the gender focus to reduce significant subject imbalances. SFC will take this forward in 2015-16 as part of the SFC Gender Action Plan.

West Lothian College have set a target of recruiting 50% females onto their new NC Civil Engineering Foundation Apprenticeship course starting in 2015; a project fully supported by Construction Industry Training Board and the Civil Engineering Contractors Association.

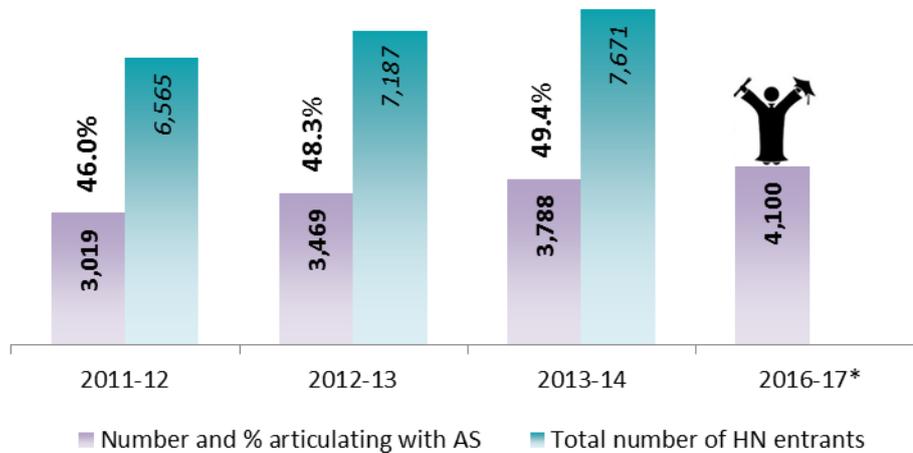
Opportunities to “articulate” to degree level study

As a direct result of close partnership working between colleges and universities there has been a steady increase in the number of learners articulating with advanced standing (full recognition for previous Higher National study): close to 3,800 learners benefitted from this in 2013-14, up from just over 2,800 in 2009-10.

There is still room for growth in articulation, with an increased focus on student choice and improving curriculum links between college and university courses. To support that aim SFC invested in additional university places for articulating students over a four year period from 2012-13. The 2014-15 college outcome agreements projected that the number of articulating students will grow to over 4,000 by 2016-17⁶. The 2015-16 outcome agreements have not indicated a significant change to this aspiration.

⁶ Forecasts are estimates based on targets outlined in colleges 2014-15 outcome agreements

The number and proportion of Scottish-domiciled learners articulating from college to degree level courses with advanced standing — *second or third year of university*



Source: National Articulation Database (compiled from data supplied via FES, HESA and SQA)

Borders College further developed their local partnership with Heriot Watt University (HWU) in 2014-15 introducing a new HND in Business with an agreement in place to allow articulation with advanced standing into year 3 of a HWU business degree.

European funding

Since 2010-11 SFC has been the national strategic body for managing the college sector's European Structural Funds (ESF). The focus of the activity has been to increase the number of college places, to cope with the increased demand because of high youth unemployment during the economic downturn. Through these ESF programmes SFC is investing around £8 million each year in matched funding allowing access to an additional £6 million ESF per year.

Working as part of the outcome agreement process, the ESF activity is negotiated with colleges to be delivered in addition to core activity. The target groups are agreed and linked to regional skills plans and discussed and agreed with local Community Planning Partnerships.

Using ESF and matched SFC funding, an extra 3,868 places have been created across the college regions in 2015-16. These additional places are targeted towards addressing regional skills gaps and shortages associated with key employment sectors including higher level skills to support the development of key growth areas, such as the circular economy and low carbon sectors, advanced food & drink production and packaging, life sciences, and creative and ICT sectors. These additional places will also be used to integrate young people not in employment, education or training into the labour market in the South West.

Deliver a better service for employers and industry

Regionalisation and college mergers have created a significant opportunity for the newly formed larger colleges to respond far more effectively to the needs of learners and employers in their region.

Building on progress made in 2014-15 to increase employer engagement, and responding to the Government's programme for Developing the Young Workforce we have negotiated further commitments from college regions to improve employer engagement from 2015-16. College regions have set out, in their outcome agreements, how they will forge closer links with employers to achieve greater alignment between curriculum planning and employer demand in order to meet skills shortages and create more work placements for learners. They have also set out ambitions to further develop vocational pathways, apprenticeships and workplace learning in partnership with employers.

Colleges have used information in the Regional Skills Assessments (RSAs) and Skills Investment Plans (SIPs) to inform their curriculum offering. As well as the emphasis on some key industry sectors, many outcome agreements also focus on meeting provision in the care, hospitality and retail sectors. We will expect to see further evidence of college use of RSAs and SIPs in their curriculum offering for 2016-17 as these planning documents are reviewed and evolve.

Colleges have outlined their commitment to increasing the volume of work placements offered as part of their provision and also to grow apprenticeship activity.

Dumfries and Galloway College has an established Energy Centre to support and train businesses to adopt and implement renewable energy solutions. The college is planning to include renewable energy as a subject in full-time engineering programmes.

West Lothian College is working with Oracle to enhance and extend the college staff skills base to offer Oracle training to school and full-time students to enhance their employment prospects in careers in IT hardware and software engineering.

UHI colleges have taken advantage of Perth College UHI's 'heatmap' which allows each of the colleges to self-assess their performance across a range of variables relating to employer engagement and to determine where improvements are necessary.

Making colleges stronger strategic players

One of the intended benefits of regionalisation was to improve the planning and co-ordination of skills provision in a region. Colleges are evidencing closer alignment to the work of community planning partnerships (CPPs) and their contribution towards priorities and outcomes contained within single outcome agreements.

The latest set of outcome agreements provide evidence of closer integration with Local Authorities – particularly Education Departments as part of the DYW response and schools-college partnership work.

The new regional structures allow for increased coherence and efficiency of partnership working with schools at a strategic level.

Many colleges were well-embedded in their CPPs before regionalisation, but this was not consistent across regions. The new structure has provided clarity around single points of contact and removed unnecessary competition and duplication between colleges and other partners. We are surveying the experience of Local Employability Partnership (LEP) partners within local authorities and their engagement with colleges through an annual survey issued through the National Delivery Group. Responses to the survey issued in 2014 indicated engagement was increasing but that there remains room for improvement.

Ayrshire College enhanced its partnership working with local CPPs, a major outcome of this was the establishment of the Skills Centre of Excellence at Irvine Royal Academy, a shared campus development which will support the delivery of innovative learning and teaching models which blur the boundaries between school and college.

SRUC are developing training packages to meet national and regional employability needs, including land-based engineering provision for the Dumfries & Galloway and West Lothian LEP areas and welding and fabrication programmes for Edinburgh and the Lothians.

Sustainability

Colleges are working towards becoming environmentally sustainable. The Climate Change Act (Scotland) 2009 has set an ambitious target for a 42% reduction in greenhouse gas emissions across Scotland by 2020 and 80% by 2050. The Act imposes duties on carbon reduction on public bodies. Mandatory reporting on obligations under the Climate Change Act is likely to be introduced later in 2015 as a duty on specified public bodies, including universities and colleges. Colleges should be well-placed to respond to this requirement, since they have been reporting emissions data under the Universities and Colleges Climate Commitment for Scotland (UCCCfS). We have now

established a baseline for the college sector and mandatory reporting is likely to commence later in 2015.

South Lanarkshire College's *new low-energy teaching facility is the first building in the UK to be awarded a BREEAM 'Outstanding' rating for design (under BRE's 2014 standards) and confirms the building's low-energy and other environmental credentials. The building's features will help to embed sustainability within the college's construction and energy curriculum and deliver a net positive impact for the local community.*