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## **Cumberford-Little Response**

The Scottish Government commissioned review into the economic impact of Scottish colleges last year was welcomed and supported by the Royal Society of Scotland (RSE). We had recommended a review of the impact of colleges in our response to the Muscatelli review of the economic impact of universities<sup>1</sup>. The Cumberford-Little report, published in February, provides a valuable analysis of the role, contribution and impact of our colleges and is broadly welcomed by the RSE. We would like to take this opportunity to congratulate and thank Audrey and Paul for delivering a comprehensive and well-illustrated account of the work of colleges and of its relevance to society and the economy.

The report was published just before the COVID-19 pandemic, and prior to this the RSE was planning to produce a detailed response to the report. However, due to changing circumstances and priorities, we have opted to provide our considerations on the issues of importance via this letter. This will feed into a project on Tertiary Education Futures being undertaken by the RSE and the Young Academy of Scotland (YAS). The future of tertiary education is a subject that will also be explored through the work of the RSE's Post-COVID-19 Futures Commission.<sup>2</sup>

### **General Comments**

The RSE response to the review highlighted several key issues that the report should consider<sup>3</sup>, including the financial context in which colleges are operating, the role of colleges in developing innovation, the provision of lifelong learning, and evaluating the impact of colleges. We are pleased to note that the report has covered certain aspects of these issues in detail.

The report's recommendations demonstrate the ambition and agility of the sector in supporting the needs of the Scottish economy and our communities. This ambition is evident through the vision for '21<sup>st</sup> century colleges' that the report presents. We agree that 21<sup>st</sup> century colleges should

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<sup>1</sup> Royal Society of Edinburgh. 'Response to Sir Anton Muscatelli Review into Economic Impact of Scottish Universities'. 2019. URL: <https://www.rse.org.uk/advice-papers/response-to-sir-anton-muscatelli-review-into-economic-impact-of-scottish-universities/>

<sup>2</sup> Royal Society of Edinburgh. 'What Lies Beyond? Post-COVID-19 Commission formed by the RSE to support a positive future'. 2020. URL: <https://www.rse.org.uk/what-lies-beyond-post-covid-19-commission-formed-rse-support-positive-future/>

<sup>3</sup> Royal Society of Edinburgh. 'Review of Economic Impact of Scotland's Colleges'. 2019. URL: <https://www.rse.org.uk/advice-papers/review-of-economic-impact-of-scotland-s-colleges/>



provide world-class lifetime learning, training, and high-quality employer support, in conjunction with equipping individuals with the skills they need to be successful in life and work. We believe that education and skills provision of '21<sup>st</sup> century colleges' should facilitate interdisciplinary learning (IDL). Our work in this area has demonstrated the importance and value of IDL to developing ways of thinking and working that help address contemporary societal challenges such as climate change and sustainability<sup>4</sup>.

The core curriculum of colleges and the qualifications that they offer are of critical value to the economy through the skills acquired by their students. It will also be vital to recognise that employment tasks and working patterns are and will continue to change rapidly, making it necessary to develop the right blend of skills, knowledge and practical application for the future workforce. Therefore, we would recommend that the provision is demand-led to encourage colleges to understand and meet the current and future needs of employers.

While we agree that 21<sup>st</sup> century colleges also have a vital role in addressing societal issues such as inequalities, the report fails to convincingly illustrate what colleges themselves can do, specifically, to tackle these issues and provide solutions. Instead, the majority of recommendations are directed at the Scottish Government and its agencies. While colleges should be encouraged to explore interventions and initiatives that can help to address these issues, we acknowledge that given the complexities involved, they cannot be solved by colleges alone. This will require the establishment of a coherent tertiary system that is aimed at providing a variety of pathways into learning and work, which will address the key societal challenges that have been brought further into the spotlight by the pandemic.

## **RSE views on the Report's Recommendations**

### *Recommendation One*

As the report suggests, lifelong learning through reskilling and upskilling will be a key concept of 21<sup>st</sup> century colleges and this will be crucially important in the post-pandemic recovery. In our initial response to the review, we highlighted the role of colleges in responding to the 2008 financial crisis, in which they helped reduce youth unemployment through prioritising full-time course provision for 16-24-year olds. Responding to the current context and the impact of the pandemic will require re-visiting priorities. There will still be a need for funding of college provision to be diversified in the longer term to meet and stimulate demand for lifelong learning.

Prior to the launch of the report, colleges were facing significant financial challenges as highlighted by the 2019 report by Audit Scotland, which indicated that 12 of the 26 colleges were forecasting financial deficits<sup>5</sup>. Unequivocally, the pandemic has increased financial pressures on colleges. The report highlights the uncertain financial position that colleges are in and compares the current balance of SFC 'strategic' and 'core' funding between colleges and universities and recommends that the allocation of funding is rebalanced appropriately for the current landscape. Rather than presenting funding as a trade-off between budget allocations for colleges and universities, a comprehensive review of funding for the whole tertiary education system is needed. This should be based on a coherent and shared long-term vision of the tertiary education system, developed by the Scottish Government in partnership with the tertiary sector, business and extended stakeholders.

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<sup>4</sup> Royal Society of Edinburgh. 'Embedding Interdisciplinary Learning in Scottish Schools'. 2020. URL: [https://www.rse.org.uk/wp-content/uploads/2020/02/RSE\\_IDL\\_February2020.pdf](https://www.rse.org.uk/wp-content/uploads/2020/02/RSE_IDL_February2020.pdf)

<sup>5</sup> Audit Scotland. 'Scotland's Colleges 2019'. 2019. URL: [https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr\\_190604\\_scotlands\\_colleges.pdf](https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr_190604_scotlands_colleges.pdf)



We note that current ONS classification of Scottish colleges as public bodies restricts their ability to generate non-government income, including from commercial activity and long-term partnerships with no ability to create reserves or borrow. We support the recommendation to revisit the ONS classification of Scottish colleges which is arguably now more important as colleges look to generate other sources of income to deal with increasing financial pressures.

We welcome the analysis of the governance arrangements for the sector, and the recommendations to improve certain aspects, such as outcome agreements. The RSE supports the outcome agreement model in principle, as this provides public accountability for the use of public funds, and helps balance the interests of the major funder (the Scottish Government via its letter of guidance to the Scottish Funding Council (SFC)) with the interests of colleges and the communities they serve (which include regional factors, student and employer demand and the strategic direction of the college). However, the model has become overly bureaucratic and cumbersome for colleges to administer. We agree that it should be reviewed and reformed so that new agreements are focused on outcomes rather than specific activity. Outcome agreements could then be paired with other methods of evaluation to measure the impact of colleges. Such evaluation could include surveying businesses with whom colleges have relationships, measuring the number of sustained relationships colleges have with businesses, and analysing local labour market statistics.

### *Recommendation Two*

Business engagement is important to colleges, particularly for them to be demand-led so that they can enhance the provision of skills which are crucial to improving business productivity. Therefore, it is welcomed that the report places significant emphasis on business engagement and presents recommendations on how to develop this. While colleges already engage significantly with businesses, the recommendations make clear that improvements are still needed. Since the release of the report, further reports and commentary have highlighted the challenge of public sector-business engagement. The recent report from the Scottish Government's Economic Recovery Group, Chaired by Benny Higgins, highlighted that Scottish Government mechanisms for business engagement are not entirely effective, and this has adversely impacted business engagement across all levels of government<sup>6</sup>. It is clear that a step change in business engagement is necessary and that new approaches whether from the top down or bottom up should be explored. We would expect that this would embed a 'Team Scotland' approach and involve national bodies such as colleges and universities.

Nonetheless, colleges will still rely on their own separate methods of engagement with regional businesses and employers, therefore a bottom up approach is also required. A key element of business engagement by colleges is through their students, primarily through apprenticeship programmes which help create direct links between colleges and businesses. Apprenticeships are a core function of colleges but also provide added value in improving connections with businesses and illustrate the value of colleges to industry. Therefore, efforts to improve and expand apprenticeships are supported. This is likely to be particularly important in the post COVID-19 environment. Additionally, we agree that initiatives such as the Flexible Workforce Development Fund (FWDF) should be expanded, as this has helped improve relationships with businesses and supported colleges in meeting the demands of businesses. However, as stated in our initial response to the review, the transparency, effectiveness of, and returns for business from the FWDF should be evaluated and compared with the application of the apprenticeship levy in other

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<sup>6</sup> Scottish Government, Economic Recovery Advisory Group. 'Towards a Robust, Resilient Wellbeing Economy for Scotland: Report of the Advisory Group on Economic Recovery'. 2020. URL: <https://www.gov.scot/publications/towards-robust-resilient-wellbeing-economy-scotland-report-advisory-group-economic-recovery/>



parts of the UK. Close attention should be paid to the impact on those employers with cross-border business interests.

Another element of how colleges can engage with businesses, which is not mentioned in the report and is significantly underutilised, is the college alumni. The alumni population is vast and is a potentially valuable resource to improve colleges' business engagement and growth. The alumni consist of thousands of people who can often be business owners or persons of influence who are passionate about the positive impact the sector has had on their careers. Colleges should be encouraged to build on these existing links to business as they provide relatively easy and useful ways to build long-term partnerships and support.

The report places importance on changes in college courses and presents recommendations for the SQA and SFC to consider. While some of these recommendations can be supported such as the linking of traditional SQA qualifications with professional qualifications, the RSE is of the view that other recommendations, including accreditation of their own qualifications need further consideration. For instance, while we support exploring different forms of degree provision over different timescales, the proposal for two-year college degrees could result in unintended consequences, such as reducing the perceived value of degrees and confusing employers. There is potentially greater benefit to be gained in the short term by colleges focusing on the good work that is currently being done such as the two-plus-two and the one-plus-three-year degree models which are being delivered jointly between colleges and universities.

The report highlights the ambition of colleges to engage internationally. While these aspirations are admirable, more consideration needs to be given to the rationale, the challenges and the added value this could bring. Existing international connections are heavily dominated by the larger colleges and this is predominantly limited to certain aspects, such as recruitment. At present international engagement by colleges is based on their own interests and decisions rather than a sector-wide strategy. This is an area that would benefit from further consideration. For example, should there be a more strategic, sector-wide approach to colleges' international ambitions, including the potential for collaborating with universities and others.

### *Recommendation Three*

The RSE agrees that the funding model for colleges needs revision, but this should emerge from a strategic vision and an overall plan which develops a coherent tertiary education system. This plan should include incentives and mechanisms for collaboration and co-funding between colleges and universities, as well as focusing on increasing the accessibility to tertiary education from areas of disadvantage. This is an area that clearly will have to be addressed as part of the Scottish Government's pandemic recovery plan, and could be considered as part of the SFC's review of the future delivery and funding of college and university provision.<sup>7</sup> The RSE looks forward to engaging in the review over the coming months, including making connections with our Tertiary Education Future's work.

It should be recognised that a new funding model will not provide all of the solutions to all of the issues raised in the Cumberland-Little report. Colleges need to be encouraged to review what they themselves can do differently or better, not only in responding to the post-COVID-19 landscape, but by working more proactively, cost-effectively and collaboratively to realise the full potential of the positive contribution that they can make to the lives of their students, the economy and society more generally.

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<sup>7</sup> Scottish Funding Council. 'SFC's Review of Coherent Provision and Sustainability.' 2020. URL: [http://www.sfc.ac.uk/web/FILES/Review/Review\\_Briefing\\_Note\\_June\\_2020.pdf](http://www.sfc.ac.uk/web/FILES/Review/Review_Briefing_Note_June_2020.pdf)



Looking ahead, the RSE agrees that maximising technological investment will be critical to creating a networked system of provision across colleges, and universities. The report highlights the innovative approaches taken by some colleges in rural areas, including the 'hub' approach. These approaches have provided solutions to the challenges posed in rural communities, helping connect people with colleges through remote learning. As a result of the pandemic this approach is likely to be expanded and at an enhanced pace to ensure colleges can reach all students at a time when potential public health restrictions could limit direct student engagement. Therefore, it is important that the whole tertiary education system should be collaborating to deliver bespoke, innovative methods of learning for all students.

## Concluding Comments

The pandemic has brought to the fore many of the issues, opportunities and challenges that the report identified. The RSE supports a whole system approach in responding to many of the issues that were highlighted and those that have been created by the current crisis. The RSE's project on Tertiary Education Futures aims to stimulate and support a wide-reaching debate about the future of tertiary education, generating new insights and ideas to inform future policy and practice. Through that initiative and the work of our Post-COVID-19 Futures Commission, the RSE looks forward to further engagement with the sector, Scottish Government, and its agencies.

Yours Sincerely,



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Convenor of the RSE Education Committee



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Deputy Convenor of the RSE Economy and Enterprise  
Committee

CC'd

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