

Chair's Report

Purpose

1. This paper provides Council with a report from the Chair on his key external engagements and other relevant business.

Key External Engagements

Meetings of the Enterprise and Skills Strategic Board

2. The meeting of the ESSB in December included an update on the SFC Review. It also covered skills alignment, innovation and an update on the mission groups. SFC is actively involved in several specific initiatives that support skills alignment and economic recovery: Young Person's Guarantee, National Transition Training Fund, Flexible Workforce Development Fund, Developing the Young Workforce, and Upskilling funding for universities. On innovation, SFC continues to make the case that the Research Excellence Grant has a wider purpose than innovation. It can be considered as part of the pipeline of innovation but it is not designed for that purpose only. On the Mission Groups, SFC is represented by James Dunphy on the Future Skills Group and we have an active interest in the Business Models and Workplace Innovation Group. We have committed to working with the Scottish Government and SDS to define better the work around skills alignment.
3. The ESSB Strategy day, originally scheduled for late January, has been rescheduled for end of March.

Joint Ministerial Meetings with SDS

4. Two meetings have taken place with SDS Chair, Frank Mitchell, and Ministers Richard Lochhead and Jamie Hepburn to discuss skills alignment and specifically the request from the Deputy First Minister that SFC lead on the delivery of embedding FA and GA provision within core FE and HE funding.
5. The meetings confirmed the continued support of Scottish Ministers for SFC to deliver FAs and GAs within core funding, while SFC made a commitment to maintain delivery levels in 2021-22 at the same level as in this current academic year.

6. These meetings also provided opportunities to highlight budgetary pressures for colleges and universities and have complemented additional Scottish Government engagement on the 2021-22 budget.

SFC Ministerial Liaison Meetings

7. Two Ministerial Liaison meetings have taken place since the last Board meeting. At both meetings the main focus was on the 2021-22 budget and on arrangements for Term 2 across universities and colleges.
8. Budget pressures across both sectors were identified and discussed in detail to feed into the budget planning process. At the more recent meeting the Minister was also provided with the most up to date financial analysis of the university sector's financial forecasts, including information on the loss of income associated with lost accommodation income.
9. The Minister has also been particularly interested to hear about the implications of a prolonged lockdown and about the quality of online learning. We shared the concerns of both sectors about the impact on progression and achievement of this year's cohort and the potential impact on the coming academic year. The Minister has now announced the establishment of a Task Force that will look at how students can be further helped now and in the future. This follows on from the announcement of an additional £20m student hardship funding.

Risk assessment

10. The content of this paper does not change the analysis of risk contained in the Council's Risk Register.

Recommendations

11. The Council is invited to note the content of this report.

Financial implications

12. There are no direct financial implications associated with this paper.

Publication

13. This paper will be published on the Council's website.

Further information

14. Contact: Mike Cantlay (chair@sfc.ac.uk).