

SEAL Committee Policy Update

Purpose

1. This paper provides the SEAL Committee with an update on key areas of policy that underpin the work being undertaken within the Access, Learning and Outcomes Directorate, as well as reform activity being undertaken by Scottish Government.

Policy area: Work-Based Learning and Skills

Scottish Government led reform activity

2. Following the SFC Review publication in July 2021, Scottish Government took forward our recommendation to develop a vision and set out strategic direction for colleges and universities. This has evolved into a creating a purpose and principles (P&P) for the whole post-school education, research and skills system.
3. Since this work was originally proposed in our Review, the scope has evolved considerably, as has the context in which the P&P will be published. SFC continue to engage with Scottish Government on this reform activity. The timescales are as follows:

Review	Review focus	Publication
James Withers' independent review of the skills delivery landscape	It will focus on the skills functions of Scotland's national bodies including SDS and SFC, including the design, delivery of apprenticeship programmes, regional and sectoral skills planning, and employer engagement.	The final report is due with the Minister for Higher Education, Further Education by the end of May 2023.
Professor Hayward's Independent Review of Qualifications and Assessment	It will focus on review of qualifications and assessment in the senior phase, that learners have an enhanced and equal opportunity to demonstrate the width, depth and relevance of their learning.	The final report is due with the Cabinet Secretary for Education and Skills by the end of May 2023.
National Discussion on Education led by Professor Carol Campbell and Professor Alma Harris	This was an opportunity for young people, parents, carers and educators to give their views about what the education system should look like for the next 20 years.	The Call to Action and a vision with short, medium and long-term aims is due in the Spring 2023.
Scottish Government's Purpose and Principles for post-school education, skills and research.	This will encapsulate the recommendations and activities from the other reviews.	The publication is due by the end of June 2023.

4. A draft of the P&P was published in December. SFC issued an organisational response with feedback including:
 - The principles could better articulate the policy priorities of SG, providing a clearer framework for decision-making by SFC, and the wider system, in a tight fiscal environment.
 - Scottish Government could articulate the vision for change and, the role of SG and its agencies in creating a facilitating environment for that change.
 - The P&P could be more closely and explicitly aligned to the National Performance Framework, in particular the vision for the education system.
 - We strongly suggest a separate research and innovation focused principle as well as a principle that is globally focused, with key messages Scottish Government want to deliver in both of these areas.
 - SFC should be recognised as working with and for ministers as an NDPB to deliver and operationalise policy. We have statutory duties, and developed principles behind our Assurance and Accountability Approach, our funding and governance arrangements, and change and improvement activity.
5. For the SFC, the P&P will underpin the future decisions that Ministers take that impact on post-school education, research and skills. The P&P will be reflected in Ministerial letters of guidance and policy direction moving forward. As SFC develops its National Impact Framework and Assurance and Accountability Approach, consideration will be given to how these align to Scottish Government policy.

Climate Emergency Skills Action Plan (CESAP)

6. The SFC executive have previously made the SEAL Committee aware that the Scottish government intend to update the Climate Emergency Skills Action Plan (CESAP) alongside its Climate Change Plan. The Climate Change Plan details legally binding targets to cut Scotland's greenhouse gas emissions by 75% by 2030 (compared with 1990) and to net zero by 2045. COVID-19 has not changed this ambition, but the UK Climate Change Committee's assessment of progress made towards this goal, on behalf of the Scottish Parliament, have concluded in December 2022 that Scotland is at risk of missing vital targets and that they, in effect, could become meaningless.
7. The CESAP, first published by SDS in December 2020, created a useful framework for public sector agencies to interact and engage with each other. An Implementation Steering Group (ISG) was set up and met quarterly, with an independent chair, Professor Dave Reay, who heads the Climate Change Institute at Edinburgh University. A number of subgroups have been identified and formed who support the sectoral implementation of the CESAP in its key priority areas, for example, Energy Transition, Heat Decarbonisation, Transport, Advanced Manufacturing and Agriculture and Land Use. An Education subgroup has also been formed, which the SFC executive have been chairing in its initial year of existence. The subgroups do not cover all sectors that are critical to Scotland's transition to net zero and this approach is currently being reviewed.

8. In order to support the CESAP Update, the Skills team in Scottish government have organised an initial workshop with the CESAP ISG on 2 May 2023. There was good discussion and high engagement around the update and how we best move forward. Participants recognised that that CESAP is well positioned within the NSET Skills Workforce Programme, the P&P Framework and within current review of the Skills Landscape.
9. In addition to setting out progress since CESAP, the Update is an opportunity to set out the steps needed to adapt the skills and education system so it is more agile and responsive to our green economy ambitions, alongside our other NSET goals. As part of this:
 - Skills support for the priority sectors that are critical to making a transition to a green economy, including the role that employers need to play.
 - Consideration of the existing CESAP actions, including the Green Jobs Workforce Academy.
 - Enhanced governance arrangements to support alignment between skills and economic development across the key sectors.
10. A wide range of views we expressed at the ISG workshop. Among them:
 - The need to bring the voice of employers more closely to the table and to ensure industry owns the problem and pathways to net zero.
 - An increased need to resource upskilling and retraining opportunities at all qualification levels, particularly for older age groups.
 - A far clearer identification of priority areas, roadmaps to achieving targets and appropriate and adequate levels of investment by the Scottish and the UK governments.
11. SG will publish further details on the consultation of the CESAP update and are also progressing other major pieces of legislation that have an impact on achieving the 2030 targets, such as on Transport, Agriculture and the Environment, as well as the Circular Economy Bill. The Scottish government intend to publish the CESAP update alongside the revised Climate Change Plan by the end of 2023. The SFC executive is highly engaged in all aspects of this process and will report to the Committee on progress at the September meeting of SEAL.

Foundation and Graduate Apprenticeships

12. The provision of Foundation Apprenticeships (FAs) and Graduate Apprenticeship (GAs) remain a ministerial priority. We successfully developed and implemented a funding methodology with Finance and Funding colleagues to safeguard and secure 2,500 FA opportunities and 1,378 GA places for AY2022-23 however the methodology adopted was not sustainable in the current economic climate.
13. In AY 2023-24 the intention is to embed FAs and GAs into core funding and we have

engaged with the sector to socialise the intent. Indicative allocations were published in April 2023 and subsequent engagement with institutions to determine capacity to deliver in 2023-24 have helped to inform final allocations in May.

14. Graduate Apprenticeships have been fully embedded in SFC's accountability. The SG's strategic intent was for all FAs to be embedded in SFC's accountability and college delivery however the review of the skills delivery landscape will inform aspirations for future delivery of FAs.
15. At the time of writing Skills Development Scotland has committed to continuing to fund travel costs for new and continuing Level 6 FA students in 2023-24 however they have initiated a review of the process given the significant budgetary pressures and introduction of the Young Persons' Free Bus Travel scheme. The review findings are due by the end of May 2023.

SG Funded Upskilling and Reskilling Programmes

16. AY 2022-23 has been a challenging fiscal environment with funding for Young Persons Guarantee (YPG) and Flexible Workforce Development Fund (FWDF) threatened through the Emergency Budget Review. Our work with SG secured a reduced FWDF funding contribution and ensured we could allocate £10m to colleges. To date £9.8m has been allocated to employers to provide upskilling and reskilling support with 448 employers on waiting lists.
17. For YPG we allocated £3.4m to colleges. Responding to feedback from colleges we altered our allocation model for 2022-23 to provide greater flexibility in our allocation model funding on a grant award basis rather than credit funding.
18. Despite the challenging timescales for delivery – funding was not confirmed until January 2023 – both programmes are having a positive impact on the intended recipients.

WorldSkills UK

19. WorldSkills UK is funded primarily through the DfE FE budget, via the Education and Skills Funding Agency, and other investors and sponsors such as the learned societies, key industry partners, FE colleges and the devolved administrations of Wales and Northern Ireland. Scotland has not contributed financially to WorldSkills UK however colleges have benefitted substantially from participation – over 300 Scottish Students participated in the last AY. Colleges gain lecturers with updated skills and knowledge through continuous CLPL, students benefit from being exposed to leading edge training methodologies and international standards which leads to increased employability and ultimately employers' benefit by recruiting highly skilled employees. To date, the DfE's financial contribution has supported the engagement of Scottish students in international competitions.
20. This inequitable funding situation combined with challenging economic conditions led to the DfE engaging with all the devolved nations to seek a more equitable financial contribution whilst reducing their funding input. Despite prolonged engagement with

Scottish Government funding was not forthcoming and the other partners and the Board of WorldSkills UK suggested that Scotland be removed as a partner and access to competition and CLPL opportunities be restricted from end of March 2023.

21. Whilst we acknowledge that funding for WorldSkills should be an SG consideration comparable to other UK nations, SFC agreed to fund the WorldSkills membership for one year only to safeguard Scottish students and colleges entry to World Skills for 2023-24. This will enable the sector, guided by us and WorldSkills, to find a sustainable funding model for future years.
22. Given the budgetary challenges and previous discussions with SG it was agreed that we could not fund this proposal without seeking savings from other college strategic and infrastructure (non-core) investments. Colleges Scotland were supportive of this approach.

Policy Area: Coherent Learning Provision

Tertiary Provision Pathfinders

23. Since the last update to the Committee work has progressed across all four work packages of the Tertiary Provision Pathfinders. The seven Pathfinder Regional Pilot projects endorsed by the Regional Delivery Boards (RDBs) between September and December 2022 moved into the development and testing phase with delivery of new course provision and pathways expected from August 2023 onwards.
24. The Pathfinder data and analysis work completed and published in December 2022 ([Regional Pathfinders – Data and Analysis Summary Report](#)). The output included reporting and analysis of education and skills provision across the North East and South of Scotland and how this has changed over time, in response to the needs of learners and the economy.
25. A current focus of our work on evaluating and capturing the learning to date exploring how partnership, leadership, employer engagement, use of data and evidence contribute to the identification of, and response to, regional priority skills needs and improved regional planning. Our approach to this early evaluation and reflection included meeting with pilot project leads and RDB members. Emergent learning from this work was shared with the National Advisory Board (NAB) at the meeting on 28 March 2023. To provide insight, support our work on evaluation and monitor the work of the pilot projects – SFC attends the project working groups of the pilots.
26. SFC has introduced the Improvement Journey as a tool to help frame and evaluate the Pathfinder work to-date; and a framework to understand provision planning - the six lenses of Coherent Learning Provision, (details of both can be found in **Annex A**). The next phase of work will involve further development and application of the improvement journey tool and the 'six lenses' to understand the challenges for our education and skills providers more widely and implications for other SFC functions including accountability and funding.
27. The work on curriculum planning in colleges and universities (Process Analysis strand) of

the programme has compiled case studies of skills planning provided by two expert groups, which are being curated along with process diagrams which will be tested with partners. Learning from this strand will be compiled into a report by Summer 2023.

Health

28. Work on the Joint Action plan with NHS Education for Scotland is progressing, with a focus on addressing key themes such as developing clearer and attractive career pathways into health and social care careers and developing guidance and policy on work-based learning. We are sharing information and issues which have been raised at regional health and social care huddles (which bring together colleges, universities, Local authorities, and territorial health boards) or by college and university providers. The 2023-24 Joint Action Plan will be discussed and agreed by the CEOs at their meeting on 28 June and will be published soon after. Other activities include providing advice to Scottish Government Health and social care department on options to increase the number of applicants to medicine and developing some of the options further and engagement with universities on recruitment and retention in relation to nursing and midwifery provision.

Policy Area: Assurance and Outcomes

Outcomes Agreements 2023-24

29. There is a separate paper on Outcome Agreements which covers this update.

Common approach to quality assurance and enhancement

30. The Tertiary Quality Steering Group met on 24 April and discussed the following matters:
 - Draft communications plan.
 - Update on workstreams progress, with a particular focus on workstreams 3 (Strengthening institutional monitoring, self-evaluation and reporting on quality), 4 (Student learning experience and student partnership models) and 5 (Tertiary sector enhancement activity).
 - Update on commissioning the common approach.
 - Discussion paper on getting the balance right for external review between assurance, improvement and enhancement.
 - Data and evidence to support the common approach.
31. Next key steps for the project are:
 - Delivery of the workstreams (including workstreams 1 [Shaping the common approach: management of co-creation and integration of workstreams] and 2 [Using data and evidence to understand, evaluate and improve student outcomes]).

- Commissioning the development of the external review method from the Quality Assurance Approach, working with Education Scotland to ensure its expertise and knowledge re the college sector is captured and informs the common approach.
- The next steering group meeting expected to be in June.

UK level quality engagement

32. We previously reported to SEAL that the European Quality Assurance Register for Higher Education (EQAR) has confirmed (07/12/2022) its decision that the UK, as a whole, is no longer compliant with European Standards and Guidelines (ESG) for quality assurance. The decision is because, under the English regulatory system, higher education institutions are not subject to regular external quality assurance by an EQAR-registered agency. EQAR has now formally recognised that the non-compliance with the ESG is due to the revised approach to external quality assurance in England and have separated out the four nations of the UK in considering and recording compliance with the ESG. Consequently, each nation is shown with the appropriate RAG rating on the map – [Scotland is 'green'](#), as appropriate to the strength of quality arrangements and compliance with the ESG.
33. SFC is also working closely with Scottish Government to explore separate Scottish membership of EQAR. Scotland is currently represented through DfE International but could seek separate membership in addition.

College governance review

34. The college governance review continues to be on hold for time being.

College performance indicator project

35. The College Performance Indicator (PI) project is now exploring questions about whether we are formulating the college performance indicators (PIs) in the most appropriate way including:
- How and why do the PIs differ from those utilised to understand universities; is there merit in considering a more similar approach and, if so, in what circumstances?
 - What does a partial success PI tell us and should we be considering this in a different way?
 - What is the most appropriate way to measure successful outcomes for learners in colleges (including the assigned colleges)?
36. Once SFC has developed its thinking and refined the questions, we will look to engage with colleges to test our thinking and enhance our understanding.

Fair work

37. As we are close to finalising the 2022-23 OAs, we are undertaking an analysis of the OA

content about Fair Work. This will be used to develop a paper setting out how institutions are approaching this key priority for Scottish Government and highlighting areas of good practice.

Assurance and accountability approach

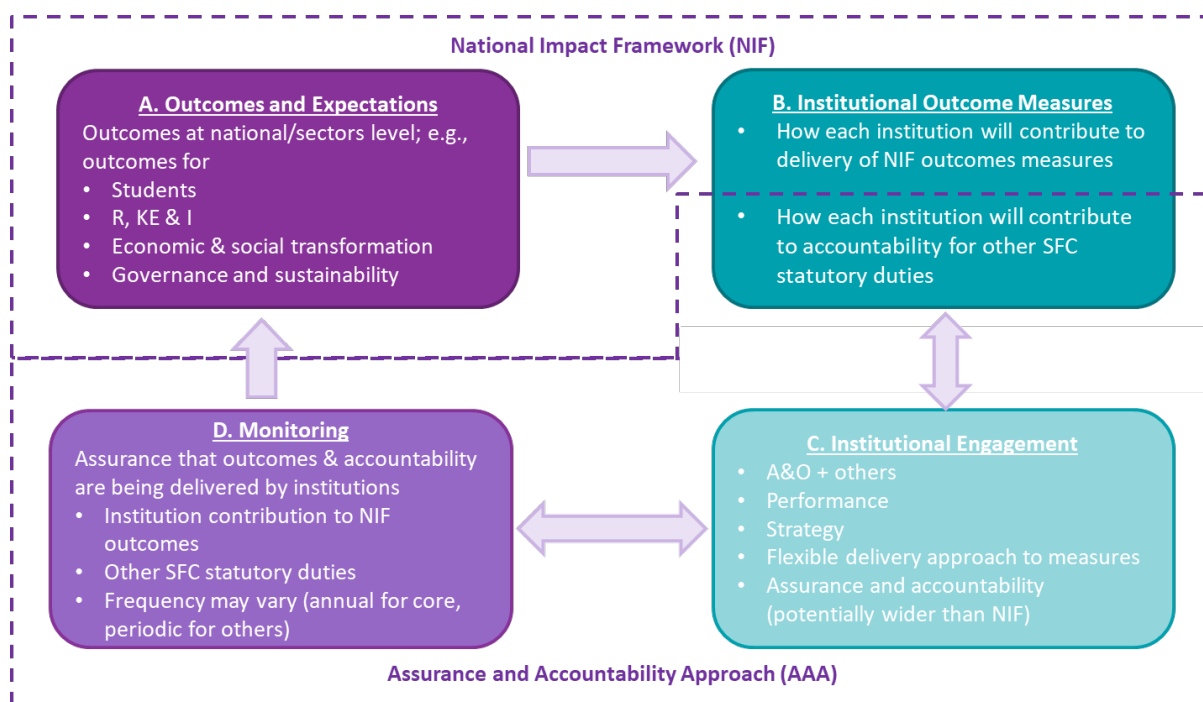
38. As detailed in our [Review of Coherent Provision and Sustainability](#), SFC will develop a National Impact Framework (NIF) and an associated Assurance and Accountability Approach (AAA). The NIF/AAA will replace the current OA process. This update provides a short summary of the project to develop the NIF/AAA, detailing how these projects will be developed and the workstreams aligned, and the broad timescales that we will work to.

Project Summary

<p>SFC will develop a National Impact Framework (NIF) to set out our expectations and outcomes for tertiary education and research for our investment and an Assurance and Accountability Approach (AAA) to evidence that these (and other SFC statutory duties) are being delivered.</p>		
<p>Strategic Priority: Develop a national impact framework and associated assurance and accountability mechanisms to align with the Scottish Government’s priorities for the sector and to better inform our decision-making and improve public value.</p>		
<p>Project Goals:</p>		
Clearer expectations for institutions and stakeholders	Improved assessment of sector outcomes and performance	Enhanced articulation of the impact of tertiary education and research
<p>Project outcomes:</p>		
<ol style="list-style-type: none"> 1. Establish clearer expectations, setting out the outcomes we want to see from the sector and how we get assurance these are being delivered. 2. Better enable multi-year planning and strategic decision making. 3. Support and incentivise collaboration through the development of collective, sector-wide outcomes. 4. Right size accountability requirements and reduce bureaucracy across sectors funders and regulators. 5. Reduce reliance on ring-fenced funding and conditions of grant. 	<ol style="list-style-type: none"> 1. Clearer context for our assurance and accountability approach. 2. Our performance measures complement institutions’ own performance systems, self-assessment methods and quality frameworks. 3. Provide a clear focus on outcomes – distinguishing this from specific monitoring and conditions. 4. Help moderate and contextualise targets and performance measures. 	<ol style="list-style-type: none"> 1. Better enable the sector to demonstrate their impact in the round and over the longer term. 2. Clearer demonstration of the role of colleges and universities in providing for Scotland and against ministerial priorities including NSET. 3. Articulated sector contribution to Scotland’s National Performance Framework and UNs SDGs. 4. Clearer articulation of good practice. 5. Clearer accountability for funding and delivery of outcomes.

NIF/AAA Interaction

39. The key elements of the NIF and the AAA, and their points of interaction, are summarised in the following diagram.



Project Approach and Phases

40. The timescales for delivering the transitional 2023-24 Outcome Agreement approach and the development of the NIF/AAA are as follows:

Outcome Agreements for 2023-24	NIF/AAA from 2024-25	Timeline
Guidance issued for final year of interim OAs.	External engagement and further internal development of NIF/AAA Model.	Apr 23 – Sep 23
2023-24 OAs submitted and published.	Finalisation of NIF-AAA model and publication of national Outcomes and Expectations.	Oct 23 – Jan 24
	Implementation of NIF-AAA. Development of MoUs between SFC and other funders/regulators where sharing assurance information. Agreement of Institutional Outcome Measures for 2024-25.	Feb 24 – Jul 24

Policy Area: Student Interests, Access and Pathways

41. This policy area is covered as a major item on the agenda but updates on some key additional areas are provided below.

Progress on the Commission on Widening Access

42. There has been success in achieving the Commission on Widening access (COWA) 2021 sector SIMD20 16% interim target set by the Commission in 2016. The new First Minister and Cabinet Secretary have explicitly re-stated the Scottish Government commitment to delivery of the next interim sector target of 18% by 2026. SFC senior management team have been considering the potential next steps to enable the SFC and the sector to deliver the COWA targets.
43. The Scottish Government have established a Short-Life Working Group on access data to determine whether specific indicators could be used alongside the Scottish Index of Multiple Deprivation (SIMD) as part of a 'basket of measures' to identify deprivation. Two SFC representatives (one member of staff from PIA analytical team and one member from Student Interests, Access and Pathways team) were invited to join membership of the SLWG. There have been three meetings to date with the intention that Scottish Government officials report the output of this work to the Ministerial Access Delivery Group in the autumn.

Counsellor funding

44. The SFC have been made aware that funding for Mental Health Counsellors has been released within Scottish Government. A letter is currently being prepared for the CEO in relation to the transfer of funds to the SFC and will confirm the total amount of funding available. It is expected the funding will be the same as last year. Guidance will be distributed to Colleges and Universities once the letter has been received.
45. The Scottish Government made a 2021 manifesto commitment to develop a Student Mental Health Action Plan and the SFC will be supporting this. The Action Plan is planned for publication in Spring 2023. It will link with wider Scottish Government work including the Suicide Prevention Strategy and wider Scottish Government Mental Health Strategy and will try and tap into existing Scottish Government funding streams to support the work.

Recommendations

46. The SEAL Committee is invited to note the contents of this paper.

Publication

47. This paper will be published on the SFC website.

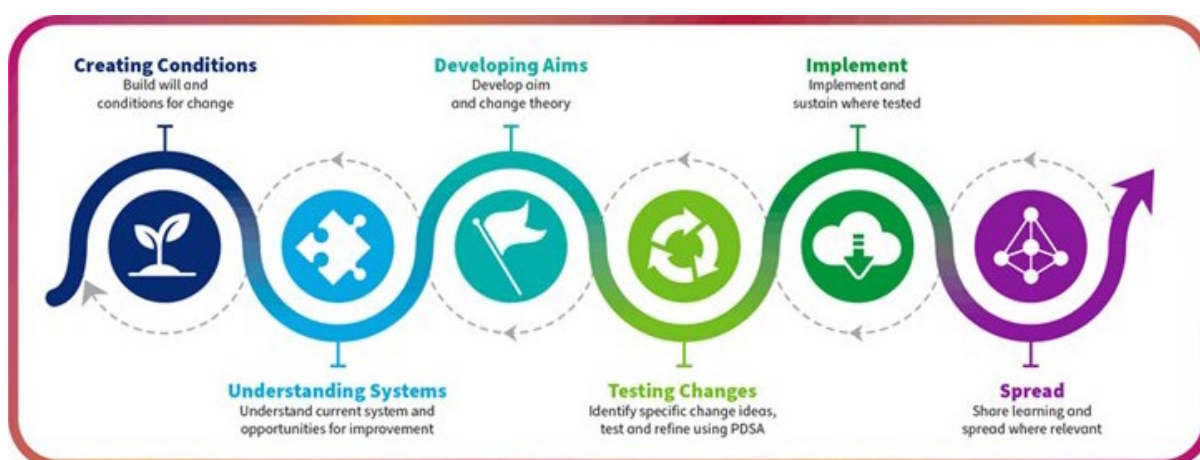
Further information

48. Contact: André Reibig, Senior Policy Officer, areibig@sfc.ac.uk

Annex A

Tertiary Pathfinders: The Improvement Journey and Six Lenses

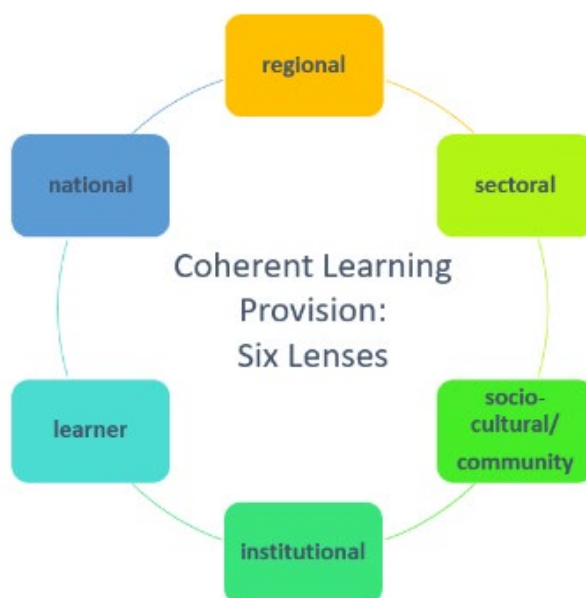
1. Through the early reflection process, we have used the [NHS Education Scotland \(NES\) Quality Improvement Journey](#) as a helpful and relevant tool to explore our learning from the Pathfinder work; introducing it as an organising framework at the meetings of the Regional Delivery Boards (RDBs), cross-region workshop with Pilot Project Leads, National Advisory Board and other fora. The improvement journey is supporting our understanding of system change within the Pathfinder regions, framing our learning and has proved helpful in providing a sense of trajectory to our work.



2. Discussions with the RDBs and Project Leads focused on the first three areas of the improvement journey shown in the diagram above. Future sessions will look at the full journey as the work to deliver pilot projects develops.
3. Creating conditions for successful improvement has seen SFC and partners consciously ensuring that approaches and ways of working required for collaborative partnerships are being developed and maintained in each region, to allow for the greatest impact for the Pathfinder work. Given the range of partners, interests, and differences in each regional context, will and commitment to shared aims are key to the success of the work.
4. Understanding systems is key to ensuring a common understanding of the improvements and changes required for system improvement and the processes and approaches which will lead to coherent learning provision in priority areas and improve outcomes for learners. Using data, insights, experience and evidence, regional partners are working together to understand how planning processes connect/disconnect and where collaboration and coordinated activity could deliver regional benefits. For example, this includes looking at areas such as institutional approaches to curriculum planning, wider system approaches to career guidance and the senior phase activity.
5. Developing aims is concerned with clearly describing the improvements the teams are working towards. In the context of the Pathfinder work this has meant articulating a small number of shared regional priorities and translating these into pilot projects which the RDBs have determined will lead to impactful change.

Understanding Six Lenses of Coherent Provision Planning

- The six interdependent lenses of Coherent Learning Provision are being iteratively developed through Pathfinder work and used with partners to understand the drivers for Coherent Learning Provision. They help us to explore what coherent provision might look like in different contexts and provide an opportunity to recognise and discuss the inherent tensions within the education and skills system when determining provision.



- The descriptions below represent our thinking at this point:

Defining the lenses – with recognition of overlaps

National	<ul style="list-style-type: none"> Provision in subjects at all levels is available somewhere in Scotland. National priorities for the provision of learning and research opportunities are met. Impactful continuation to national recovery.
Regional	<ul style="list-style-type: none"> Regional employer involvement. New approaches to skills and provision planning to meet regional need.
Sectoral	<ul style="list-style-type: none"> Coherent planning for key sectors of the economy and public services Sectoral curriculum planning which makes sense at an institutional level
Socio-cultural / community	<ul style="list-style-type: none"> Socio-cultural role of learning provision – thriving communities Community wealth building 20-minute neighbourhoods Anchor institutions Place-based approaches

Institutional	<ul style="list-style-type: none">• Institutional sustainability• Staff as stakeholders• Tertiary sector development• Schools, colleges, and universities as partners and providers
Learner	<ul style="list-style-type: none">• Clarity of opportunity for learners of all ages and stages• Clear, unbroken pathways• A voice in quality and planning