



BELL College

A HIGHER EDUCATION INSTITUTION

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Your reference:

Our reference:

KMACC/LSC

Date:

12 July 2004

Merger of the Funding Councils Team
Enterprise Transport & Lifelong Learning Department
2nd Floor, Europa Building
450 Argyle Street
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College Mission Statement

To provide high quality education, training and advice at Higher Education level by a variety of modes and in a range of disciplines to cater for local, regional, national and international needs and in support of the economic development of Lanarkshire, South West Scotland and beyond.

Dear Sirs

Scottish Executive Consultation on Merger of SHEFC and SFEFC

Please find enclosed our response to the above consultation.

Yours faithfully

Dr Kenneth J MacCallum
Principal



Member of
Universities
Scotland



Bell College is registered under the name Bell College of Technology. Its registered office is at the Hamilton Campus.

Scottish Charity
No. SC021179

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K J MacCallum BSc PhD CEng

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A CHANGING LANDSCAPE FOR TERTIARY EDUCATION AND RESEARCH IN SCOTLAND

CONSULTATION ON THE MERGER OF SFEFC AND SHEFC

CONTRIBUTION FROM BELL COLLEGE

12 July 2004

Bell College welcomes the opportunity to contribute to the consultation on the merger of the SFEFC and the SHEFC. This institutional submission is primarily concerned with aspects of the proposals which are of relevance to the College. In addition to this submission, Bell has been party to and supports the submission from Universities Scotland.

The response to the consultation is based on two documents: the Scottish Executive Consultation Paper of April 2004 which presents the intent of and thinking behind the merger, and the draft Bill which would define the legislation for the merged Council. The College also attended one of the Scottish Executive consultation meetings.

The Consultation Paper presents a number of key drivers for the legislation:

- Establishing greater parity of esteem (or parity of value) between further and higher education. The concept of parity of esteem is not fully explained but would seem to suggest that one sector is somehow inferior to the other rather than just different.
- Ensuring the FE and HE sectors respond to the priorities of the Government. Specifically there is an expressed desire to focus on skills (and knowledge) needs, although there is clear room for other priorities to be addressed.
- Bringing together the two separate sectors in a way which appears to give greater coherence in the post-school education sector and better supports lifelong learning.
- Creating a legislative framework that enables the development of post-school education in the future while linking it with the impact on Scotland's prosperity.
- Achieving improved value for money in Scotland's investment in post-school education through improved operation of the Funding Council as well as achieving good value for money in each sector.

In responding to these drivers we suggest that the following principles are adopted:

- The missions of the FE and HE sectors should remain distinct and different. This principle should be fundamental to the formulation of the

new Bill. It impacts on the descriptions and roles of the two sectors, and in particular it relates "esteem" to the value accorded to each mission rather than to some perceived hierarchical positioning between the sectors.

- Diversity across institutions is a vital characteristic for both the HE sector and the FE sector. The strength of both sectors is their ability to respond to their missions, markets and funding regimes in an individual way. The Funding Council should support diversity by creating a funding regime which encourages individual initiatives within agreed priorities and government guidance.
- There should be a clear policy divide between HE funding and FE funding following the distinct missions of the two sectors. While this could allow the standardisation of funding by level, it should not encourage mission drift within institutions. The challenge is to ensure that lifelong learning is supported by encouraging natural progression routes through qualification levels and where needed across types of learning. A key strength of Bell College is the structure of its progression qualifications with bridging between types of learning being provided where needed. The College demonstrates that it is possible for an HE institution to support lifelong learning by offering a structure of learning with corresponding qualifications from sub-degree level up to degree level. This structure of delivery achieves coherence from the learner's point of view, but by its nature involves higher costs.
- Autonomy and independence of institutions is a key step to achieving an energetic and innovative sector. Strength in the sector appears when goals are set in the context of a clear vision, financial stability and structural opportunity. This approach achieves best value for money when a long-term view is taken.

There can be little doubt that specific advantages would derive from a merger of the two Councils as proposed. These include:

- Ability to achieve greater progress in articulation if driven by appropriate cross-sector funding models.
- Better application and direction of Strategic funds for cross-sector developments. While this is happening already it seems evident that having a single council will enable this to happen more efficiently and effectively.
- Ability to have funding frameworks for new models of tertiary education. We welcome references to Crichton in the consultation paper as an example. This same flexibility should be able to be used to give strong support to other models such as the multi-campus university being explored in the Bell/Paisley merger discussions.
- Better support for structural changes between sectors (eg cross sector merger) or sector transfer. During designation, Bell College was disadvantaged financially by missing out on funding initiatives for HE which were agreed in advance of the redesignation, and funding initiatives for FE which were agreed after redesignation. Hopefully a merger of the funding councils would assist any other institution through this type of structural change.

Based on the above arguments Bell College has concerns about the proposals as presently expressed:

- Structural – at present the two sectors have different relationships with the Executive through the two funding councils. This allows the individual strengths of the sectors and their contribution to Scotland to be retained and encouraged. Care should be taken to retain the different missions and roles played by the two sectors within the legislation.
- Categorisation – The proposals categorise the tertiary education providers into four. In particular the current HE sector is divided into two categories. This categorisation of HEIs is inappropriate and has the potential to create unnecessary divisions if the Council adopts differing policies. There is no case made for this proposal.
- Funding Models – the proposals allow the potential for changing the funding models for FE and HE. This in itself offers important opportunities, not least to move towards a shared view on funding levels. However care should be taken that this power does not result in a neutralising of the strengths of the different funding models to deliver the different agendas of the Executive. It will be important that the merged funding council is able to set different criteria for the two sectors and elect different funding models which would respond to Ministers' guidance.
- Autonomy – The independence of the HE institutions is a key factor in the high international reputation of the sector. Despite the reassurances given in the proposal paper, there would be concern at the powers to direct individual HEIs through the requirement to have "adequate" provision of education and research. While "adequate" can be interpreted as an obligation on Ministers to provide, it can also be interpreted as an invitation to unnecessary interference. The Scottish Executive should direct how they wish their resource to be prioritised, but should be careful not to create a body which gets involved in institutional level planning of the provision.
- Role – the new role of the Funding Council emphasises the link between tertiary education and economic development. This connection is vital. However care needs to be taken not to emphasise this to the exclusion of the broader role of building intellectual capacity and the wider contributions which HE makes to culture, to the arts, and to society, which are also needed for the future positioning of Scotland.
- Mission Drift – the legislation would seem to allow a straightforward route for an institution to transfer between sectors through a simple change in the category list. This could create confusion about the mission of an institution in either sector. Bell College is well aware of the current process of redesignation, and while for its own case it feels

that there were important challenges that could have been dealt with more smoothly, it would nonetheless argue that it is important to have clear criteria related to sector mission for a transfer to take place. Care is required to retain the normal criteria for operating within a sector while still encouraging new models of higher and further education.

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