

Learner Views of College

In 2005, a survey of the experience of learners in Scottish colleges and universities was undertaken on behalf of the Scottish Funding Council¹. This was the third such survey. Previous surveys were undertaken in 2003 and 2001. The outcomes of the 2005 survey are very consistent with the findings of the previous surveys.

The main findings were that **92% of college students were satisfied with the overall quality of their learning experience and 91% were satisfied with the college as a whole**. The corresponding figures for HE institutions were 88% and 90%.

Over 80% of college students were satisfied with the:

- number of hours contact they had with teaching staff;
- size of the group in which they were taught;
- adequacy of access to computer facilities;
- relevance of the course to the job they hope to do;
- balance between the amount of formal attendance and private study time; and
- adequacy of general help, learning support and guidance they received with their studies from teaching staff.

Levels of satisfaction on other matters were:

- books being available in libraries (71%);
- adequacy of advice and support with financial and other personal issues (70%);
- receiving appropriate advice about careers and job vacancies (66%); and
- the quality of equipment in labs or workshops (63%).

Employer Views of College

The *Employers Skill Survey 2004* by Futureskills Scotland sought information from employers about how they engage with Scotland's colleges and other providers of education and training. Specific questions were drafted for the survey to help inform the then Scottish Further Education Funding Council study of supply and demand in the college sector².

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http://www.sfc.ac.uk/library/06854fc203db2fbd00000106ee833b1f/student_survey_report.pdf

² **Employer Engagement with Further Education** can be found at

http://www.futureskillsscotland.org.uk/web/site/home/Reports/WhatEmployersThink/Report_Employer_Engagement_with_Further_Education_1.asp

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Colleges are a major supplier of recruits to employers. Of the workplaces surveyed, 14% recruited an employee straight from leaving college in the previous two to three years prior to the survey (18% had recruited straight from school and 12% straight from university). Approximately 77,300 FE graduates were recruited or 4% of employment levels at the time of the 2004 survey.

College leavers were recruited into a wide range of occupations but generally speaking they were more likely than university graduates to be recruited into sales and customer service, personal service or skilled trades' occupations.

CASE STUDY - REGISTRATION OF CARE WORKERS

Scotland's colleges are at the forefront of providing the training and workforce development necessary in the voluntary and private sector to implement the Care (Scotland) Act (2000) and its requirement to have a "registered workforce".

West Lothian College supports this by offering the full range of qualifications: National Qualifications, Scottish Vocational Qualifications, Higher National Certificates and Professional Development Awards. These programmes are available at a range of times: evening, afternoon and drop in. Units are also being converted to "on-line" study.

It provides courses for:

- Childminders;
- Play workers;
- Wrap-a-round-assistants;
- Out-of-school club assistants;
- Classroom Assistants; and
- Support Assistants.

The college delivers the Professional Development Award to West Lothian Council employees as part of their Continuous Professional Development in line with the needs of the 'registration'. It also offers Council employees the HNC as part of their professional development and as a career pathway to help predicted shortages once registration begins.

Results from the *Employers Skill Survey 2004* include the following.

How well prepared for work are staff recruited directly on leaving college?

- Workplaces rated the preparedness of college leavers alongside that of university leavers. The lowest rates of preparedness were for those recruited directly on leaving school.

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- 81% of workplaces thought that college leavers were well prepared for work in terms of softer, core skills such as communication, team working or problem solving (83% for university leavers and 55% for school leavers³).
- 80% thought they were well prepared in terms of technical skills (82% for university leavers and 55% for school leavers).

How important are qualifications and subjects studied when employers make a recruitment decision?

- Over a quarter of workplaces said that either the subject studied by their most recently recruited FE graduate or the qualification achieved was essential for the job - they could not have started without it'.

To what extent do employers use FE colleges to train staff?

- Colleges were cited as providers of training by 23% of establishments but the most often cited providers of training were private training providers cited by 49% of workplaces.
- The most often cited reason for not using a college to provide training was that they could not 'offer appropriate training in terms of subject area'. The next most common reasons were that 'there was not enough time to train staff through an FE college' and that colleges 'do not offer suitable training in terms of mode of delivery' (13 %)⁴.

How do the colleges compare with other providers of training?

- 82% of workplaces were either very satisfied or fairly satisfied with the level of training provided through colleges. For private training providers satisfaction levels were similarly high - 88%.

³ This may represent to some extent the age maturity of the student

⁴ If workplaces had given either 'FE colleges do not offer appropriate training in terms of subject area' or 'FE colleges do not offer suitable training in terms of mode of delivery (e.g. no part-time courses, no block release courses, etc.)' as the reason for not using colleges to deliver training, then they were further asked whether or not they had investigated the course provision on offer at local colleges.

- 40 per cent of workplaces which had given either of these responses said that they had investigated local college provision either through internet searches or by contacting the colleges directly.
- 56 per cent stated that they had not investigated whether suitable or appropriate training was available through an FE college.

CASE STUDY - ENTERPRISE

As *A Smart Successful Scotland* explains, “enterprising attitudes and an understanding of the world of work are being developed as part of the education system through initiatives including *Determined to Succeed — the Executive’s enterprise in education strategy.*”

Having worked closely with local schools to deliver the Executive’s enterprise in education agenda *Determined to Succeed*, **Edinburgh’s Telford College** looked at how it could adapt the approach for school education to the wider college environment.

The College recognised that all of its students had to work to support their studies or were in work studying part-time. Early in 2003 it decided to base its enterprise work on this. Through discussions with employers, the college identified the key skills they were looking for, such as customer focus, being receptive to change and attention to detail.

A programme was delivered to different groups of students and with funding from the Scottish Qualifications Agency a *Personal Enterprise Skills* unit of learning was developed. The unit is either incorporated into existing programmes of study in college or in a community-based setting or delivered on its own. It directly links securing employment with understanding the issues involved in successful career development.

As well as informing the development of this curriculum, the College’s Student Employment Service also helps students identify and gain core competencies and matches students to local business for part-time employment.

Commenting on the new unit, Shaun Broadfoot, a HND Sports Coaching student, said “*I didn’t expect the unit on the course, but it has given me insight into what I have to do to give myself a real chance.*”

CASE STUDY - CUSTOM DESIGNED TRAINING FOR COMPANIES

As A Smart Successful Scotland explains, “the ability to identify and respond quickly and flexibly to changing demands from employers is a characteristic of an effective labour market. To achieve this, a culture of lifelong learning amongst those in the market and those involved in supplying the labour market is needed.”

As well as delivering general training and education for the shipping industry, **Glasgow College of Nautical Studies** also provides specialist training programmes to suit individual organisations with a specific demand for training. It has been possible to offer this training due to either the availability of marine equipment required to be at the college to undertake mainstream programmes or due to the expertise of many of the college’s marine staff.

The college was approached in 2003 by an oil tanker operator based in Saudi Arabia with a request for a series of one week courses for their serving deck officers to undertake oil cargo handling courses based on a specialised cargo control room simulator.

Having received assurances of continuing custom, the college purchased the specific simulator required to train the operator’s officers. The simulator consists of an instructor station housing five monitors and six individual student stations. Each of these individual student stations comprises dual screen monitors and a communications module.

The objective of the course is to recreate as realistic an operating environment as possible to enable students to plan and execute cargo operations on different types of vessels. Students are able to communicate with the shore terminal or other personnel on board as well as operating pumps, valves and a myriad of associated shipboard equipment. The Instructor is able to introduce a variety of malfunctions to assess ability to cope with realistic failures although usually most students benefit more from experiential learning of their own errors in a ‘safe’ environment.

The course attracts students from around the World.

The college has also run several similar courses tailored to suit other organisations, and has invested in other ship models on the simulator which has enabled courses for Liquid Gas cargoes to be offered. There is currently a great demand for trained personnel on such vessels and over 40 of these vessels are currently under construction world wide as operators attempt to meet demand. In addition, the simulator is supporting the learning of students on mainstream courses.

What Difference Do Colleges Make to Learners?

Attendance at college is voluntary. Students attend colleges therefore because they want to. They chose to do so because they want to better their life in some way (sometimes small, sometimes big). They want to acquire skills either because those skills unlock opportunities for them or because the skills themselves enhance the quality of their lives and those around them.

“In FE colleges, a range of variously funded programmes develop literacy and numeracy for vulnerable learners preparing to embark on formal award-bearing programmes... Almost all of these programmes developed on literacy and numeracy very well. They were tailored to suit learners’ needs and were designed well to address learners’ wider learning and development needs”. -**Changing Lives: Adult Literacy and Numeracy in Scotland, HMIE 2005.**

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| | | | | |
|---------------------------------|----------------|----------------|----------------|---------------|
| SCQF 11 | 246 | 135 | 6 | 76 |
| SCQF 10 | 467 | 18 | 19 | 0 |
| SCQF 9 | 689 | 97 | 40 | 64 |
| SCQF 8 | 20,474 | 7,775 | 599 | 6,555 |
| SCQF 7 | 34,007 | 17,294 | 2,269 | 5,405 |
| SCQF 6 | 25,523 | 10,091 | 1,857 | 6,781 |
| SCQF 5 | 21,265 | 9,559 | 1,388 | 5,591 |
| SCQF 4 | 3,647 | 1,733 | 565 | 478 |
| SCQF 3 | 1,192 | 557 | 418 | 22 |
| National certificate or diploma | 56,831 | 30,232 | 7,831 | 6,449 |
| Other recognised qualification | 54,785 | 30,374 | 10,856 | 7,300 |
| National units | 72,316 | 34,192 | 12,908 | 3,294 |
| Special programmes* | 17,703 | 3,563 | 12,271 | 603 |
| Non-recognised qualification** | 158,028 | 34,552 | 108,717 | 1,746 |
| Total enrolments | 467,173 | 180,172 | 159,744 | 44,364 |

'All' refers to all enrolments in FE colleges 2003-04

'Pass' refers to the total number of enrolments for which the student gains their qualification

'Complete' refers to the total number of enrolments for which the student completes the course but is not assessed.

The vast majority of those students' not assessed' are enrolled on programmes not designed to be assessed.

'Continue' refers to the total number of enrolments where the student is continuing to the next year of study.

* **Special programmes** are dedicated programmes for learners with additional support needs

** **Non-recognised qualifications** make up 33% of enrolments but only 7% of activity.

Courses can include vocational taster courses, confidence-building, IT awareness, learning a language for a holiday and leisure programmes.

Further explanation required

Figure 12 overleaf shows the entry and award figures for qualifications offered or accredited by the Scottish Qualifications Authority in 2005.

Figure 12: College entry and award figures for the qualifications offered or accredited by the Scottish Qualifications Authority (2005)

| | Entries | Awards |
|---|---------|---------|
| National Units | | |
| National Units | 497,950 | 373,787 |
| Group Awards | | |
| General Scottish Vocational Qualifications (GSVQ) | 67 | 82* |
| National Certificate Group Awards (NCGA) | 2,859 | 1,128 |
| Scottish Group Awards (SGA) | 1,704 | 633 |
| Scottish Progression Awards (SPA) | 2,108 | 631 |
| Access Clusters** | | |
| Access 2 | 108 | - |
| Access 3 | 138 | - |
| Standard Grade** | | |
| Standard Grade | 7 | - |
| National Courses** | | |
| Intermediate 1 | 970 | - |
| Intermediate 2 | 5,810 | - |
| Higher | 11,118 | - |
| Advanced Higher | 150 | - |
| Higher National Qualifications | | |
| Higher National Units | 350,252 | 281,332 |
| Higher National Certificates | 16,875 | 9,813 |
| Higher National Diplomas | 10,204 | 4,979 |
| Professional Development Awards (PDA) | 2,659 | 1,462 |
| Scottish Vocational Qualifications | | |
| Scottish Vocational Qualifications (SVQ) | 19,692 | 9,134 |
| Workplace Professional Development Awards (PDA-W) | 3,265 | 1,798 |

* Awards figures do not refer only to entries resulting in awards in the same session.

They report all awards made in the session regardless when the entry was processed

** Award figures are not published for Access Clusters, Standard Grade or National Courses.

The non-recognised qualification category is also often used as a first step to more substantial programmes. Non-recognised programmes make up a large proportion of student enrolments but, as **figure 13** shows, they represent a small amount of activity. There has been a large drop in non-recognised qualifications since 2001-02.

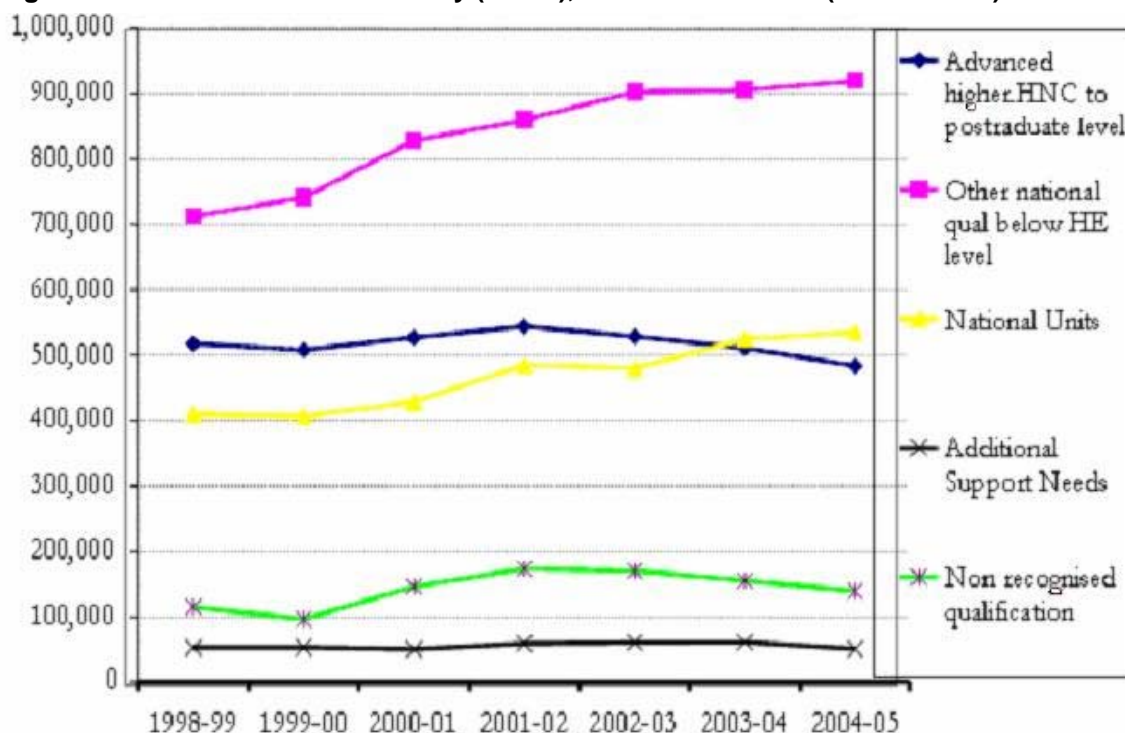
We do not at this stage have reliable data on the destination of students after leaving college. Finding out what happens to students afterwards can be problematic. Given that students tend to be in college for relatively short periods of time, they may not appreciate the value to colleges and others of finding out the difference that college has made to their future prospects. The Scottish Funding Council has commenced a longitudinal survey of learners in both further and higher education and has attempted to deal with this problem by asking institutions to engage with students before they leave their education and seek their agreement that they will participate in such a survey.

The first sweep of the survey was published in June 2005⁵ and contained information on students who completed or were due to complete their programmes of study in 2004. It covered both views of students' learning experience and where that had led them. Those who responded will be surveyed again in 2007 and 2009.

Of the students questioned in the first sweep of the five-year survey:

- four-fifths would recommend their course to someone else;
- three in five regard their studies as a good investment;
- the majority obtaining employment consider their job to be appropriate to someone of their level of skills and qualifications; and
- almost all believe that studying has developed and changed them.

Figure 13: Qualification aim of study (SUMs), 1998-99 to 2004-05 (Source: FES)



There are many reasons why students attend college. It may be part of their school-based curriculum. They could be attending to acquire qualifications for work or for university entry. They could be obtaining the skills necessary to become self-employed. They could be in a job and be going to college to learn skills necessary to progress their career. They could be taking steps to regain control over their lives and build their confidence. They could be learning to speak English. They could be attending a course for personal development or purely for recreation.

⁵ <http://www.mori.com/ontrack/>

CASE STUDY - ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)

In 2004-05 Over 6,100 college students were enrolled in courses for **English for Speakers of Other Languages**. This accounted for 1.9% of college activity.

The Executive is currently developing a strategy for ESOL so that all Scottish residents can acquire the English language skills to enable them to participate in Scottish life. These language skills are central to giving people a democratic voice and supporting them to contribute to the society in which they live.

About 80% of ESOL enrolments were in Scotland's colleges (this includes outreach provision funded through local authorities or Community Learning and Development partnerships) - National 'English for Speakers of Other Languages' (ESOL) Strategy: Mapping Exercise and Scoping Study

Langside College provides ESOL programmes:

- on a short-course, part-time basis in the community, at community campuses throughout the south side of Glasgow and at a wide variety of community-based venues; and
- in college on a full and part-time basis.

In the past four academic years recruitment of the number of ESOL learners has grown by almost 40% to over 1,100. Actual college activity has almost doubled (because of the increased intensity of learner attendance).

Over 80% 'in-College' ESOL learners will attend for at least five sessions a week. Many of these learners (mainly asylum seekers) attend on a full-time basis. In the present academic year, for example, the College has enrolled 242 full time asylum seeker learners.

The College also recruits 15–30 full time international ESOL students each year.

Salim came to Scotland from Iraq as an asylum seeker in 2000. Now a refugee he has been studying at Langside College for five years. His learning path is typical of many in his situation:

- Slow ESOL progression due to poor reading and writing skills (relative to traditional European English foreign language students);
- Study on non-ESOL courses has been on courses run in conjunction with ESOL support; and
- No employment success, through lack of experience and qualifications.

With support from an Asylum Seeker Development Officer (a service open to all asylum seekers and refugees at Langside College and which is part funded by the Glasgow Community Learning Strategy Partnership), he is now performing well on his Upper-Intermediate ESOL course and expects to progress in the summer of 2006. He says of his aims: *“I want a job. I must get to Advanced and finish this language problem. I need First Certificate.”* [an internationally-known Upper-Intermediate exam] *“I have applied for more than 100 jobs, but no thanks, sorry, no opportunities.”*

Basic employability and technical skills are central to the benefits learners derive from college, but they are far from being the only benefits. Other benefits can include enabling people to participate actively in society.

The benefits of college to the individual will be particular to that individual. Not all students will have the same student experience, even if they are on the same course and come from a similar background. Nor will they necessarily have the same aspirations or success either in college or afterwards. That said, there is much we can say about the general benefits of college that are common to many.

We know from research specifically into school pupils' attitudes to further education⁶ the benefits that pupils and teachers see from the college experience. They are:

- A sense of achievement;
- Increased motivation;
- Building confidence;
- New experiences;
- Meeting with others;
- Widening options;
- Awareness of lifelong learning;
- Easing transition to further education/higher education; and
- Providing Qualifications.

If there was no college, what would you have done? - “I’d have been forced into a dead end job” - Student, Stevenson College, Edinburgh

The discussions undertaken with students and staff of colleges as part of the Review of Scotland's Colleges has confirmed that these benefits also extend to the general student population. Other identified benefits can include:

- Improved interpersonal and communication skills, including team-working;

⁶ **School Pupils' Attitudes To Further Education, 2004**
<http://www.scotland.gov.uk/Publications/2004/10/20040/44569>

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- Greater work-readiness;
- Increased aspirations;
- Growth in self-responsibility; and
- Improved citizenship, including respect and tolerance.

“College is the reason why I get up in the morning” - **Student, Lews Castle College**

They generally also echo the findings of a study into the view of practitioners of the wider benefits of further education in England⁷, which found the following benefits:

- Improved self-esteem;
- Development of social networks;
- Control and management of students' own lives;
- More aware of rights and responsibilities; and
- Tolerance of other ethnic groups.

“Without college, boredom would have resulted in me returning to drugs” - **Student, John Wheatley College**

About 38% of all Scottish domiciled **higher education** undergraduate students enter study at a college. One of the key benefits to learners of higher education delivered in Scotland's Colleges is the Higher National qualifications themselves.

Higher National Certificates and Higher National Diplomas have played an important role in vocational education in Scotland since the late 1920s, and have developed to serve the majority of sectors in the Scottish economy.

They create future opportunities for students on their successful completion to either enter the job market directly with a highly regarded qualification or continue with their studies to either Diploma or Degree level. A survey conducted in 2003⁸ showed that over 3,000 students articulated from colleges to a course at a higher education institution with advanced standing (i.e. into year 2 or 3). It is increasingly common for some students to transfer upon the completion of their HNC/HND courses to accelerate their learning in a higher education institution by going straight into second year in the case of HNCs, and third year in the case of HNDs.

⁷ **The wider benefits of further education: practitioner views**

<http://www.learningbenefits.net/Publications/ResRepIntros/ResRep1intro.htm>

⁸ **Higher Education in Scotland: A Base Line Report** by Scottish Higher Education Funding Council, July 2004, a copy of which can be found on the Council's website at <http://www.shafc.ac.uk/publications/baseline/baseline.html>

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Research by the Centre for Research in Lifelong Learning at Glasgow Caledonian University⁹ highlighted that HN candidates tend to be mature students, more likely to be part-time and to come from disadvantaged areas than other entrants to higher education in Scotland.

“I eventually want to go to university, but wanted to undertake a college course such as an HNC/HND because this would be something to fall back on if I failed the university course” - Student, Adam Smith College

Karen recently graduated from the University of Strathclyde with an honours degree in Marketing and Business Law. She was the only person in her class to achieve the top award. Prior to entering the 3rd year of this course Karen completed a Diploma in Higher Education in Business at Central College of Commerce. **Karen** said, *“For many students the prospect of going straight to university is simply too overwhelming and beginning at college seems a more comfortable option”*.

Of all the wider benefits, instilling self-confidence is we suggest the most fundamental and potentially life changing. It is no coincidence that *A Framework for Economic Development, A Smart, Successful Scotland and Life Through Learning; Learning Through Life* all speak about its importance. It is the driver for a learner’s future success. That may be to further learning, training or employment. It may first allow someone to speak up in class and contribute to the discussion. It may enable them to make new friends. Success breeds success and further confidence leads to more success. For that individual that may be one small step toward unlocking a new opportunity.

⁹ **For me or not for me in Scotland? A report of mature student participation in higher education** - Osborne, M., Brink, B., Cloonan, M., Davies, P. Marks, A., Turner, E. and Williams, J. (2001)

CASE STUDY - PROGRESSING FROM COLLEGE TO UNIVERSITY IN NURSING

As A Framework for Economic Development in Scotland explains "There is little doubt that economic growth contributes to the improvement of health and that health itself is an important driver of economic development. Good health can boost productivity, while ill-health can impose significant costs on the economy in terms of lost working time, lost output, and less productive working time".

The Scottish Executive announced in 2003 the creation of 500 additional nurse training places. This was in response to research which predicted a significant shortfall in the number of qualified nurses across the NHS.

In the Lothians a tripartite partnership was formed between **Jewel & Esk Valley College**, the NHS Lothian and Napier University to develop new career opportunities for Clinical Support Workers and Care Assistants.

Each of the partners has a distinct but equally vital contribution:

- The College provides the education input. Full-time students attend college two days per week and complete their HNC within a year. They are given a paid Study Day by the NHS then spend the remaining two days each week in their jobs as Clinical Support Workers. Part-time students attend college one day per week and complete their HNC in two years;
- Napier University guarantee that all HNC graduates can articulate directly to the second year of its degree programme; and
- The NHS provides the candidates, staff cover to replace the candidates being educated and workplace supervision. They also enable candidates to work in their current jobs until their studies are complete and upon graduation, guarantee them a job as a Staff Nurse.

*"The HNC students have integrated really well with the 3rd year students and this was most evident in the group work of the first semester where it was very apparent that the HNC students' clinical experience was greatly valued by the less experienced 3rd year students", **Helen Sheard, Napier University***

*"I saw this course as a stepping stone to achieving my ultimate goal of becoming a registered nurse. It was also the best option available to me as it enabled me to continue working whilst studying. Being a mature student with family responsibilities it offered financial security. I was always under the impression that further education was for the younger student. However, this is not the case." – **Wendy***

What Makes That Difference?

Colleges work alongside and in partnership with other education and training bodies. Each sector makes a difference. None of the differences below are unique to the college sector, but taken as a whole they describe the unique contribution that colleges make.

All of Scotland's colleges are different. They range from the very small - Newbattle Abbey College, which is an adult residential college with 124 students - to the large - Aberdeen College has for example 25,829 students. Each offers a curriculum to serve its community. For some that community is very locally defined, such as in Shetland and Orkney. For others, including Glasgow Metropolitan College that 'community' extends regionally and nationally. **The differences between each college help colleges make the difference in their own geographical area and specialist field of expertise.**

Colleges are pivotal to the delivery of lifelong learning in Scotland. They cater for the needs of students both in and out of employment at all stages in their lives from middle secondary school to retirement. No other sector can also match the range of courses that colleges deliver. The breadth of the college curriculum is shown in **figure 3** on page 16 of this report. The range of college qualifications is shown in **figure 11** on page 53.

Colleges cater for students with the most basic educational needs, as well as providing courses at every level of the Scottish Credit Qualifications Framework up to and including higher education. In addition to delivering Higher National Courses, some colleges, including the colleges in the Highland and Islands that provide courses on behalf of UHI Millennium Institute, also deliver degrees and post-graduate qualifications.

The difference that colleges make is founded on the diversity of the students they serve and the range of learning opportunities that they provide.

CASE STUDY - PROMOTING GAELIC

As *The Framework for Economic Development in Scotland* explains "Consumption of culture and cultural products makes a substantial contribution to the economy; the economic impact of high quality cultural infrastructure is considerable and makes Scotland an attractive place in which to live and work".

Although physically situated on the peninsula of Sleat in south-west Skye, **Sabhal Mòr Ostaig** seeks to promote inclusion, and to serve not only its local community in Skye and the Highlands, but also a wider national and international community as a "centre of excellence for the development and enhancement of the Gaelic language, culture and heritage". (Mission statement 2005-2008).

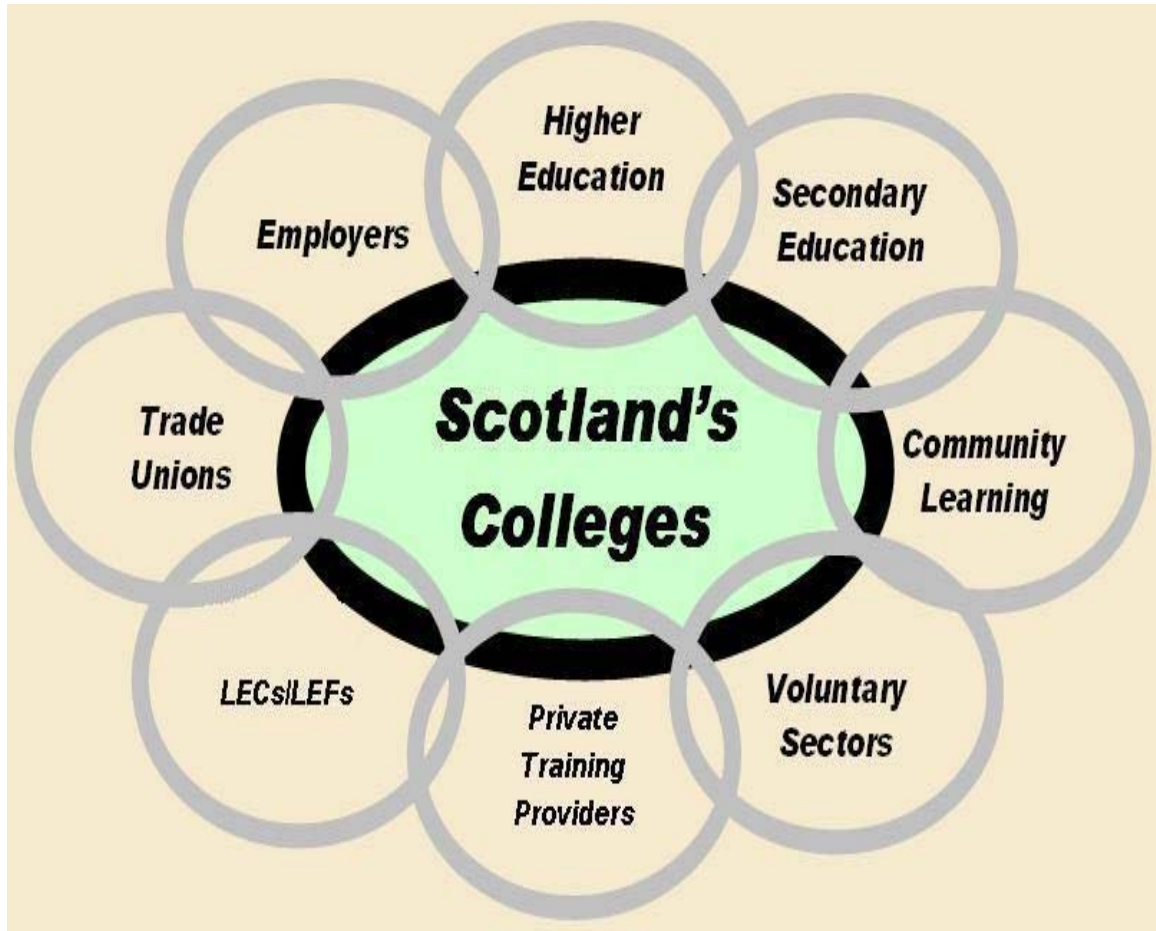
Short courses offer opportunities for learners to sample Gaelic language and cultural experience during one-week blocks in the summer and at other times of year. There are also options to study Gaelic via "*An Cursa Inntrigidh*", Sabhal Mòr Ostaig's Access to Gaelic Course. Alternatively, local learners may choose to take up a range of other provision offered via the medium of English through the College's learning centre, which is a partner in the Skye and Lochalsh Learning Centre Network.

The short courses and Access to Gaelic course attract a large number of learners each, with over 900 attending short courses last session and over 130 having signed up for the Access Course. Learners come from a range of locations, and include local residents (some in family learning groups), as well as those from further afield with an interest in learning about the Gaelic language and culture. This session, learners on the Access to Gaelic course have been based in such widely-dispersed locations as Canada, Germany, Sweden, USA, Australia, Japan and Italy, and participants have had the opportunity to participate in their weekly tutorials with other learners by voice-over internet protocol (VOIP) as an alternative to using the telephone.

The many activities and curriculum initiatives in which the College is involved not only support the College in its mission, but they also promote the inclusion of learners within an expanding global community with a shared interest in the Gaelic language and culture.

Given the breadth of their activities, there is a risk that colleges duplicate the work of others delivering education and training. As the diagram overleaf shows, colleges' work extends into the activities of others, including the school sector and community learning. However, rather than duplicating the work of others, colleges seek to work in partnership with them and with learners to ensure that the available expertise and resources of the colleges are fully utilised to enhance the availability of learning opportunities. **The contribution that colleges make rests fundamentally on working**

together with a range of partners across the education and training sector, including employers and the Sector Skills Councils. Colleges may also be competing with these partners for learners (as too could colleges between each other). It is a challenge for the sector and for others to work in partnership, while encouraging healthy competition. The key to this is keeping in the forefront the interests of learners and potential learners.



CASE STUDY – SUPPORT FOR RURAL DEVELOPMENT

As *The Framework for Economic Development in Scotland* explains, “Rural development is supported by a vibrant culture that enhances the quality of life for people living across Scotland and helps to retain people in rural areas”.

A primary concern for the land-based sector is the projected shortfall in the labour force, due to retirement and the numbers of people leaving the countryside. It has been estimated that by 2008, 10,000 new workers will be required and recent research by Lantra, the Sector Skills Council for the Environmental and Land-based Sector, has identified recruitment difficulties for businesses in a number of geographical areas and in particular skills.

Oatridge College is meeting this challenge by offering young people in the countryside and in urban areas the opportunity to obtain meaningful qualifications that lead to fulfilling and rewarding careers in the countryside.

The College specialises in Agriculture, Animal Care, Countryside Management, Equine studies, Farriery, Green keeping, Horticulture, Land-based Engineering and Landscaping.

The partnerships the College has forged with sector bodies has enabled it to tailor programmes to help meet the demands for particular skills when and where they are needed. Students and former students play significant roles in many rural communities supporting the fragile economy of the countryside.

The College has launched the Land-based Industries Support Service, which gives rural businesses direct access to the expertise of staff to encourage training and give advice on growth and diversification.

The College is also a partner with East Lothian Council and the Northern Racing College in providing foundation training for students seeking careers in Scotland’s expanding horse-racing industry.

Later this year the College will open a national equestrian centre for Scotland. The new centre will offer world-class learning facilities, providing a focus for training athletes from all over Scotland in the sport. It will also be an international standard venue for competition.

Jacqueline, now the head animal keeper at a Wildlife Centre in Perthshire, says Oatridge gave her the skills and the qualifications (an HND in Animal Care) that led her to “*the best job in the world*”.

Colleges are primarily centres of voluntary learning for adults. The **adult ethos of colleges make the difference**. The average age of a student in a

college in 2004-05 was 32 . Even the attraction for school pupils in attending college is based, in part, on this informal and relaxed environment. It means that students of different ages learn together - something that we know many find valuable because they learn to work together and learn from each other, recognising the different experiences of others. It also means that students are generally given less direction and must show greater self-reliance. There are fewer rules to follow than at school, for example. There is an expectation that students own, so far as possible, their own learning.

The vocational nature of many college programmes makes the difference. This hands-on approach to learning enables students to see the relevance of what they are learning (and doing). They learn through experience. They also learn the reality of working life, including for example the importance of good time keeping. Many are taught in simulated work environments, such as a beauty salon or a car repair shop. The skills that they learn are directly applicable to the work place. In most college courses, core skills such as communication and team working are contextualised within the specific vocational area. As the Employer Skill Survey shows (pages 48-49), over four fifths of Scottish workplaces felt that college leavers were well prepared in terms of core skills.

Where possible, courses also include work placements to cement the relationship between the college course and the day-to-day application of what they have learned. Part-time employment in their chosen area of study is also encouraged, again to bridge the gap between the experience of college and the world of work¹⁰. In some professions, self-employment can be the ultimate goal for students, and colleges are increasingly seeking to integrate the necessary skills to run a business into courses in those fields.

The relevance of the curriculum makes the difference. The purpose of vocational courses is to give students the necessary skills to excel in their chosen career path. What they learn must therefore be up-to-date. There is little point giving students the skills to work in yesterday's workplace. As the needs of business change, so too do college courses to keep up with changes in developments and techniques. The growth of closer links with employers, and Sector Skills Councils is crucial to this. As too, for example, is the current sector-wide programme to modernise the full range of Higher National courses that colleges deliver.

Responding to the needs of the economy makes the difference. Colleges are much more than providers of education and training. They work closely with others, including their local authorities, economic forums, Local Enterprise Companies, Sector Skills Councils and Futureskills Scotland to anticipate the future needs of their local area. Through the intelligence they

¹⁰ The **On Track** survey found that “relatively small proportions of learners [college and university] say they do no work or work experience at all during term-time (15 %)”. The study can be found at ¹⁰ <http://www.mori.com/ontrack/>

gather as a result of their links with their community and employers, colleges are well placed to help identify the skills that will be required locally. In turn, they can work in partnership to deliver the most appropriate learning opportunities.

The experience and quality of college lecturing staff and the different approaches to teaching that they employ make the difference. Learning is enriched and made alive by the personal knowledge and experience, which lecturers can impart. For example, a lecturer who is a former social worker, can give a profound understanding of the reality of identifying child abuse in the field.

The teaching staff in colleges have never been so well qualified both in their area of professional expertise and in teaching skills¹¹. Almost all staff have either a first degree or comparable vocational qualifications. Staff bring extensive practical experience of industrial, business or crafts sectors and entrepreneurship to their teaching. Many are also working in the sectors they teach in, and others regularly update themselves to keep their knowledge and skills current on industry requirements.

Some classes in colleges, given their subject matter and level, will be similar to other learning environments. For example, a Higher German in college will not be wholly dissimilar to such a class in school. That said, it is more typical, given the wide range of ages, experiences and abilities of students in a class, for lecturers to adopt many different approaches and teaching methods, something we know from the Review that students value. The class sizes of practical vocational courses generally tend to be smaller than classes in school or university because of health and safety considerations due to their hands-on nature.

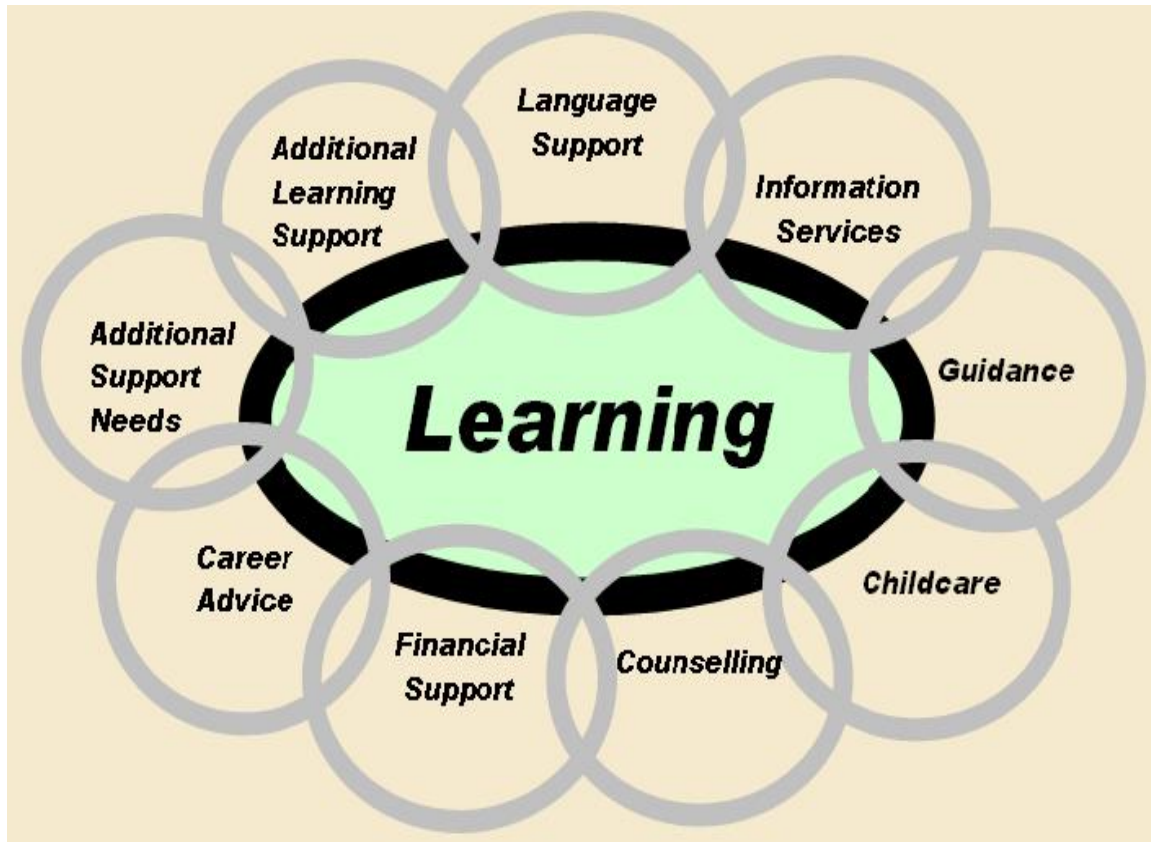
The learning support that colleges deliver makes the difference. Learner support is an integral part of the delivery of college courses.

The range of students with very different levels of previous educational achievement demands that the college focus is on the learner. Learners may have had a negative experience of previous formal learning situations and as a result be under-confident about their skills and abilities. For a significant number of older learners the learning environment and teaching and assessment styles are significantly different to their last encounter with learning.

Colleges seek to remove as many barriers as possible, including previous negative experiences. They provide a full package of learning that seeks to first identify and then meet learners' needs. This may involve the development of numeracy and literacy skills alongside, or as part of, their other studies. By providing learning support within the context of their other

¹¹ Cross-reference to analysis by the Staffing, Learners and Learning Environment Working Group once published

college work, the learning of both can be blended together to support each other.



CASE STUDY – SUPPORTING STUDENTS WITH ADDITIONAL SUPPORT NEEDS

As we explain earlier in this report (page 25), about one fifth of college activity is delivered to students with a disability.

Stevenson College Edinburgh has for many years approached additional support needs as any support over and above that provided to all of its students. While there is a great deal of specialist provision for students at the College, including courses for people with acquired brain injury, support is typically for students already in mainstream classes or preparing to access mainstream classes.

Increasingly the College has classes where a number or even a majority of the students have support needs. The admission of many students who require additional support means devoting large resources to pre-admissions and involving the coordination of a number of cross college teams and external support agencies. The 'class of 2004', which is based on a main stream class which came into the College in the year 2004, provides a fairly representative picture of how the College approaches support for students in mainstream classes.

Class of 2004

Of the eighteen students in the 'class of 2004' group more than half had additional support needs. Below is how the College responded to some of those needs.

Student 1 had Asperger's Syndrome. The support for this student, as it does for all Stevenson College students, included personal tutor support. The Student Support Team provided staff development on the syndrome and staff were also able to access information held on the College intranet.

Student 2 was a single parent and was referred to the Student Advice Centre at interview for information on local childminders and advice on childcare and hardship funding.

Student 3 was partially sighted and the Student Support Team liaised with the teaching team, the Royal National Institute of the Blind and social work. Following a risk assessment carried out by the Care support worker, the Computer Service Unit installed specialist software and an educational support assistant was provided for classroom work.

Student 4 was from Spain. Support for him involved referral to the English Language Support Team for initial assessment and ongoing support and referral to the Student Advice Centre team for advice on accommodation.

Student 5 was a wheel chair user with cerebral palsy. Support involved an initial assessment by the Student Support Team, provision of a scribe for a communication class and provision of laptop computer. The teaching team also adjusted one unit to suit the needs of this student.

Student 6 was a recovering drug addict on a methadone programme who had low literacy levels. The Student Support Team made the teaching team aware of the issues for a methadone user i.e. possible daily collection of prescriptions etc. The student was encouraged to visit the Study Skills Centre for extra help with literacy. This student was also referred to the Student Advice Centre in order to access extra funding through hardship funds.

“I’m Stephen. I’m 19. I have Cerebral Palsy which seems mild as I can speak and be fairly cheeky but I cannot walk and I have limited use in my right side, I’m very left sided. I have a member of the Student Support Team who supports me and someone from the Education Support team who scribes for me. Maureen helps me get things done in English a whole lot quicker and I’ve passed my Intermediate 1 which hopefully means I can get on to NQ Broadcast Skills because I would like to be a DJ.

My Student Support Team person is a friendly ear who gave me advice and sorted things out and advised me to meet up with someone from the Access Centre who sorted out the type of equipment which would help, like the adapted scissors.”

I’m looking forward to my next course and have already contacted a radio station with a tape.

I’m just about to move into my own house so life is looking good.” – Stephen

The flexibility of colleges and their focus on the learner makes the difference. There are many ways in which courses are delivered including full-time, part-time day and evening courses, block release, and on-line. Figures for different modes of study in 2004-05 are shown in **figure 1** on page 14 of this report.

Part of colleges’ work is also community based in local centres, sometimes owned by the college or by other partner organisations. Given the breadth of their curriculum, colleges have the flexibility to tailor their courses to needs of their students. It also gives students the opportunity to reconsider their course choices, having had experience of the course, and where necessary to

change course with as little disruption to their learning as possible.

The demands on colleges to become more flexible in their forms of delivery of courses will increasingly grow as they strive to meet the new needs of those in and out of employment not currently engaged in learning.

All colleges have arrangements that enable learners to contribute to the improvement of the quality of their educational experience. These range from the informal contacts between staff and learners to student membership of the college board of management.

CASE STUDY – BREAKING DOWN GENDER STEREOTYPES

As Life Through Learning; Learning Through Life explains, “the Executive is committed to securing equal opportunities for all and eliminating discrimination and prejudice in our society. Uneven access to lifelong learning can entrench inequality”.

There have been difficulties in recruiting men into jobs working with children for a number of years. Some men may have reservations about working with children which may be to do with cultural perceptions, attitudes and the view that it is not ‘manly’ to work with children.

Stevenson College, Edinburgh recognised that they were not attracting enough male students into their early years education and childcare courses. The college worked in partnership with a the ‘Men in Childcare’ project to attract and support male students and develop a positive view and understanding of working with children. Its long term aim is to recruit more men onto higher level courses leading to a career working with children.

Derek Thomson had been employed for a number of years in the bakery industry but realised that he wanted to do something more rewarding professionally and personally with his life. He attended the introductory child development and play course at Stevenson College, Edinburgh. The course gave him a greater insight into what working with children could be like and what he was required to do in order to achieve the necessary qualifications to pursue a career in the childcare profession.

On completion of the introductory course John completed the fast track National Certificate course, which involved two evenings of study each week. After successfully achieving this, he give up his job and enrolled full-time on the Higher National Course in Early Years and Childcare.

“Changing careers was the best decision I could have made and the move into childcare provided me with a real sense of fulfilment.” - Derek Thomson

Being at the heart of their communities makes the difference. Colleges serve not only their own students, but their local communities. In the section of the social value of college learning, we explain how colleges are a community resource and illustrate by way of a case study the contribution that a college can make to community regeneration.

About 40% of students learn outwith the main college campus. These local facilities are essential. Not all students feel at home in a main college campus. Its size and ‘feel’ may be too intimidating, particularly for those entering education for the first time in years. Distance may also be an insurmountable problem for some students. A college main campus may also simply not be sufficient to offer the full range of courses the college wants to deliver.

These centres give colleges the opportunity to tailor learning opportunities to the specific needs of the local community and to pilot new approaches and curricular developments before introducing them in their main campus. A challenge for colleges is to provide the necessary progression for students who might benefit from continuing their learning in its main campus, but who lack the necessary confidence to take that next step.

Those colleges that are invited to become full partners of their local Community Planning partnership are testimony to the difference that colleges can make to their local communities. It is regrettable that not all are because this inhibits the contribution that they could make.

The quality of the college estate and equipment makes the difference. Great strides have been taken in recent years to improve and maintain the quality of college buildings and equipment. The funding made available by the Scottish Executive through the Scottish Funding Council now stands at £65.9 million for financial year 2005-06. Modern buildings and equipment are more efficient to operate and the appeal of a modern and well-maintained college building is a significant advantage in attracting learners and commercial activities.

*“Recent improvements in college accommodation and investment in up-to-date equipment and materials have provided learners with stimulating learning environments and essential modern facilities. In most instances, the classroom and workshop ethos is positive and the atmosphere in which students learn is friendly, relaxed, informal yet purposeful, and conducive to learning. In a few cases, poor or insufficient accommodation and outdated or inadequate equipment provide a serious disincentive to learners and have contributed to poor retention and attainment rates. – **Improving Scottish Education, HMIE 2006.**”*

For example, the St. Brycedale site re-development, which is part of an overall plan to re-generate the Adam Smith College estate, has acted as a

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magnet for the community to be drawn into the College. The provision of specialist accommodation on one site has improved the communication and interaction of varied disciplines and has been instrumental in enhancing the curriculum and the student learning experience. Among other things, it has provided access to specialist resources, enhanced opportunities for vocational areas to work together in complementary ways (e.g. Furniture Design next to Theatre to facilitate set design and Beauty Therapy linked to Theatre for stage make up) and has created a large public exhibition and presentation space for Community and public use.

A recent project by Angus College to build a Community Access and Learning Centre, Creative Studies Workshops and the refurbishment of an existing building into a Nursery has enabled the college to refurbish released accommodation into a 'one-stop-shop' for students which includes guidance, student development, student funding, enquiry, admissions and enrolment services.

The benefits to both staff and students have been marked in providing high quality workrooms for staff and state-of-the-art learning spaces for students. The profile of the College within the community has been enhanced considerably. Student activity levels have increased by 42% since the inception of the project and the student profile has shown that, as anticipated, the new modern facilities have drawn the harder to reach age 16-19 year olds.

Located in Lauder College's Halbeath campus, a new construction training centre - EcoSpace - will open shortly and provide training that encourages the integration of waste reduction, re-use of materials, procurement of renewable resources, energy use minimisation and other environmentally sustainable work practices into everyday work and life. ECOSpace is being constructed using 'green' processes and technology and will showcase the best use of Scottish products.

The workshops will include a large woodworking shop with state of the art equipment and tools, waste management tools and re-use facilities. The painting and decorating area will promote experimentation with environmentally sustainable paint finishes and materials. All facilities will include environmental-friendly policies and practices, demonstrating best practice in construction training for Scotland.

Linked to EcoSpace will be the ASPIRE Centre (Additional Support Programme in Real-life Environments), which will create real life and work learning environments for students with severe learning difficulties, disabilities and complex needs. The ASPIRE Centre will offer a suite of supported training workshops in distinct areas; Laundry work, Reception Desk, Recycling, Biodiversity, Wood-working workshop, Café, ICT Suite and an Independent Living area.

Efficiency of Colleges

As a result of the financial difficulties some colleges were experiencing in the late 90s, the Scottish Further Education Funding Council (now the Scottish Funding Council (SFC)) concentrated on increasing or maintaining (in real terms) the rate at which it funded colleges and ceased funding any expansions in student activity.

However even with this, college staff have been deployed more efficiently during this time. Comparing college activity through SUMs delivered to staff numbers shows that when considering all staff, the ratio has increased from 181 WSUMS¹² in 2001-02 to 187 in 2004-05. This means that every member of staff is delivering more SUM activity. There was a much more marked increase in efficiency if we consider the level of activity delivered by each member of teaching staff: that rose from 339 to 368. During the period, the ratio of students to teaching rose slightly from 17 to 18. The ratio of students to all staff remained at 9.

The increase in support staff reflects higher-level student services, which is an impact of colleges' policies to be more inclusive, and of greater administrative burdens such as Education Maintenance Allowances and Individual Learning Accounts.

College indicators¹³

| | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
|--|-----------|-----------|-----------|-----------|
| Teaching Staff FTE | 6,675 | 6,512 | 6,430 | 6,278 |
| Support Staff FTE | 5,825 | 5,898 | 6,030 | 6,053 |
| Total Staff FTE | 12,500 | 12,410 | 12,460 | 12,331 |
| College Activity (WSUMs) | 2,261,847 | 2,292,854 | 2,325,776 | 2,307,854 |
| Student FTE¹⁴ | 111,323 | 111,995 | 112,420 | 110,554 |
| Activity to Teaching Staff (FTE) | 339 | 352 | 362 | 368 |
| Activity to All Staff (FTE) | 181 | 185 | 187 | 187 |
| Student (FTE) to Teaching Staff (FTE) | 17 | 17 | 17 | 18 |
| Student (FTE) to All Staff (FTE) | 9 | 9 | 9 | 9 |

Colleges working together

Across the sector colleges face differing circumstances in which they deliver their provision. Colleges recognise, though, that there is merit in comparing

¹² That is Student Units of Measurement 'weighted' according to the resources needs of particular types of courses.

¹³ Where practicable the indicators exclude UHIMI.

¹⁴ Student Full-Time Equivalents (FTEs) are based on the number of funded SUMs attribute to FE study divided by 21 (the number of units in a full-time FE course) and the number of funded SUMs attributable to HE study divided by 15 (the number of units in a full-time HE course). No value has been given to unfunded activity.

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practice across the sector and adopting or adapting the good practice that exists. This approach of self improvement helps the sector to be efficient and effective by:

- guarding against unnecessary duplication of effort and allowing sharing of services;
- encouraging colleges in similar circumstances to compare how provision is delivered and how it can be delivered most effectively and efficiently; and
- bringing colleges together to work as one sector, which is not competing with itself internally but is still competitive within the market it operates.

An example of this practice is the strategic partners of Scotland's Countryside Colleges outlined in the case study below. Other examples of practice that drive efficiency and effectiveness include:

Rural College Network: This has been looking at good practice comparisons and efficiencies in rural colleges for several years. It has resulted in closer collaborative links between many colleges in areas such as curriculum planning and sharing of teaching materials. These colleges are continuing to work together to develop and implement collaborative approaches to improve provision for students from remote, rural and island areas.

Sector wide cost benchmarking: This project essentially evolved from the work that the Rural College Network had been doing and was identified as one of the elements of SFC's financial security campaign. The initial purpose of the project was to allow college boards and managers to evaluate and improve college financial performance by sharing and learning from the practices of others. Colleges have put a great deal of effort into this project and the latest development has been the establishment of several benchmarking clubs across the sector where colleges in similar circumstances can discuss in detail how to improve and compare relative performance. This work will help with improvements in the usefulness of the benchmarking information provided and ensure the long-term sustainability of this project.

Financial performance indicators: SFC publishes figures annually that show a series of financial performance indicators for individual colleges and the college sector as a whole. Coupled with the cost benchmarking this gives colleges access to comprehensive information on financial results. It allows colleges to see how they compare to the rest of the sector, discuss the reasons for any particular differences and whether this might indicate an opportunity for improvement in practice leading to greater efficiency.

Other college groups: In addition to the benchmarking groups mentioned above other college groups already exist to support collaboration (for example the Edinburgh and Lothian Colleges group, Biotechnology group and

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Microelectronics group). The activity of these groups include practices such as sharing of services and rationalising curricula to ensure that there are no overlaps in provision and that the colleges are providing an efficient and competitive service to their students.

Comparisons with other funding bodies

In 2001 SFC and its sister funding body in England conducted an exercise to compare funding levels in colleges. It was recognised that this was difficult because of different structures and funding systems in the two countries. However, the analysis performed showed that funding in Scotland was about 13% below England.

CASE STUDY – SCOTTISH COUNTRYSIDE COLLEGES: A STRATEGIC PARTNERSHIP

As *The Framework for Economic Development in Scotland* explains, a key driver of economic development that will be given priority is "*managing public sector resources more effectively: improving the efficiency and effectiveness with which resources are deployed in the provision of public services*".

Elmwood, Oatridge and Barony Colleges work in strategic partnership to ensure that the skills shortages in land-based industries are addressed in a positive and cost-effective way. The partnership ensures unnecessary duplication and competition within the college sector is eliminated and expensive resources are put to best use. It provides a 'national structure' for Scottish land-based education and training. Its key features are:

- strategic, collective approach to marketing;
- strategic, collaborative approach to provision planning, development and delivery;
- collective approach to land-based Higher Education articulation;
- collective approach to facilities development;
- collective approach to industry links and student work placements; and
- collective approach to Quality Assurance.

The three Colleges formerly operated independently to plan, develop and deliver land-based training. Some land-based provision is popular and viable at all levels across all colleges, however other, often more specialist provision, produced low numbers in some colleges, particularly at HE level.

The colleges assign a 'lead' college for areas of specialist provision where one college dominates the market in higher education. The lead college is then supported to develop facilities and curriculum in a way that ensures that the full progression needs of students are addressed along with the needs of that particular industry. At the same time, the non-lead colleges continue to provide FE level provision in that particular subject, enabling students who wish to study at their nearest college to do so, before having the opportunity to progress to HE study at the designated lead college.

The 'lead' colleges are:

- Golf Industry - Elmwood College
- Equine Industry – Oatridge College
- Animal welfare – Barony College.

Conclusion

In this report we have outlined the breadth of the activities that colleges undertake in providing further and higher education and in transforming the lives of many learners.

They make a key contribution to economic prosperity and help tackle poverty and disadvantage. The acquisition of skills is the key to unlocking opportunity, both in terms of general skills for employment and for technical skills for particular vocations. Colleges have a crucial role in delivering learning to many individuals, including to those most in need of educational advantage, such as young people not currently in employment, education or training.

Colleges contribute directly to the achievement of the Executive's priorities across the range of its responsibilities. These include their support in delivering the Executive's *Framework for Economic Development* and its strategy for *A Smart Successful Scotland*. It is pivotal for achieving *Life Through Learning; Learning Through Life* and has an important role in delivering *A Curriculum for Excellence* through the provision of enhanced educational opportunities for school pupils.

The acquisition of employability skills developed by colleges is crucial in supporting rural development, community regeneration and exploiting new business opportunities arising from the Executive's pursuit of sustainable development.

College learning opportunities help narrow the gap in employment and reduce economic inactivity.

They help the Executive achieve its health targets by supporting directly training for the National Health Service and in raising skills levels, which have a positive impact on individuals' health.

They contribute to the rehabilitation of prisoners.

Colleges through activities such as the promotion of gaelic and support to creative industries, including the performing arts, also enrich the cultural fabric of the nation. They provide opportunities for asylum seekers and others to become active members of their communities.

Colleges help Scotland connect globally both in terms of promoting Scotland as an attractive place to live and work and in terms of exporting Scottish expertise to the rest of the world.

Many learners benefit from college learning, not only in the acquisition of qualifications that can provide a passport to employment, but in terms of increased confidence and personal fulfilment.

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The economic and social case for colleges is also compelling. Skills are the key driver of economic growth and provide the most effective route out of poverty. Even on the most conservative economic analysis of the benefit of colleges, which by its nature cannot capture many of the clear but unquantifiable (in cash terms) benefits of colleges, for £1 invested in Scotland's colleges Scotland's economy benefits by at least £3.20. This represents an excellent return on investment.

REVIEW OF SCOTLAND'S COLLEGES

The Review of Scotland's Colleges was announced by the then Deputy First Minister and Minister for Enterprise and Lifelong Learning, on June 10, 2005, at the Annual Conference of the Association of Scottish Colleges.

The remit of the Review of Scotland's Colleges is to:

"provide Scottish Ministers with a robust evidence base, and where appropriate, informed recommendations for change, upon which sound decisions can be taken on how to fund and equip Scotland's colleges to meet future challenges and demands. In particular the review will:

(a) examine the difference colleges make (to the learner, the economy and wider society), including:

- the full range of colleges' current activity (and the corresponding funding streams);
- the full range of learners benefiting from college opportunities;
- the changed nature and level of college activity since incorporation in 1993;
- costs, efficiency of colleges and benchmarking;
- the full range of college competitors and partners;
- outcomes for the learner, economy and wider society, including knowledge transfer encompassing quantitative (in appropriate time series) and qualitative information;

(b) build on the work of previous reviews and examine the arrangements for accountability and governance in incorporated colleges including:

- the broader regulatory landscape in which colleges operate, and the potential overlap of jurisdictions
- whether boards should be responsible for appointing their own membership, including the chair of the board
- strengthening learner participation;
- enhancing the capacity of board members;
- whether the chair and other board members should be remunerated;
- the length of board membership for chairs of colleges and staff representatives;
- the roles of, and relationships between, the chair, board, principal to ensure maximum quality oversight, including the Board's ability to obtain independent advice and the roles, responsibilities and relationships of the Accountable Officer
- whether there is a continuing need for powers of Ministerial intervention
- the composition of the boards, including whether more needs to be done to ensure diversity and the current statutory requirement for 50% of board members to have capacity in "industrial, commercial or

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employment matters or the practice of any profession"

(c) examine issues relating to the staffing, learners and the learning environments of Scotland's colleges to ensure quality learning experiences, including:

- opportunities for the further modernisation and improvement of learning and teaching methods
- supporting the professionalism and development of all staff
- whether there is evidence of an ageing workforce in colleges
- disability, race, religion and belief, sexual orientation, age and gender equality for staff and learners
- the competitiveness of colleges as a place of work (including recruitment and retention issues)
- estates (and flexible joint use of buildings)
- learning environments for learners

(d) examine the strategic future of Scotland's colleges in 10-15 years through a scenario analysis, and report on the implications of the range of likely scenarios. In considering these scenarios, examine possible changes in the key national, European and international environmental factors affecting learning and colleges. These might include, for example:

- demographic change
- economic change
- societal and technological change
- change in our expectations of the role and purpose of colleges
- change in approaches to learning and teaching
- change in the 'learning market'.

Membership of the 'Difference Colleges Make' Working Group

John Burt, Principal of Angus College (Chair)
Linda Hall, Further and Adult Education, Scottish Executive (Secretariat)
Gerald Wilson, Further and Adult Education, Scottish Executive (Secretariat)
(replaced Linda Hall)

Lilian Anderson, National Union of Students Scotland
Col Baird, Review of Scotland's Colleges, Scottish Executive
Lesley Berry, Skill Scotland (replaced John Ireson)
Carl Bow, Scottish Enterprise
Garry Clark, Scottish Chambers of Commerce
Karen Corbett, HM Inspectorate of Education (replaced Kish Srinivasan)
Gordon Craig, Scottish Funding Council
Mark Cummings, Association of Scottish Colleges
Jacqui Hepburn, Scottish Skills Development Agency (replaced Aileen Pontin)
Adam Gaines, Equalities Co-ordinating Group
Julie Gilstrap, Association of Scottish Colleges (replaced Mark Cummings)

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John Ireson, Skill Scotland
Brian Lister, Principal of Cumbernauld College
Colin MacBean, Analytical Services, Scottish Executive
Gordon MacDougall, Careers Scotland
Gordon McBride, Scottish Funding Council
Gerhard Mors, Analytical Services, Scottish Executive
Aileen Pontin, Scottish Skills Development Agency
Christina Potter, Principal of Elmwood College
Audrey Robertson, Further and Adult Education, Scottish Executive
Gordon Rodgers, Scottish Qualifications Authority
Mary Senior, Scottish Trades Union Congress
Kish Srinivasan, HM Inspectorate of Education
Sean Stronach, Learning Connections / Communities Scotland

The Working Group met five times between August 2005 and March 2006. The Executive's Reviews Team visited the following six colleges to discuss specifically the difference colleges make.

- Adam Smith College;
- Lews Castle College;
- John Wheatley College;
- Lauder College;
- Central College of Commerce; and
- Stevenson College, Edinburgh.

The Reviews Team visited Stow College to discuss with trade union learners the difference the colleges make to them. The Review Team leader joined for 2½ days a range of classes at Langside College. The team also had discussions with following organisations:

- BRITE Centre;
- Centre for Research in Lifelong Learning, Glasgow Caledonian University;
- Changing Places, Cambuslang;
- Cyclacel Ltd, Dundee;
- Dundee City Council - Social Work Department and Education Department;
- Dundee City Council - Contract Services;
- Green Keepers Training Committee;
- *learndirect scotland*;
- The Link Project;
- Princes Trust;
- Routes to Work, Hamilton;
- Scottish Local Authority Development Enterprise;
- Upstairs Kids Club Nursery, Cambuslang; and
- West Lothian Economic Partnership.

We want to take this opportunity to thank all those who participated in discussions to help frame this report.

SCOTTISH CREDIT AND QUALIFICATIONS FRAMEWORK

| SCQF | SQA National Units, courses and group awards | Higher Education (HE) qualifications | SVQs |
|------|--|--------------------------------------|-------|
| 12 | | Doctorate | |
| 11 | | Masters | SVQ 5 |
| 10 | | Honours degree | |
| 9 | | Ordinary degree | |
| 8 | | HND Diploma of HE | SVQ 4 |
| 7 | Advanced Higher | HNC Certificate of HE | |
| 6 | Higher | | SVQ 3 |
| 5 | Intermediate 2/ Credit S Grade | | SVQ 2 |
| 4 | Intermediate 1/ General S Grade | | SVQ 1 |
| 3 | Access 3/ Foundation S Grade | | |
| 2 | Access 2 | | |
| 1 | Access 1 | | |

*Shaded cells indicate provision available through Scotland's Colleges.

ECONOMIC VALUE NOTE

Purpose

1. The purpose of this note is to outline a methodology and set of preliminary results that seek to place a value on the contribution that colleges make to enhance the skills of the Scottish workforce.

Limitations

2. It should be noted from the outset that this note does not attempt to place a total economic value on the college sector, rather our aim is to place a numerical value on the output of colleges where possible and where this is not possible to describe the “unvalued” output. This approach is consistent with HM Treasury’s appraisal guidance¹⁵ known as “The Green Book” which states

“Costs and benefits that have not been valued should also be appraised; they should not be ignored simply because they cannot easily be valued”

3. We have set out in this study to attempt as far as possible to value the output of the sector. We have deliberately not focused on the economic impact of spending by the FE sector whether on wages, consumables or buildings. This is because we wish to understand more about the **difference that colleges make**. If resources were not devoted to the college sector then they would be available for spending elsewhere for example in the Health service or on a tax cut both of which would generate economic impacts through the multiplier. It is therefore of more interest to examine the output, what we are getting for the resources allocated to the sector, rather than the inputs.
4. Inherent in this approach is the assumption that the additional value ascribed to improved qualifications is the result of the learning in the college. It was beyond the scope of this exercise to control for ability. It also assumes that the students work until retirement (although we did conduct a sensitivity test on this the results of which are given below)

Approach

5. The approach which has been adopted makes use of two main data sources; The Labour Force Survey and data returns from the College Sector.

¹⁵ HMT “The Green Book” section 5.76

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6. From the data returns from colleges we know the level of qualification that students have on entry and exit from college. Where the qualifications on exit are “higher”¹⁶ than those on entry we can make use of the Labour Force Survey (which contains information on qualification levels as well as wages) to attempt to place a market value on the additional learning.
7. Having placed an annual “value” on these upgrades we can then roll this forward over the average working life of the student to obtain a value for the qualification. This value is then discounted using the “Social Time Preference” discount rate of 3.5% (real) given in the Green Book to obtain the “Present Value” of the qualification.
8. The data set (covering 2003-04) contained 492,767 records; from this total it was possible to eliminate dummy records which leaves us with 449,611 enrolments. The enrolment data is turned into a headcount using a data-matching programme, this leaves us with 345,323 separate students. This set is further reduced by imposing the condition that the students must have completed the programme, been assessed and been successful this reduces the number that we have to work with to 149,225. The majority of these students had unknown qualifications on entry, which meant they could not be included in this stage of the analysis. Where programmes are not assessed we are not able to place a financial value on the learning and have excluded them. This does not mean that the programme has no value as can be demonstrated by “Tracy’s” experience (see, for example, the case study on support for vulnerable young people on page 46). This resulted in a sample of 46,002 students being carried forward.
9. We placed the remaining 46,002 students in a qualifications matrix and removed all who did not leave college with a higher qualification than they entered it. This final step was required, as we cannot differentiate the wage levels of individuals unless their qualification level changes (by far the largest group about 26,000 individuals were recorded as having no qualification fitting our matrix on exit). **It does not mean that there is no value in an additional qualification at the same or a lower level.** In a local labour market this might make the difference between getting and not getting employment. We are left at this point with a sample of 14,536 individuals.
10. We were concerned at this point about basing our estimates on only 14,536 students. Data limitations meant that we lacked the required entry qualification data needed to place a value on the remaining students so it was decided to separately model entry qualifications for this group based on probabilities obtained from the initial 14,536 entries where this information was present. This modelled data is

¹⁶ For the purpose of this analysis the SVQ framework has been used with Standard grades and SCE Highers or equivalent identified separately.

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presented separately as it is further removed from the original administrative data. This procedure allows us to model an additional 19,197 students (39,187 - 19,990= 19,197¹⁷)

What are the qualifications worth?

11. Having identified 14,536 individuals who have increased their qualification level between entering and leaving college the next question to address is what are the qualifications worth? Table 1 below sets out the median wages that can be expected with each qualification level adjusted for the likelihood of being employed with that qualification level. A higher value will therefore be ascribed to a qualification which increases the likelihood of employment even if the cash value of the qualifications is identical¹⁸.

Table 1:

| Highest Qualification Level Obtained | Employment salary | Adjusted |
|--|-------------------|----------|
| SVQ Level 4 HNC,HND,BTEC or above etc | £17,114 | |
| SVQ level 3 | £14,228 | |
| SCE higher or equivalent | £12,988 | |
| SVQ level 2 or equivalent | £9,062 | |
| Standard Grade grade A-C or equivalent | £10,767 | |
| SVQ level 1 or equivalent | £7,737 | |
| Standard Grade below grade c | £9,258 | |
| No qualifications | £6,839 | |

12. The wage information contained in table 1 above can be combined with the number of students moving between each qualification to give an indication of the additional value that accrues to these students each year as a result of their college education. Table 2 below summarises the number of students in our data set moving between each qualification level.

Table 2:

¹⁷ 39,187 represents the number of records with a **valid** (In this analysis SVQ 1 through 5 plus Higher and Standard Grade) exit qualification when the restriction on entry qualifications is relaxed. The equivalent number from the original data (19,900) is subtracted to avoid double counting

¹⁸ We are assuming here that the difference in earnings is related to earnings and not some unobserved characteristic

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| Numbers | Qualification before | | | | | | Grand Total |
|---------------------|----------------------|-----|--------|-----|----------------|-----|-------------|
| | 4 | 3 | Higher | 2 | Standard Grade | 1 | |
| Qualification after | | | | | | | |
| 5 | 20 | 0 | 34 | 0 | 27 | 0 | 81 |
| 4 | | 360 | 3844 | 224 | 4148 | 29 | 8605 |
| 3 | | | 582 | 137 | 1766 | 17 | 2502 |
| Higher | | | | 47 | 875 | 18 | 940 |
| 2 | | | | | 2201 | 79 | 2280 |
| Standard Grade | | | | 6 | 122 | 0 | 128 |
| 1 | | | | | | | 0 |
| No qualifications | | | | | | | 0 |
| Grand Total | 20 | 360 | 4460 | 414 | 9139 | 143 | 14536 |

13. Table 3 below combines the information from table 1 on wages with the information from table 2 on the numbers moving between each qualification level. This gives us a value for each upgrade

Table 3:

| Qualification / Benefit | 4 | 3 | Higher | 2 | Standard Grade | 1 | total |
|-------------------------|----|------------|-------------|------------|----------------|----------|-------------|
| 4 | £0 | £1,038,978 | £15,862,710 | £1,803,720 | £26,327,200 | £271,949 | £45,304,558 |
| 3 | £0 | £0 | £722,008 | £707,779 | £6,111,969 | £110,356 | £7,652,113 |
| Higher | £0 | £0 | £0 | £184,508 | £1,942,803 | £94,517 | £2,221,829 |
| 2 | £0 | £0 | £0 | £0 | £0 | £104,693 | £104,693 |
| Standard Grade | £0 | £0 | £0 | £10,232 | £0 | £0 | £10,232 |
| 1 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| No qualifications | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Total | £0 | £1,038,978 | £16,584,719 | £2,706,240 | £34,381,973 | £581,515 | £55,293,425 |

14. The total gross annual benefit is therefore calculated to be of the order of £55 Million. This is of course not a one off benefit but recurs every year until the students leave the workforce. One of the strengths of the college sector is the heterogeneity of its students and so the average time to retirement is calculated separately using age information from the data set. The average age of students taking each qualification “step” is summarised in table 4 below. An implicit assumption of this calculation is that students work until retirement which is assumed to be 65.

Table 4:

| Average of Age | Qualification before | | | | | |
|---------------------|----------------------|----|--------|----|----------------|----|
| | 4 | 3 | Higher | 2 | Standard Grade | 1 |
| Qualification after | | | | | | |
| 4 | 29 | 28 | 24 | 27 | 26 | 30 |
| 3 | 33 | 27 | 26 | 24 | 22 | 25 |
| Higher | 34 | 24 | 22 | 20 | 22 | 29 |
| 2 | 34 | 26 | 24 | 23 | 21 | 21 |
| Standard Grade | 32 | 29 | 24 | 22 | 23 | 0 |
| 1 | 41 | 26 | 31 | 20 | 19 | 16 |
| No qualifications | 36 | 32 | 31 | 28 | 27 | 26 |
| Grand Total | 34 | 30 | 27 | 26 | 25 | 25 |

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15. Combining the information in table 4 with that in table 3 allows us to estimate the time over which these benefits persist. If we then discount the future stream of benefits using the social time preference rate of 3.5% used for appraising government spending we find that the present value of the **gross benefits** delivered by the college system is in the order of **£1.2 Billion**. Table 5 below sets out how the grand total is built up from each segment of the student population.

Table 5:

| Average of Age Qualification after | Qualification before | | | | | | totals |
|---------------------------------------|----------------------|-------------|--------------|-------------|----------------|-------------|----------------|
| | 4 | 3 | Higher | 2 | Standard Grade | 1 | |
| 4 | £0 | £21,291,713 | £341,976,075 | £37,548,602 | £554,976,865 | £5,474,829 | £961,268,084 |
| 3 | £0 | £0 | £15,269,233 | £15,238,834 | £134,848,800 | £2,353,421 | £167,710,287 |
| Higher | £0 | £0 | £0 | £4,142,361 | £42,781,171 | £1,905,735 | £48,829,267 |
| 2 | £0 | £0 | £0 | £0 | £0 | £2,332,282 | £2,332,282 |
| Standard Grade | £0 | £0 | £0 | £225,749 | £0 | £0 | £225,749 |
| 1 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| No qualifications | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Grand Total | £0 | £20,835,405 | £343,656,887 | £56,951,645 | £731,625,412 | £12,459,759 | £1,165,529,108 |

Costs

16. We cannot of course forget that there is a resource requirement to generate these benefits. There are two main sources of costs that we require to consider

- ⊗ Direct costs of the college system
- ⊗ Opportunity costs to students of studying at college rather than working

Direct Costs

17. There are two possible approaches to evaluating the direct costs of the college system. We can either seek to split out the costs of the 14,536 students identified above or alternatively ascribe all the costs of the college system against this flow of valued benefits. There are advantages and disadvantages with both approaches.

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18. Splitting out the costs of these courses has the attraction of being “fair” as we would be equating like with like. The problem of this approach is that it leaves us with a residual set of costs to be ascribed to the “unvalued” college output. The “unvalued” output may be worth more or less than the residual costs. In addition there is the practical problem of sharing fixed costs between the two groups of courses.
19. The alternative is to allocate all of the costs against the valued benefits. When we do this we are no longer equating “like with like”. This would deliver a “worst case” net value for the sector as it assumes in effect that the non-valued courses are “free” so any benefit from them is a bonus over and above the final Net Present Value (NPV).
20. Direct spend on Scotland’s colleges comes from two primary sources these are the Funding Council and student support for students studying HE courses in college from SAAS. Taking both these funding streams together gives a total cost of £532.5 Million or less than half the estimated benefit for just the output we have been able to value.
21. If we take the alternative approach and look at the share of costs required to generate just the benefits that we have identified then we arrive at a much lower cost of c£38.5 Million. This estimate is constructed on the basis of the SUMS that are allocated by the funding council to these courses as a proportion of the total SUMS allocated to the sector.

Opportunity Costs

22. In addition to the direct costs of funding the system students also face significant opportunity costs in the form of income forgone while they study. These have been estimated in table 6 below. It has been assumed that students were earning the median wage for their pre-college skill level

Table 6:

| Qualification before | Number | Value | Total Value | |
|----------------------|--------|-------|-------------|--------------|
| | 4 | 20 | £17,114 | £342,284 |
| | 3 | 360 | £14,228 | £5,122,127 |
| Higher | | 4460 | £12,988 | £57,924,541 |
| | 2 | 414 | £9,062 | £3,751,609 |
| Standard Grade | | 9139 | £10,767 | £98,401,610 |
| | 1 | 143 | £7,737 | £1,106,338 |
| Total | | 14536 | | £166,648,509 |

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23. It can be seen from table 6 above that college represents a serious financial investment in terms of earnings forgone for these students. This is also a cost to the wider economy in the short run as these workers are not available until they complete their studies. We know that students work while at college and the recent Student Income and Expenditure study found that on average they earned £948 per annum this reduces the opportunity cost of attending college.

24. The net opportunity cost (allowing for earnings whilst at college) is estimated at around £153 million and requires to be included in the cost benefit analysis.

Cost Benefit Result

25. Table 7 below sets out the impact of the costs associated with gaining the benefits on a step-by-step basis to give the range of cost benefit results. If only the costs that can be proportionately ascribed to the benefits and the opportunity costs are netted off then the Net Benefit is about £1Billion. Netting off the remaining costs of the sector gives a benefit of £532.5 Million. This should be interpreted as the lower bound benefit estimate as by implication it assumes that the other parts of the sector which have remained unvalued are worth the same as the opportunity costs of qualifying in effect have a zero net value.

Table 7:

| | Cost (£M) | Net Benefit (£M) |
|---------------------------|-----------|------------------|
| Gross Benefit | 0 | 1,165 |
| Less Share of costs | 38.5 | 1126.5 |
| Less Opportunity Costs | 153 | 973.5 |
| Less residual total costs | 504.5 | 469 |

26. The model allows us to vary the retirement assumption. Reducing the retirement age from 65 to 60 reduces the gross benefit from £1.16 Billion to £1.09 Billion. Retirement would have to occur on average at 43 in order for the Net Benefit to drop to zero when all costs are included.

Additional Benefits

27. It is important to note that although the calculations carried out above have yielded large and positive results for the benefits of a college education they have not valued all the activity that occurs in Scotland's colleges. The main report gives more detail on the additional benefits which we have not been able to value in this note.
28. Our requirement that courses lead to an increase in qualification level led to a reduction in our sample from 46,002 to 14,536. This occurred because our valuation method (based on the LFS) required a change in qualification level to identify "improvements" in qualification level (we also required that a qualification be recorded on entry). These additional individuals must gain some benefit from attending college, perhaps local labour market conditions result in a requirement for retraining at the same level but we cannot separate this effect out from the aggregate data.

29. Some individuals may also reenrol the following year to do a higher qualification (perhaps they wish to improve their Highers before pursuing an HNC/D for example). Where this is the case (and it is their qualification on entry to the college rather than the particular course that is recorded) then their eventual upskilling should be captured in our figures assuming that the flow of such people is similar on a year-by-year basis.
30. A large amount of the college activity that we identified was excluded from our model because it did not lead to a certified or specifically identified qualification (see, for example, the case study on custom designed training for companies on page 52). Once again there is likely to be a benefit to doing these courses but we cannot vouch for its scale. In the absence of robust data we have taken a conscious decision to be cautious in our assumptions around the benefit calculations. It is also the case that where these courses are a first step on a longer lifelong learning journey which does lead to obtaining a recognised college qualification (see, for example, the case study on closing the opportunity gap on page 41) they will again, at least partially, be implicitly counted in our estimates.
31. Finally there is the activity that we could not value as a result of the lack of information on the qualification on entry. This had to be excluded initially as without knowing the qualification level on entry we could not identify the extent of upskilling. Our concern over the numbers being excluded on this basis led to us attempting to “model” entry qualifications for this group. Our approach to this is set out below.

Modelling

32. As mentioned above we were concerned at the extent to which we had to exclude those who did not have a valid qualification on entry recorded against them. Our data suggested that an additional 19,197 individuals fell into this group. We have sought to address this concern by trying to model the entry qualifications profile for these students.
33. The first step in assessing the value that we can ascribe to these students is to construct a matrix giving the probability that they fall into each of the classes of entrant that we have identified for this exercise. Probabilities are calculated as the percentage of the group for which we have information who fell into each of these categories. This probability table is given as table 8 below

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Table 8

Probability matrix

| Count of Qualification before | Qualification before | | | | | | |
|-------------------------------|----------------------|-------|--------|-------|----------------|-------|-------------|
| Qualification after | 4 | 3 | Higher | 2 | Standard Grade | 1 | Grand Total |
| 5 | 24.69% | 0.00% | 41.98% | 0.00% | 33.33% | 0.00% | 100.00% |
| 4 | 16.23% | 3.50% | 37.42% | 2.18% | 40.38% | 0.28% | 100.00% |
| 3 | 13.46% | 5.81% | 18.78% | 4.42% | 56.99% | 0.55% | 100.00% |
| Higher | 6.24% | 3.19% | 50.64% | 2.00% | 37.17% | 0.76% | 100.00% |
| 2 | 5.22% | 2.28% | 19.66% | 4.38% | 66.08% | 2.37% | 100.00% |
| Standard Grade | 6.71% | 2.92% | 53.06% | 1.75% | 35.57% | 0.00% | 100.00% |
| 1 | 8.63% | 2.16% | 13.92% | 0.98% | 70.00% | 4.31% | 100.00% |
| No qualifications | 19.01% | 4.08% | 27.88% | 2.30% | 45.90% | 0.83% | 100.00% |
| Grand Total | 16.17% | 3.85% | 30.03% | 2.53% | 46.60% | 0.83% | 100.00% |

34. The number of students graduating at each level is then run through the matrix. This gives us the additional numbers of individuals given in the table below

Table 9:

Modelled additional numbers

| Count of Qualification before | Qualification before | | | | | | |
|-------------------------------|----------------------|-----|--------|-----|----------------|-----|-------------|
| Qualification after | 4 | 3 | Higher | 2 | Standard Grade | 1 | Grand Total |
| 5 | 5 | 0 | 8 | 0 | 6 | 0 | 19 |
| 4 | 1,050 | 227 | 2,420 | 141 | 2,611 | 18 | 6,467 |
| 3 | 542 | 234 | 756 | 178 | 2,294 | 22 | 4,025 |
| Higher | 104 | 53 | 840 | 33 | 616 | 13 | 1,658 |
| 2 | 282 | 123 | 1,063 | 237 | 3,571 | 128 | 5,405 |
| Standard Grade | 15 | 6 | 115 | 4 | 77 | 0 | 217 |
| 1 | 121 | 30 | 196 | 14 | 984 | 61 | 1,406 |
| No qualifications | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 3,104 | 740 | 5,764 | 485 | 8,945 | 159 | 19,197 |

35. As before only those who have enhanced their earning potential are included in our benefit calculation. This reduces the modelled number upon whom the benefits calculation can rest to 13,129. The same steps outlined above for the original sample are then carried out to estimate a value for this additional supply of qualifications.
36. Assuming that these individuals retire at 65 (as assumed above) generates an estimated additional gross benefit in the order of £861 Million. As before pro rate financial costs (c£40 million) and opportunity costs (c£135 million) are estimated. This suggests an **additional** net benefit in the region of £685 million against prorate costs.

Conclusions

37. This piece of work has shown that there are substantial economic benefits which flow from the education that is provided at Scotland's Colleges. We estimate that the gross benefit of a years output is of the order of £1.16 Billion. If we set all of the sector's costs against this output then we are left with a net benefit of at least £469 Million

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excluding our modelled benefits. This should be considered our low estimate of Net Benefit.

- 38 Adding the original and modelled results together suggests
- A net benefit figure against **all government costs** of the order of £1.16 billion
 - A net benefit figure against pro-rate government costs of the order of £1.66 billion
39. It needs to be remembered that we were not able to value impacts of training which is not completed, assessed and successful. Where courses are not formally assessed they may still add value although we cannot pick that up using this methodology. The main report will consider other ways in which colleges add value. We have also not been able to place an explicit value on a large number of qualifications for example National Units not leading to any qualification above that level (29,394), other non-advanced certificate (23,811), any other qualification level (24,419) and programmes not leading to recognised qualification level (28,668).
40. Ascribing all costs to the output we have valued (an extremely cautious assumption) leaves us with a net benefit figure of around £1.16 Billion. This estimate implicitly assumes that where a course is unvalued its value is only equal to the opportunity cost a student faces in doing it. Most people would agree that this is a very restrictive and cautious assumption. Even with this assumption in place the FE system is shown to generate a benefit cost ratio of around 3.2 to 1. In effect we are saying that the FE sector turns £1 into an asset worth (at least) £3.20 in a year. This represents an excellent return on investment.
41. In effect if we accept the estimate for net benefits above then everything else the system delivers which has not been valued is in effect “free” as the costs have already been covered.