

Board Meeting

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| Date of Meeting | Monday 15 June 2020 |
| Paper Title | Ministerial Letter of Guidance Update |
| Agenda Item | 14 |
| Paper Number | BM4-K |
| Responsible Officer | Martin Boyle, Executive Director |
| Recommended Status | Disclosable |
| Action | For Noting |

1. Report Purpose

- 1.1. To update the board on the current position with the formal Ministerial Letter of Guidance, including the delay to the full letter and the current interim position.

2. Recommendations

- 2.1. That the board **note** the current position with the interim Ministerial Letter of Guidance and the Minister's letter to Scottish Funding Council, *SFC Review of Coherent Provision and Sustainability*

3. Report

- 3.1. Ministerial Letters of Guidance from the Scottish Government set out their priorities for colleges and universities. In normal circumstances, the letter sets out strategic directives, as well as guidance to Scottish Funding Council, Skills Development Scotland and other national agencies, while providing direction to colleges, universities and training providers.
- 3.2. On 22 April 2020 it was announced that the full letter of guidance would be delayed to allow additional opportunity to more fully reflect the Covid-19 crisis and its impact on Scottish education. This delay is specifically linked to the requirement of national and regional agencies to work in a fast-paced, agile manner to meet emerging challenges – with changing priorities.
- 3.3. On the same date, an interim letter of guidance was published jointly by the Depute First Minister; Cabinet Secretary for the Economy, Fair Work and Culture; Cabinet Secretary for the Rural Economy and Tourism; and the Minister for Further Education, Higher Education and Science.
- 3.4. The letter (Annex A) can be found in full here:
[http://www.sfc.ac.uk/web/FILES/AboutUs/Interim Letter of Guidance to Enterprise and Skills bodies April 2020.pdf](http://www.sfc.ac.uk/web/FILES/AboutUs/Interim_Letter_of_Guidance_to_Enterprise_and_Skills_bodies_April_2020.pdf)
- 3.5. The Ministers emphasise that the “importance of supporting those at risk of losing their jobs, retaining people in work, and providing the skills our businesses and economy

needs, has never been greater,” signalling that colleges will have a critical role in supporting Scotland’s national recovery, with reskilling and upskilling of citizens set to play a vital role.

- 3.6.** Crucially, the letter is a clear, unambiguous call for change, emphasising that activity is required to be re-evaluated and halted to ensure that it directly contributes to the national challenge.

“This means that all but the most critical ‘business as usual’ activity must be reevaluated and halted, unless it is clearly making a contribution to the challenge of COVID19. Your focus, moving forward, must move to meeting the emerging fiscal, economic and social challenge of COVID-19. We look to you to ensure that you reprioritise; continue to be flexible, to be responsive and to work collaboratively where possible. This will ensure that, whatever happens going forward, individuals and businesses are able to access the support they may need.”

- 3.7.** A full ministerial letter of guidance is expected later in 2020 and a full update to the board will be provided at that time.
- 3.8.** In addition to the letter of guidance, the Minister for Further and Higher Education provided an update on 4 June 2020 in his letter to Mike Cantlay, Chair of the Scottish Funding Council, *entitled SFC Review of Coherent Provision and Sustainability* (Annex B).
- 3.9.** In this letter, the Minister moves the update forwards in a Scottish education context, by bringing a focus to the ‘recovery’ and ‘renewal’ stages of the Covid-19 response, emphasising the role of the education sector in contributing to ‘the regrowth and renewal of Scotland’s prosperity’. This letter is a significant indicator of the requirement for sectoral change, with the Minister stating: “It is clear to us all that existing models of funding, governance, collaboration and delivery will need to shift in order to meet new challenges and exploit new opportunities.”
- 3.10.** The Minister has, therefore, charged the Scottish Funding Council with leading this process of “securing coherent provision by post-16 education bodies, and the undertaking of research in these changing times. We expect this will cover future provision, delivery, outcomes and targets, funding models and support for research activity across the college and university sector in Scotland.”
- 3.11.** Specifically, this review will cover the following:
- consider how best to achieve coherence in the further and higher education sectors;
 - sector should be fit for purpose to address the outcomes;
 - the changes needed to existing funding, operations, and accountability frameworks in order to respond effectively to these new challenges and opportunities; and
 - to provide advice, where appropriate, to Scottish Ministers on relevant changes to policy, funding and accountability frameworks for tertiary education and research in Scotland.
- 3.12.** Initial findings are due to be presented in August 2020, and GCRB will be kept updated on progress.

3.13. Given the significant implications to the sector and region, GCRB will continue to seek ways of engaging with, and supporting, this process, in addition to directly stating our offer of support to both Scottish Government and Scottish Funding Council.

4. Risk Analysis

4.1 There is significant risk across the region posed by the Covid-19 crisis. The interim letter and letter to SFC outline this and it is reflected in GCRB's current Risk Register.

5. Legal Implications

5.1. There are no specific legal implications at this time.

6. Resource Implications

6.1. There is a risk that delays or changes in the communication and provision of resources will have a material impact on the ability of the region to deliver.

7. Equalities Implications

7.1. There are no specific equalities implications at this time.

8. Strategic Implications

8.1 There is a risk that current strategic goals will be impacted by the crisis, and that future strategic work will be delayed.

Deputy First Minister and Cabinet Secretary for
Education and Skills
Cabinet Secretary for the Economy, Fair Work and
Culture
Cabinet Secretary for the Rural Economy and Tourism
Minister for Further Education, Higher Education and
Science



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22 April 2020

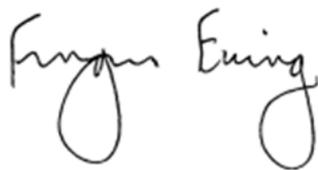
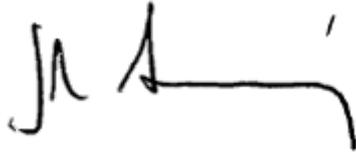
Dear Enterprise and Skills Agency Chairs

INTERIM LETTER OF GUIDANCE TO ENTERPRISE AND SKILLS AGENCIES

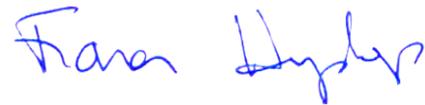
1. These are extraordinary times. Many of the challenges we faced just a few weeks ago have been overtaken by COVID-19. It is impacting on all aspects of our lives and there is disruption right across the economy. This is an unimaginably difficult time for organisations large and small, for employers and employees, for staff and students, and collectively we must do everything we can to help.
2. The importance of supporting those at risk of losing their jobs, retaining people in work, and providing the skills our businesses and economy needs, has never been greater. As one of the Enterprise and Skills agencies you are central to allowing us to help those in the country who require it most and, in time, planning for the recovery phase that will follow.
3. This means that all but the most critical 'business as usual' activity must be re-evaluated and halted, unless it is clearly making a contribution to the challenge of COVID-19. Your focus, moving forward, must move to meeting the emerging fiscal, economic and social challenge of COVID-19. We look to you to ensure that you reprioritise; continue to be flexible, to be responsive and to work collaboratively where possible. This will ensure that, whatever happens going forward, individuals and businesses are able to access the support they may need.
4. In light of this, we have decided to delay issuing the Strategic Letters of Guidance to all Enterprise and Skills agencies until later in 2020. This is in recognition that priorities will change and to allow the agencies to be able to be as responsive as possible to current events. We recognise that you will continue to deliver contracted commitments, and confirm that appropriate governance arrangements should continue to be followed at all times. You should work closely with your Sponsor Team to ensure that this is the case.

5. Finally, the partnership working across organisations has been exemplary and is allowing us all to respond in innovative ways to unprecedented challenges. We would like to take this opportunity to thank you and all your staff for the significant contribution you and your organisations have made, and continue to make, in supporting our response to the COVID-19 pandemic.

Yours truly



Kind regards



John Swinney, Deputy First Minister and Cabinet Secretary for Education and Skills
Fiona Hyslop, Cabinet Secretary for the Economy, Fair Work and Culture
Fergus Ewing, Cabinet Secretary for the Rural Economy and Tourism
Richard Lochhead, Minister for Further Education, Higher Education and Science

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Minister for Further Education, Higher Education and
Science



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Mike Cantlay
Chair,
Scottish Funding Council

(chair@sfc.ac.uk)

03 June 2020

Dear Mike

SFC REVIEW OF COHERENT PROVISION AND SUSTAINABILITY

As we look ahead to the recovery and renewal stages of the Covid-19 pandemic in Scotland, the Deputy First Minister and I will continue to support our colleges, universities, learners and research activity to be at the heart of our response.

The institutions and their staff and students, with your support, are showing tremendous adaptability, resilience and ingenuity in meeting the challenges of these unprecedented times. We know that the societal and economic impacts of the pandemic are far reaching.

Through our collective efforts we are establishing a good understanding of how our tertiary sector will be impacted over the short, medium and long term, and of how the sector can contribute to the regrowth and renewal of Scotland's prosperity.

Such is the scale of the external shock, it is clear to us all that existing models of funding, governance, collaboration and delivery will need to shift in order to meet new challenges and exploit new opportunities.

As recently discussed, I therefore invite the Scottish Funding Council to review how best it can fulfil its mission of securing coherent provision by post-16 education bodies, and the undertaking of research in these changing times. We expect this will cover future provision, delivery, outcomes and targets, funding models and support for research activity across the college and university sector in Scotland.

Tha Ministearan na h-Alba, an luchd-comhairleachaidh sònraichte agus an Rùnaire
Maireannach fo chumhachan Achd Coiteachaidh (Alba) 2016. Faicibh www.lobbying.scot

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Utilising the expertise you have on your Board and in the college and university sectors, and collaborating with key interests across the sectors and with Government and its agencies, we expect that the purpose of your review work would be to:

- consider how best to achieve coherence in the further and higher education sectors;
- sector should be fit for purpose to address the outcomes;
- the changes needed to existing funding, operations, and accountability frameworks in order to respond effectively to these new challenges and opportunities; and
- to provide advice, where appropriate, to Scottish Ministers on relevant changes to policy, funding and accountability frameworks for tertiary education and research in Scotland.

I would expect your review work to draw on the analysis of the fundamental strengths in, challenges for and potential of our sector as set out in your own Strategic Plan, the recent Muscatelli Report *Driving Innovation in Scotland*, the Cumberford-Little Report *One Tertiary System: agile, connected, inclusive* and other relevant reports. I know you are intent on considering perspectives from a range of stakeholders.

In particular, I want you to bear in mind the interests of the learners, potential learners and businesses who have the lived experience of the system, alongside the financial sustainability of the institutions themselves. Your consideration of Fair Work principles and what represents the most effective use of budgets to support new approaches will be very helpful in our considerations as we work together for a system that is sustainable and effective for all of Scotland.

The Deputy First Minister and I recognise that this review work may involve different phases and reporting elements, and that you will want to make a distinction between the changes required in the immediate and into the longer term. We would welcome being kept in close touch with the Council's thinking as it evolves and ask you to share early considerations in an update by the end of August. I would want my Further and Higher Education Covid-19 Ministerial Leadership Group to be consulted as your work progresses.

My officials will provide support and input to your review processes as they develop. The challenges we face are without precedent however I am confident that further and higher education and research in Scotland can emerge from this crisis even stronger.

Yours sincerely,



RICHARD LOCHHEAD

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