Further to the Committee meeting on 25 October 2011 and Terry Shevlin’s subsequent e-mail, I set out below my response to each of the further questions asked by Committee members.

1. As two of the sources for filling the HE ‘funding gap’ – tuition fees and efficiencies – are unpredictable to an extent, will the Scottish Government commit to making up any shortfall from these sources? Conversely, if receipts from the two sources mentioned are greater than expected, would that affect the future sums that the Scottish Government intends to commit to HE? (In asking these questions, the Committee wishes to highlight [a BBC news report of 20 October], concerning several universities in England potentially lowering the fees they have said they will charge from next year.)

We are investing an additional £327 million in Scottish universities over the three year period, with real terms increases of more than 5% in each year. This will ensure Scottish universities remain internationally competitive. It will also ensure their financial stability. This contrasts starkly with the situation in England where there is continuing uncertainty about income levels from tuition fees and speculation about the financial viability of some English universities. We need to give universities the ability to undertake planning, so there is no current expectation that the fee level will change.

2. Can the Cabinet Secretary explain why the budget line ‘student support and tuition fee payments’ is declining over the Spending Review period (see table 9.07, page 113 of the 2012-13 Draft Budget)?
This is a consequence of our plans to create a simpler system of student support. The objective is to increase student income at university and we'll be doing this primarily by increasing the amount of student loans available. The draft budget shows those lines increasing over the Spending Review.

3. Can the Cabinet Secretary explain in which budget lines the £50m early years change fund appears and how much of it is expected to be distributed in 2012-13? The Committee notes the recent press release announcing £1.5m for 2012/13 for childcare and family support projects as being the first allocations from this fund. Does that mean that in 2012-13 we expect to see £1.5m of the total £50m sure start fund distributed?

The £50 million Early Years Change Fund is incorporated in the Positive Futures budget line. £10.5 million is expected to be distributed in 2012-13. The £1.5 million Families and Communities Fund is part of that £10.5 million.

4. What is the level of funding for modern apprenticeships within Skills Development Scotland’s budget and what measures have been put in place to focus this on preventing youth unemployment?

Skills Development Scotland (SDS) is responsible for managing the spend across the areas for which it has operational responsibility. The apprenticeship programme is demand led with the final spend in any given financial year dependent on both the skills training employers across different sectors demand and also the number of individuals completing their training given that the programme is largely outcome funded on completion of training. I cannot therefore provide information on apprenticeship spend for the next financial year. But for your information you may wish to note that in 2009-10 £60 million, and in 2010-11 £69 million, of SDS’s budgets were spent on the apprenticeship programme. We anticipate SDS meeting their target of 25,000 MAs each year for the lifetime of this parliament.

We recognise a need to prioritise resources within the apprenticeship programme. As such, we expect SDS to target a significant number of places for young people aged 16-19. Given the levels of unemployment for young people up to the age of 24, we have asked SDS to target places in 2011-12 to supporting 20-24 year olds and unemployed adults into new employment opportunities across all sectors. Although we will finalise our policy for the apprenticeship programme as part of our 'Making Training Work Better' proposals due to be published by the end of the calendar year, it is unlikely that the above guidance on supporting young people will change substantially.

5. Given the Committee’s inquiry into the educational attainment of looked after children, can the Cabinet Secretary provide more detail about the spending in the £1.3m level 4 line for ‘improving the educational outcomes for looked after children’ and state which other areas of the budget contribute to improving the outcomes for looked after children?

This refers to the entire programme budget for Improving Outcomes for Looked After Children (LAC). A number of programmes around adoption, foster and kinship care are funded from this line, along with programmes aimed at strengthening Corporate Parenting. For example: Children 1st commissioned to develop and manage an advice, outreach and support service for Scotland’s kinship carers (approx. £240,000 in 2012-13); a national Corporate Parenting training programme delivered by Who Cares? Scotland, for all local authorities and health boards (£50,000 in 2012-13); additional funding to help speed up the journey to permanence for looked after children (approx. £250,000 in 2012-13). These resources are dedicated to leading and driving change, specifically aimed at LAC outcomes.
In addition, Looked After Children benefit from universal services such as the NHS, with dedicated LAC nurses available to all those in residential or foster care. One further area of spending specifically dedicated to LAC outcomes is our investment in Social Services Centres for Excellence, part of the Early Years and Social Services Workforce spending. We will invest £3.2 million in 2012-13 in the Centre for Excellence for Looked After Children in Scotland (CELCIS).

Furthermore, the Learning budget contributes to improving outcomes for looked after children and young people. For example, Curriculum for Excellence offers the opportunity for learning to be tailored to the individual needs of the child or young person, to meet their learning needs, ensuring that they are engaged and involved in their learning. The entitlement to support in Curriculum for Excellence links the additional support that a looked after child or young person may need to the breadth and depth of learning expected as part of the delivery of the Experience and Outcomes across learning.

6. How, in the context of a substantial budget cut, will Education Scotland help to deliver a robust support and challenge function for Scottish education, particularly with regard to additional support for learning, post-16 learning, children’s services and curriculum for excellence?

The reduction of £4.2 million between 2011-12 and 2012-2013 reflects the efficiencies achieved by bringing together HMIE and LTS. This will enable Education Scotland to rationalise activities and ensure a more strategic approach to implementation of Curriculum for Excellence, school improvement and inspection.

Detailed planning has already been undertaken to confirm that Education Scotland will be able to sustain the previously planned programmes of the four predecessor organisations. The Agency will capitalise quickly on opportunities for new, more integrated, ways of delivering services and workstreams are being identified where it can build new teams drawn from across the pool of expertise available. The approach to planning enables Education Scotland to ensure that priority and focus will be placed on all of the areas above identified by the committee and it also has built-in flexibility to ensure that the Agency can remain responsive and adaptable to future demands.

In addition, savings can be made through public sector reform and bringing the predecessor bodies together.

7. The Committee also invited stakeholders to suggest questions on the budget that the Committee could put to the Cabinet Secretaries. Only one response was received, from the Prince’s Trust Scotland— The Scottish Government recognises the vital role the third sector plays in providing alternatives to mainstream education and supporting educational attainment, in particular among those young people most impacted by the recent economic downturn. What resources can the Cabinet Secretary for Education and Lifelong Learning commit to sustaining the best of these vital resources and services at a time of heightened need?

There are a number of areas which amply demonstrate my continued commitment to working with third sector providers in this regard. For example:

- we will continue to invest £4 million in Inspiring Scotland’s 14-19 Fund which supports 22 voluntary organisations across the country to help young people make successful transitions from school into education, training or work;
- likewise, we will maintain our £4 million investment to support local authorities to deliver Activity Agreements in conjunction with local voluntary and third sector
partners. They provide community and other informal settings for learning as part of tailored support to those young people at greatest risk of disengaging from education, and over the longer term, the world of work;

- this financial year (2011-12) we have provided over £3.3 million to help youth work and youth information organisations maintain and build vibrant and effective services that support young people's engagement and participation in their communities and in local and national activities. We will continue to support this area of work from a programme budget amounting to £1.686 million (0.9% reduction on 2011-12 due to one small strand of work being absorbed by the sector). In addition, a number of Youthwork organisations are currently funded through the Unified Voluntary Sector Fund (£1.6 million);

- the youth work sector receives an additional valuable boost through the CashBack for Communities Programme. Cashback has invested in a wide range of sporting, cultural, intervention and diversionary projects for young people to complement and enhance core youth work services. The programme has invested and committed £44 million since its introduction in 2007, with all available funding committed through to the end of 2013-14, and has benefited over 600,000 young people; and

- finally, we have maintained our investment of £700,000 per annum in headquarters grants to voluntary adult learning organisations.

I trust these responses are helpful to you and to Committee members.

MICHAEL RUSSELL