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Education and Skills Committee

Remit: To consider and report on matters falling within the responsibility of the Cabinet Secretary for Education and Skills.

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Executive Summary

The Committee has made a number of conclusions and recommendations in this report and they are drawn together and reproduced below. For ease of reference and navigation, the recommendations are grouped under the headings of the sections in which they appear in the main body of the report.

Draft Budget Scrutiny

Background

1. While the Committee was able to undertake preparatory work on the performance of a number of public bodies in advance of the Draft Budget’s publication, there was insufficient time to properly scrutinise the Draft Budget itself. The Committee highlights this issue to the Finance and Constitution Committee to inform its ongoing work on the development of the budget process in light of new revenue raising powers.

Consideration of the Draft Budget

2. The Committee does not believe it is accurate that the Curriculum for Excellence (“CfE”) has reached the stage of maturity that the Scottish Government believes is the case. In this respect, we note the views of the Chief Executive of Education Scotland that the sector has only just completed the first full run of CfE up to S6 and that there are still lessons being learnt. It is clear that the SQA still requires resource to redevelop CfE qualifications and that the “lessons” learned from the first full run of CfE may lead to a requirement for continued support from central agencies. It is clear that the SQA believes that it requires additional resources. The SQA also needs to better focus its resources to deliver outcomes from its core business more efficiently. The Committee recommends that the Scottish Government provides assurances that these budgets are based on the support required to successfully deliver CfE and its qualifications rather than due to budget pressures.

3. The Committee welcomes the Scottish Government’s commitment to the principles of excellence and equity.

4. The Committee acknowledges the debate about the 2017-18 Draft Budget and the amount of funds available to local authorities, of which funds for education and the Pupil Equity Funds are key components. The value of the overall settlement to individual local authorities and whether this represents a net gain or loss is complex and dependent on a number of factors, not least of which is the money raised from changes in local taxation.
5. The Committee recommends that the Scottish Government provides full clarity on this issue during the final passage of the Draft Budget and in the months ahead. The Committee gives notice that we may return to this matter depending on what the net final outcome is for local authorities and their ability to tackle the attainment gap, an aspiration we all share and one that will require sufficient resources.

6. The Committee is unclear how a cash funding reduction of 1.3% in higher education resource matches with a commitment to protect core research and teaching grants. The Committee recommends that the Scottish Government clarifies its intentions in this area.

7. The Committee notes that the Scottish Government contextualises the funding of Higher Education Institutions within the wider profitability of the sector. Universities Scotland, however, frames the sustainability of the sector in terms of the proportion of costs covered by publicly funded teaching and research. The Committee recognises that whilst it is a legitimate expectation of private bodies to augment core provision of services with its own income generation, in the absence of a rational assessment of its budget choices we ask the Scottish Government to provide this rationale to the Committee.

8. The Committee would welcome details of the Scottish Government’s analysis on what it considers to be sustainable funding for the Higher Education Sector in the long term.

9. The Committee is concerned at the reported return of £50m to the Scottish Government from SFC.

10. The Committee recommends that the Scottish Government provides a much more detailed explanation of the circumstances that have led to this action, including the purpose of these funds. The Committee also seeks a further explanation as to why it considers that there has been no detriment to the sector from these actions.
Outcomes and the Christie principles of reform

11. The Committee welcomes the focus on outcomes in the strategies and planning documents of SDS, the SFC, the SQA and Education Scotland. The Committee recognises that the diffuse nature of the delivery of education provision means it is not always easy to link outcomes with the work of the individual organisations. However, both SDS and the SFC provided the Committee data on outcomes, albeit some of which are co-produced with partners, whereas the SQA and Education Scotland did not. The Committee requires those bodies to identify indicators appropriate for the outcomes they seek to contribute to and to report on progress on those indicators.

12. The Committee welcomes the focus of SDS in delivering services at a number of different levels. The Committee notes however that some stakeholders have concerns that national programmes do not always complement local provision.

13. The Committee draws the attention of the Finance and Constitution Committee to this work as it highlights the importance of ensuring national programmes are designed with enough flexibility to adapt to local circumstance and that local partners understand how they can co-produce provision with national agencies.

14. The Committee is very concerned that there is a lack of clear accountability in the delivery of CfE. Clear processes for decision making and allocating responsibility for oversight of delivery requires strong communication and co-ordination among the responsible agencies. The Committee appreciates the Cabinet Secretary’s acknowledgement that these processes need to be reviewed and the Committee will undertake further work on this topic.

15. The Committee highlights the importance of the SFC being able to demonstrate to its Board, and by extension universities and other stakeholders, that it continues to develop policy and initiate policy itself, as well as developing policy collectively with others. The Committee would be concerned if this policy development role has diminished, as Universities Scotland suggests. Where the SFC is initiating policy, it should ensure that stakeholders are aware of these instances to aid transparency and therefore accountability. The Committee suggests that the SFC engages separately with Universities Scotland to address its concerns in these areas.

16. The Committee draws the attention of the Finance and Constitution Committee and the Environment, Climate Change and Land Reform Committee to the sections of the submissions from SDS, the SFC, the SQA and Education Scotland which address those bodies’ contributions to reducing Scotland’s carbon footprint and promoting sustainable growth.
Introduction

1. The Scottish Government’s Draft Budget 2017-18 was published on 15 December 2016. This is the Education and Skills Committee’s report to the Finance and Constitution Committee to support that Committee’s scrutiny of the Draft Budget.

2. In the time available the Committee has considered some aspects of the budget that relate to the Committee’s remit. The Committee held one evidence session with the Cabinet Secretary for Education and Skills on 21 December 2016. This report largely reflects the key themes that arose during that evidence session.

Scrutiny of the public bodies

3. In advance of the publication of the Draft Budget, the Committee undertook scrutiny of four public bodies that have national responsibilities to deliver outcomes in education and skills policy areas and had evidence sessions with each one in November. The four bodies considered were:

   - Skills Development Scotland (“SDS”);
   - Scottish Funding Council (“SFC”);
   - Scottish Qualifications Authority (“SQA”); and
   - Education Scotland.

4. The Committee held an evidence session with representatives of local authorities, the Convention of Scottish Local Authorities (“COSLA”) and the Scottish Local Government Partnership (“SLGP”), on 14 December 2016 on local authorities’ delivery of education.

5. The Finance Committee wrote to subject committees of the Scottish Parliament on 30 June 2016 and suggested that, as part of their budget scrutiny, those committees have a focus on the performance and outcomes achieved by public bodies and how those bodies are taking forward the recommendations of the 2011 Christie Commission report on the Future Delivery of Public Services in Scotland. In addition the Finance Committee reminded subject committees that they are required to consider climate change issues as part of the Draft Budget consideration.

6. The Committee has published a separate report on its work on the four public bodies. The Committee’s work on the outcomes achieved through the spending by public bodies has provided a broad perspective and it is reflected in this report. Through this work, the Committee placed itself in a strong position to scrutinise the wider policy and performance of the public sector in relation to education and skills.
Evidence gathering

7. The Committee wrote to each of the four bodies in September asking them to set out:
   - how they measure their impact in terms of the Scottish Government’s National Performance Framework\(^6\) (“NPF”);
   - how the quality of their work is evaluated;
   - how their strategies and financial plans link to outcomes;
   - how they take forward work which reflect the Christie Commission’s four principles of reform;
   - how they are able to manage change; and
   - how their work supports the Scottish Government’s climate change targets.

8. The Committee wrote directly to a number of stakeholders for each of the bodies and sought the views of the users of the bodies’ services. In a number of different ways. More details on the work of the Committee in regard to the work of SDS, the SFC, SQA and Education Scotland can be found in the Committee recent publication, Performance and Role of Key Education and Skills Bodies, 2nd Report, 2017 (Session 5).\(^7\)
Draft Budget Scrutiny

Background

9. The Scottish Government’s Draft Budget 2017-18 was published on Thursday 15 December 2016. More detailed figures (level four) were provided to the Scottish Parliament’s Information Centre (“SPICe”) on the afternoon of Friday 16 December 2016.

10. The Finance and Constitution Committee asked that subject committees report to it by Friday 13 January 2017 to allow it time to consider the Draft Budget and report to Parliament before the Budget Bill is introduced.

11. It should therefore be noted that this timetable has left the Committee with only a limited timescale to consider the Draft Budget and allowed time for only one formal oral evidence session with the Cabinet Secretary for Education and Skills on 21 December 2016. The remainder of the report highlights the main issues that arose in that meeting.

12. Since the budget was published and the Committee heard from the Cabinet Secretary, analysis by Lucy Hunter Blackburn has shown a discrepancy in where the funding for Baby Boxes is placed between the Scottish Government’s Draft Budget and the level 4 figures provided to SPICe. This is the kind of issue that it is not always possible to pick up in such tight timescales.

13. While the Committee was able to undertake preparatory work on the performance of a number of public bodies in advance of the Draft Budget’s publication, there was insufficient time to properly scrutinise the Draft Budget itself. The Committee highlights this issue to the Finance and Constitution Committee to inform its ongoing work on the development of the budget process in light of new revenue raising powers.

Consideration of the Draft Budget

Summary

14. The Committee took evidence from John Swinney MSP, Cabinet Secretary for Education and Skills, on 21 December 2016.

15. The main themes covered in that session were: funding to support Curriculum for Excellence (“CfE”); funding to support attainment; local authority funding; the sustainability of higher education funding; and the treatment of a £50m underspend by the Scottish Funding Council (“SFC”).
Overall budget

16. The overall budget for the Education and Skills portfolio for 2017-18 is £2,846m. This represents a real terms increase of 1.1% and is around 9% of the total Scottish Government discretionary spend. The Committee seeks confirmation that these figures are real terms year on year increases.

17. Level 2 figures for the Education and Skills portfolio are set out below. The differences between 2016-17 Draft Budget and the 2016-17 Budget figures are due to re-profiling or in-year transfers. Some re-profiling happens regularly, e.g. £54m for funding for training for nurses was transferred into the SFC’s budget from health in autumn 2016.

<table>
<thead>
<tr>
<th></th>
<th>2016-17 Draft Budget £m</th>
<th>2016-17 Budget £m</th>
<th>2017-18 Draft Budget £m</th>
<th>2017-18 Draft Budget £m (Real terms (2016-17 prices))</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning</td>
<td>201.5</td>
<td>211.6</td>
<td>217.0</td>
<td>213.9</td>
</tr>
<tr>
<td>Children and Families</td>
<td>117.2</td>
<td>109.2</td>
<td>167.2</td>
<td>164.8</td>
</tr>
<tr>
<td>Higher Education Student Support</td>
<td>876.3</td>
<td>854.3</td>
<td>940.0</td>
<td>926.5</td>
</tr>
<tr>
<td>Scottish Funding Council</td>
<td>1652.1</td>
<td>1742.5</td>
<td>1734.8</td>
<td>1710.0</td>
</tr>
<tr>
<td>Advanced Learning and Science</td>
<td>6.7</td>
<td>4.8</td>
<td>6.2</td>
<td>6.1</td>
</tr>
<tr>
<td>Skills &amp; Training*</td>
<td>232.6</td>
<td>230.9</td>
<td>223.7</td>
<td>220.5</td>
</tr>
</tbody>
</table>

* It is not possible to provide a comparable outturn split between Other ELL and the new “Fair Work, Skills and Training” portfolio for previous years.

18. Much of the funding for education is funded through local authorities. A letter from the Scottish Government to local authorities on 15 December 2016 showed a reduction in revenue funding of 2.1% from £9,704.8m in 2016-17 to an estimated £9,496.4m. The Committee also notes that in its briefing on the Scottish Government’s Draft Budget 2017-18, SPICe reported a cash terms 3.1% reduction of Local Government capital and revenue budgets compared to the Draft Budget 2016-17. The Cabinet Secretary argued that these figures present only a partial picture as local authorities will be able to raise more income themselves. Local authority funding in relation to attainment is considered in more detail below (paragraphs 25 to 31).

Curriculum for Excellence National Programmes Funding

19. The level four figures of the Scottish Government’s Draft Budget show a decrease in two areas which fund national programmes to implement CfE.
Education and Skills Committee
Scottish Government Draft Budget 2017-18, 3rd Report, 2017 (Session 5)

<table>
<thead>
<tr>
<th></th>
<th>2016-17 Draft Budget (£m)</th>
<th>2017-18 Draft Budget (£m)</th>
<th>% Change 2017-18 on 2016-17</th>
<th>What it buys</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Curriculum</td>
<td>15.329</td>
<td>11.529</td>
<td>-24.8%</td>
<td>The funding supports a range of work across the breadth of Curriculum for Excellence.</td>
</tr>
<tr>
<td>SQA Development/Accommodation Costs</td>
<td>4.470</td>
<td>4.470</td>
<td>0.0%</td>
<td>Funds accommodation costs for SQA (Including Education Scotland’s share of the Optima Building, Glasgow).</td>
</tr>
<tr>
<td>Qualifications, Assessment &amp; Skills</td>
<td>12.612</td>
<td>6.412</td>
<td>-49.2%</td>
<td>Funds support of the implementation of Curriculum for Excellence and the new national qualifications.</td>
</tr>
</tbody>
</table>

20. The figures presented in the table above are in cash terms. According to the Scottish Government, the reasons for the reductions in budget were:

- **General Curriculum:**
  
  Budget decrease due to planned reduction in central government funding for curriculum implementation; and

- **Qualifications, Assessment & Skills:**
  
  Budget decrease stems from a maturity of the CfE and completed implementation of new national qualifications.

21. Members of the Committee questioned the assertion that the delivery of CfE has reached a stage of maturity that now means that the Scottish Government is able to reduce the resources available for national programmes. Particular concerns were raised by some Members about the redesign of CfE Qualifications.

22. In response, the Cabinet Secretary said:

> We have developed the curriculum to a very advanced stage, and the qualifications framework has, equally, been developed to such a stage. Yes—changes are being made to the qualifications approach in order to rebalance final assessments and course assessments that are done during the year. That is a more minor change to the process than a change to the design of qualifications, which is work that has been very much at the centre of SQA activity for some time now.\(^ {17} \)

23. The Committee contrasts this statement with Dr Maxwell’s, Chief Executive of Education Scotland, statement on 30 November, when he said:

> To be perfectly straight with you, we have just gone through the first complete run of the new curriculum for excellence framework up to S6. We are all learning lessons from that.\(^ {18} \)
24. The Committee does not believe it is accurate that the Curriculum for Excellence ("CfE") has reached the stage of maturity that the Scottish Government believes is the case. In this respect, we note the views of the Chief Executive of Education Scotland that the sector has only just completed the first full run of CfE up to S6 and that there are still lessons being learnt. It is clear that the SQA still requires resource to redevelop CfE qualifications and that the "lessons" learned from the first full run of CfE may lead to a requirement for continued support from central agencies. It is clear that the SQA believes that it requires additional resources. The SQA also needs to better focus its resources to deliver outcomes from its core business more efficiently. The Committee recommends that the Scottish Government provides assurances that these budgets are based on the support required to successfully deliver CfE and its qualifications rather than due to budget pressures.

Attainment fund

25. The Draft Budget introduces a new specific grant to local authorities of £120 million “to be paid as a ring fenced grant as part of the local government settlement”.

It is expected that this money will be passed on to head teachers, and provide approximately £1,200 for each pupil from P1-S3 known to be eligible for free school meals. The Draft Budget states:

This Pupil Equity Funding will be available for head teachers to use for additional staffing or resources that they consider will help raise attainment and reduce the attainment gap. Guidance will be issued to assist head teachers in the use of this additional funding.

26. The Cabinet Secretary confirmed that Pupil Equity Funding will be allocated using the criteria of eligibility for free school meals and that the delivery of the funding to schools will be the responsibility of local authorities. However, the Scottish Government will place conditions on what this funding can be used for and is working with local authorities to produce guidance.

27. The Committee noted that there are particular issues with rural schools’ costs in delivering programmes that would help reduce the attainment gap. The Cabinet Secretary acknowledged that sparsity of population can be an issue and that this is reflected in the overall local government settlement.

28. The Committee also asked whether the attainment fund grants were largely off-set by reductions to local authorities’ core grant from the Scottish Government. The Cabinet Secretary rejected this suggestion, arguing that the spending power of local authorities would be increased when, for example, changes to council tax are taken into account.
29. The Committee welcomes the Scottish Government’s commitment to the principles of excellence and equity.

30. The Committee acknowledges the debate about the 2017/18 Draft Budget and the amount of funds available to local authorities, of which funds for education and the Pupil Equity Funds are key components. The value of the overall settlement to individual local authorities and whether this represents a net gain or loss is complex and dependent on a number of factors, not least of which is the money raised from changes in local taxation.

31. The Committee recommends that the Scottish Government provides full clarity on this issue during the passage of the Budget and in the months ahead. The Committee gives notice that we may return to this matter depending on what the net final outcome is for local authorities and their ability to tackle the attainment gap, an aspiration we all share and one that will require sufficient resources.

Higher Education Funding

32. The Scottish Government funds higher education through the SFC. Its higher education resource budget for 2017-18 will reduce by 1.3% in cash terms compared to the Draft Budget 2016-17. The Draft Scottish Budget 2017-18 also states that the Scottish Government will “protect the core teaching grant, research grant and funding available to support widening access in the higher education sector”.24

33. Audit Scotland’s 2016 report on Higher Education in Scottish Universities stated:

“The Scottish Government needs to ensure its approach to funding higher education is sustainable in the medium to longer term if policy priorities are to be delivered.”25

34. In response to the Draft Budget, Universities Scotland said “this settlement does not enable recovery towards sustainable funding of universities’ core teaching and research activities”.26 Earlier in December, Alastair Sim, Director of Universities Scotland, told the Public Audit and Post-legislative Scrutiny Committee that:

“To put it bluntly, for a publicly funded activity we are being funded at below cost. We reckon that about 90 per cent of the cost of publicly funded teaching comes from the funding council. Overall, the Auditor General says that around 85 per cent of the cost of research is covered by the blend of funding council and competitively won—for instance research council—funding that we get. That puts the system under real stress.”27

35. The Cabinet Secretary argued that there would not be a cash-terms reduction in funding of higher education given that the capital budget was increasing. Furthermore, Mr Swinney argued that as the Scottish Government had made
changes that will allow universities to increase revenues, the net reduction in resource would be nearer £5m (0.5%). The Cabinet Secretary framed this reduction within the overall profitability and significant reserves of Scottish Universities.  

36. In its submission Universities Scotland states “The resource budget of £1,013.9 million for 2017-18 represents a 1.3% cash cut (a 2.7% real terms).” The Scottish Government’s Draft Budget 2017-18 stated, “we will protect the core teaching grant, research grant and funding available to support widening access in the higher education sector.” So, Universities Scotland considers that budgets are being reduced overall, whereas the Scottish Government suggests that this is not the case.

37. The Committee is unclear how a cash funding reduction of 1.3% in higher education resource matches with a commitment to protect core research and teaching grants. The Committee recommends that the Scottish Government clarifies its intentions in this area.

38. The Committee notes that the Scottish Government contextualises the funding of Higher Education Institutions within the wider profitability of the sector. Universities Scotland, however, frames the sustainability of the sector in terms of the proportion of costs covered by publicly funded teaching and research. The Committee recognises that whilst it is a legitimate expectation of private bodies to augment core provision of services with its own income generation, in the absence of a rational assessment of its budget choices we ask the Scottish Government to provide this rationale to the Committee.

39. The Committee would welcome details of the Scottish Government’s analysis on what it considers to be sustainable funding for the Higher Education Sector in the long term.

SFC Underspend

40. During its evidence taking, the Committee asked about an underspend in the SFC’s budget and a return of £50m to the Scottish Government’s budget. This issue was considered by the Public Audit and Post-legislative Scrutiny Committee on 10 November 2016. The Permanent Secretary to the Scottish Government said in a follow-up letter to that Committee:

“it is important, in this context, to make clear that the Scottish Government has met all funding commitments made to the HE sector. In each academic year covered by this administration, the HE sector has been provided with its full budgeted allocation. There has therefore been no detriment to the sector as a result of the return of the re-profiled funds.”
41. The Cabinet Secretary reiterated this point during his evidence to the Education and Skills Committee on 21 December 2016. He said:

> [These] resources had been generated as a result of the difference between the timing of the delivery of resources to the funding council in a financial year and the timing of the distribution to institutions in an academic year.\(^{33}\)

42. The Committee is concerned at the reported return of £50m to the Scottish Government from SFC.

43. The Committee recommends that the Scottish Government provides a much more detailed explanation of the circumstances that have led to this action, including the purpose of these funds. The Committee also seeks a further explanation as to why it considers that there has been no detriment to the sector from these actions.
Outcomes and the Christie principles of reform

44. The Finance Committee highlighted the importance of scrutiny of the extent to which public bodies are focused on outcome-based delivery and employed practices that accord with the Christie principles of reform. Those principles are set out in the final report of the Commission on the Future Delivery of Public Services and are:

- public services are built around people and communities, their needs, aspirations, capacities and skills, and work to build up their autonomy and resilience;
- public service organisations work together effectively to achieve outcomes;
- public service organisations prioritise prevention, reducing inequalities and promoting equality; and
- all public services constantly seek to improve performance and reduce costs, and are open, transparent and accountable.

45. The Committee considered the performance of four public bodies in advance of its scrutiny of the Draft Budget (Skills Development Scotland, Scottish Funding Council, Scottish Qualifications Authority and Education Scotland). All four of the bodies provided submissions to the Committee outlining how those organisations’ work is focused on outcomes and aligned with Christie principles and scrutiny of these principles was interwoven throughout the pre-budget scrutiny. The Committee thanks those bodies for preparing these responses. Some of these findings and commentary on the extent the different organisations focus on outcomes are highlighted below.

Focus on outcomes

46. All of the bodies noted how their strategic plans align to the National Performance Framework.

47. Skills Development Scotland (“SDS”) provided clear information about how outcomes are measured for its major strands of work.

48. The Scottish Funding Council’s (“SFC”) process of outcome agreements with institutions indicates a clear intention to focus on outcomes. The SFC explained how this allows it to influence outcomes delivered by colleges and Higher Education Institutions.

Outcome Agreements set out what universities and colleges will deliver in return for their funding from SFC, and are used to report on progress against a set of national measures and a number of institutional or regional measures. We have also developed an overall Performance Framework for SFC with a range of measures, which allows us to monitor progress in delivering our Strategic Plan and measure the impact of our strategies.
49. The SFC identified a number of outcomes it supports in its submission and provided indicators for progress on those outcomes. These include: high quality teaching and learning; research; and innovation in the economy. The Committee however notes that these outcomes are largely produced by the sectors and institutions themselves and it is not always clear how outcomes are directly attributable to the work of the SFC, beyond it being a significant funder of further and higher education.

50. The Scottish Qualification Authority’s (“SQA”) top strategic goal begins “Develop, deliver and maintain a portfolio of qualifications…” and the SQA links this goal to eight national outcomes. The SQA’s submission stated:

Qualifications provide routes to employment, further study and self-development. They are a passport to enhanced opportunities and life chances for individuals.

51. The SQA’s submission, however, is focused more on outputs than outcomes and it was not clear how it measures its own impact on producing good quality outcomes for Scotland’s learners.

52. Education Scotland’s submission provided a number of examples of how it takes an outcome-based approach to planning its work and its strategy and budget. However, it was more difficult to ascertain how Education Scotland measures the impact of its work on the outcomes of Scotland’s learners.

53. The Committee welcomes the focus on outcomes in the strategies and planning documents of all four public bodies. The Committee recognises that the diffuse nature of the delivery of education provision means it is not always easy to link outcomes with the work of the individual organisations. However, both SDS and the SFC provided the Committee data on outcomes, albeit some of which are co-produced with partners, whereas the SQA and Education Scotland did not. The Committee requires those bodies to identify indicators appropriate for the outcomes they seek to contribute to and to report on progress on those indicators.

Christie Principles

Public services are built around people and communities

54. The SDS’s submission set out how it works around communities and tailors its services at different levels, including its Career Information, Advice and Guidance being tailored at an individual school. Furthermore regional and sectoral skills investment plans demonstrate a recognition of the diverse needs of regions across Scotland. However, the Committee received evidence that some national
programmes did not always dovetail with existing local provision or local need and some stakeholders suggested that SDS regional staff should have greater strategic autonomy.  

55. The Committee welcomes the focus of SDS in delivering services at a number of different levels. The Committee notes however that some stakeholders have concerns that national programmes do not always complement local provision.

56. The Committee draws the attention of the Finance and Constitution Committee to this work as it highlights the importance of ensuring national programmes are designed with enough flexibility to adapt to local circumstance and that local partners understand how they can co-produce provision with national agencies.

Work together effectively to achieve outcomes

57. The Committee sought clarification on how CfE had been developed and which bodies are responsible for, for example, the senior phase. The SQA indicated that the “CfE management board approved the design and structure of” CfE qualifications and that “the nature and number of subjects that are taken by an individual learner” is a matter for the school or college. Education Scotland made similar points.

58. At a meeting on 14 December 2016, the Committee asked COSLA about the timing and structure of courses. Cllr Primrose, COSLA spokesperson for Children and Young People, said “I would think that it was more of an issue for Education Scotland.”

59. At the Committee meeting on 21 December 2016, the Cabinet Secretary admitted that the education policy landscape is complicated. Mr Swinney said:

There are a lot of stakeholders and perspectives that we need to take account of when taking decisions—especially decisions on content, design and delivery of the curriculum […] The challenge is to ensure that all the dialogue and discussion are focused in a way that enables us to have a clear sense of direction. I am focused on ensuring that that is the case.

60. The Committee is very concerned that there is a lack of clear accountability in the delivery of CfE. Clear processes for decision making and allocating responsibility for oversight of delivery requires strong communication and co-ordination among the responsible agencies. The Committee appreciates the Cabinet Secretary’s acknowledgement that these processes need to be reviewed and the Committee will undertake further work on this topic.
Prioritise prevention, reducing inequalities and promoting equality

61. Arguably all funding on education and skills could be considered to be preventative. Equalities issues were raised on several occasions across all of the evidence sessions with the four public bodies, education authorities and ministers and specific recommendations were made in respect of SDS’ work in the Committee’s report, *Performance and Role of Key Education and Skills Bodies, 2nd Report, 2017 (Session 5)*.46

Improve performance and reduce costs, and be open, transparent and accountable

62. The Committee received evidence from Universities Scotland to suggest that the policy advice function of the SFC has diminished in recent years:

> The SFC should have the capacity and confidence to initiate policy itself...this is the aspect of SFC’s role that has diminished in recent years.47

63. This was explored in evidence and the SFC responded:

> In recent years, some of the ways in which policy has been developed have involved the Government, the sectors and the funding council working together rather than separately coming up with solutions and then choosing one of them. That is a good way of developing policy.48

64. The SFC later indicated it would be happy to work towards improving transparency, including working with the Committee or others.49

65. The Committee highlights the importance of the SFC being able to demonstrate to its Board, and by extension universities and other stakeholders, that it continues to develop policy and initiate policy itself, as well as developing policy collectively with others. The Committee would be concerned if this policy development role has diminished, as Universities Scotland suggests. Where the SFC is initiating policy, it should ensure that stakeholders are aware of these instances to aid transparency and therefore accountability. The Committee suggests that the SFC engages separately with Universities Scotland to address its concerns in these areas.

Climate change

66. The Finance and Constitution Committee invited subject committees to consider climate change as part of budget scrutiny. The Committee asked SDS, the SFC, the SQA and Education Scotland how they contribute to the Scottish Government’s climate change goals. The written submissions detail how the bodies seek to ensure that they operate in a sustainable way and also how they support Scotland moving to a more sustainable footing.
67. Each of the bodies has internal policies to reduce their carbon footprint. In addition, each has a role to support the broader societal change required to meet the Scottish Government’s commitments to reduce Scotland’s carbon footprint and promote sustainable growth. The submissions outlined how the bodies work in their own fields to support these goals.

68. For example, the SFC highlighted the role it plays to ensure that the university and colleges focus on their performance and support learning and research on sustainability. The SFC also stated it is assessing environmental performance and using that assessment to support decisions about capital investment.50

69. SDS highlighted the importance of the “availability of skilled people and a skills system that is responsive to future challenges” in delivering a low carbon economy.51

70. Education Scotland provided a number of examples of how it is promoting citizen science and learning for sustainability within CfE as well as managing grant funding for the eco-schools programme.52 The SQA stated that it supports “a deeper understanding of the issues around climate change through our qualifications and awards in schools, colleges and training providers”.53 In addition the SQA stated that its qualifications help deliver the skills to meet the needs of low carbon industries.

71. The Committee draws the attention of the Finance and Constitution Committee and the Environment, Climate Change and Land Reform Committee to the sections of the submissions from SDS, the SFC, the SQA and Education Scotland which address those bodies’ contributions to reducing Scotland’s carbon footprint and promoting sustainable growth.

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1 Scottish Government (2016) Scotland's Budget: Draft Budget 2017-18
3 Finance Committee (2016), Finance Committee – Budget guidance for committees (30 June 2016)
5 Education and Skills Committee (2017) Performance and Role of Key Education and Skills Bodies, 2nd Report, 2017 (Session 5)
7 Education and Skills Committee (2017) Performance and Role of Key Education and Skills Bodies, 2nd Report, 2017 (Session 5)
8 Hunter Blackburn L. (2016) Trying to read the draft Scottish budget for 2017-18 … with difficulty
9 Education and Skills Committee, Official Report, 21 December 2016
12 Scottish Government (2016) Autumn Budget Revision 2016-17 supporting document (Schedule 3.4)
14 SPICe (2016) Draft Budget 2017-18 (Table 9)
Education and Skills Committee
Scottish Government Draft Budget 2017-18, 3rd Report, 2017 (Session 5)

18

15 Education and Skills Committee, Official Report, 21 December 2016 Col 15
17 Education and Skills Committee, Official Report, 21 December 2016 Col 5
18 Education and Skills Committee, Official Report, 30 November 2016 Col 23
22 Education and Skills Committee, Official Report, 21 December 2016 Col 11
25 Auditor General for Scotland (2016), Audit of higher education in Scottish universities (p52)
26 Universities Scotland (2016), Brief for the Education and Skills Committee meeting on Wednesday 21 December 2016
27 Public Audit and Post-legislative Scrutiny Committee, Official Report, 1 December 2016 Col 14
28 Education and Skills Committee, Official Report, 21 December 2016 Cols 21-22
29 Universities Scotland (2016) Brief for the Education and Skills Committee meeting on Wednesday 21 December 2016
31 Public Audit and Post-legislative Scrutiny Committee, Official Report, 10 November 2016 Col 45
33 Education and Skills Committee, Official Report, 21 December 2016 Cols 28-29
34 Finance Committee (2016), Finance Committee – Budget guidance for committees (30 June 2016)
36 Skills Development Scotland (2016) Education and Skills Committee, Pre-budget 2016/17 Scrutiny (p5-9)
37 Scottish Funding Council (2016) Submission to the Scottish Parliament Education and Skills Committee
38 SQA (2016) Education and Skills Committee Briefing (Annex 1)
39 SQA (2016) Education and Skills Committee Briefing (p7)
40 Education Scotland (2016) Submission to the Education and Skills Committee
41 Skills Development Scotland (2016) Education and Skills Committee, Pre-budget 2016/17 Scrutiny
42 Education and Skills Committee (2016) Letter to SDS (17 November 2016)
43 Education and Skills Committee, Official Report, 16 November 2016 Cols 2 and 3
44 Education and Skills Committee, Official Report, 16 November 2016 Col 35
45 Education and Skills Committee, Official Report, 21 December 2016 Col 4
46 Education and Skills Committee (2017) Performance and Role of Key Education and Skills Bodies, 2nd Report, 2017 (Session 5)
47 Universities Scotland (2016) Universities Scotland submission to the Education and Skills Committee as part of its pre-budget 2017/18 scrutiny (p3)
48 Education and Skills Committee, Official Report, 16 November 2016 Col 25
49 Education and Skills Committee, Official Report, 16 November 2016 Col 27
50 Scottish Funding Council (2016) Submission to the Scottish Parliament Education and Skills Committee (p18-19)
52 Education Scotland (2016) Submission to the Education and Skills Committee (p12-13)
53 SQA (2016) Education and Skills Committee Briefing (p9-10)
Annexe A

Extracts from the minutes of the Education and Skills Committee and associated submissions and correspondence

3rd Meeting, 2016 (Session 5) Wednesday 7 September 2016
2. Decision on taking business in private: The Committee agreed to take items 5 and 6 of this meeting in private. The Committee agreed to take reviews of sectoral overview evidence in private at the meetings on 14, 21 and 28 September 2016.

5th Meeting, 2016 (Session 5) Wednesday 21 September 2016
2. Decision on taking business in private: The Committee agreed to take item 5 in private.

8th Meeting, 2016 (Session 5) Wednesday 26 October 2016
1. Decision on taking business in private: The Committee agreed to take item 3 in private. The Committee also agreed consideration of its work programme should be taken in private at its next meeting, and reviews of pre-budget scrutiny evidence sessions should be taken in private at future meetings.

10th Meeting, 2016 (Session 5) Wednesday 9 November 2016
1. Pre-Budget Scrutiny 2017-18 - Skills Development Scotland: The Committee took evidence from— Damien Yeates, Chief Executive, Danny Logue, Operations Director, Gordon McGuinness, Director of Industry & Enterprise Networks, and Katie Hutton, Director of National Training Programmes, Skills Development Scotland. During the session, the Convener noted that Colin Beattie and Liz Smith were attending a fact-finding visit with the Scottish Funding Council on behalf of the Committee as part of its pre-budget scrutiny.
2. Review of evidence (in private): The Committee discussed the evidence heard earlier in the meeting. The Committee agreed to write to SDS with some supplementary questions on issues raised in submissions to the Committee. The Committee also agreed to write to the Aberdeen Chamber of Commerce highlighting some of the comments made in evidence to the Committee by SDS. Finally, the Committee discussed themes for inclusion in its budget report.

Submission

Skills Development Scotland (3.5MB pdf)

Supplementary Correspondence

Letter from OCG in relation to 9 November Committee meeting (92KB pdf)
Letter from the Convener to Aberdeen & Grampian Chamber of Commerce (17 November 2016) (44KB)
Letter from the Convener to SDS (17 November 2016) (55KB)
Letter from Aberdeen & Grampian Chamber of Commerce (9 December 2016) (625KB pdf)
Letter from SDS (12 December 2016) (375KB pdf)

Other Submissions

Aberdeen & Grampian Chamber of Commerce (59KB pdf)
Auditor General for Scotland (comments on SDS from p2) (132KB pdf)
Scottish Council for Voluntary Organisations (243KB pdf)
Colleges Scotland (73KB pdf)
Scottish Local Authorities Economic Development Group (390KB pdf)
CBI Scotland (211KB pdf)
SOLACE Scotland (258KB pdf)

Survey Results

SPICe Briefing with online survey results (399KB pdf)

11th Meeting, 2016 (Session 5) Wednesday 16 November 2016

3. Pre-Budget Scrutiny 2017-18 - Scottish Funding Council: The Committee took evidence from—Dr John Kemp, Interim Chief Executive, Dr Stuart Fancey, Director of Research and Innovation, and Lorna MacDonald, Director of Finance, Scottish Funding Council. The Committee also asked the Scottish Funding Council for its position on legislative consent memorandum LCM (S5) 4 on the Higher Education and Research Bill.
5. Review of Evidence (in private): The Committee agreed to write to the Scottish Funding Council and the Auditor General for Scotland on issues raised in evidence. It also agreed to invite the Cabinet Secretary for Economy, Jobs and Fair Work to give evidence to the Committee on the Enterprise and Skills Review.

Submissions

- Scottish Funding Council (615KB pdf)

Supplementary Correspondence

- Letter to Scottish Funding Council - 24 November 2016 (118KB pdf)
- Letter from Scottish Funding Council - 14 December 2016 (912KB pdf)
- Letter to the Auditor General for Scotland - 24 November 2016 (101KB pdf)
- Letter from the Auditor General for Scotland - 16 December 2016 (487KB pdf)

Other Submissions

- Scottish Funding Council - additional submission (depreciation briefing) (403KB pdf)
- University of St Andrews Students’ Association (13KB pdf)
- QAA Scotland (34KB pdf)
- Auditor General for Scotland (237KB pdf)
- Universities Scotland (141KB pdf)
- University and College Union (108KB pdf)
- Colleges Scotland (73KB pdf)
- University of Strathclyde (438KB pdf)
- NUS Scotland (105KB pdf)
- Glasgow Caledonian University (285KB pdf)
- The Royal Society of Edinburgh (432KB pdf)
- Heriot-Watt University (1.3MB pdf)
- North East Scotland College (494KB pdf)
- University of the West of Scotland (595KB pdf)
- Universities Scotland - supplementary submission (143KB pdf)

Survey Results

- SPICe Briefing with online survey results (399KB pdf)

SPICe Briefing on ONS Reclassification of Colleges

- SPICe Briefing (191KB pdf)
Visit to Queen Margaret University

Note of Committee visit to QMU - 9 November 2016 (136KB pdf)

12th Meeting, 2016 (Session 5) Wednesday 23 November 2016

2. Pre-Budget Scrutiny 2017-18 - Scottish Qualifications Authority: The Committee took evidence from—Dr Janet Brown, Chief Executive, and Linda Ellison, Director of Finance, Scottish Qualifications Authority.

3. Review of Evidence (in private): The Committee discussed the evidence heard earlier in the meeting. The Committee agreed to write to the SQA on issues raised during the session, and to highlight this letter to the Scottish Government.

4. Work programme (in private): The Committee considered its work programme. The Committee agreed: the session on the Enterprise and Skills' Bodies Review on December 7 with the Cabinet Secretary for Economy, Jobs and Fair Work will look at the impact on the Scottish Funding Council and Skills Development Scotland; to receive an informal briefing from Audit Scotland on their 2014 School Education report and the progress since then to inform the future session with education authority representatives; to invite the Cabinet Secretary for Education and Skills to give evidence on the Scottish Government's Draft Budget on 21 December; and to defer the consideration of the rest of its work programme, including further discussions in relation to the Scottish Child Abuse Inquiry, to its next meeting.

Submissions from witnesses

Scottish Qualifications Authority (313KB pdf)

Supplementary Correspondence

Letter from the Convener to the SQA - 30 November 2016 (132KB pdf)
Letter from the SQA - 16 December 2016 (833KB pdf)

Other Submissions

Anonymous (PBS_SQA01) (13KB pdf)
Anonymous (PBS_SQA02) (13KB pdf)
J Samson (20KB pdf)
Anonymous (PBS_SQA04) (22KB pdf)
S Cunningham (13KB pdf)
E. Robinson (16KB pdf)
Dr Lindsay Paterson (62KB pdf)
Anonymous (PBS_SQA08) (11KB pdf)
Prof Mark Priestley (150KB pdf)
Survey Results

SPICe Briefing with online survey results (399KB pdf)

Visit to Scottish Qualifications Authority

Note of Committee visit to SQA - 16 November 2016 (77KB pdf)
Note of meeting with a group of teachers

Note of a meeting of a group of teachers and James Dornan MSP and Ross Greer MSP (5 October 2016) (26KB pdf)

13th Meeting, 2016 (Session 5) Wednesday 30 November 2016

1. Decision on taking business in private: The Committee agreed its consideration of evidence taken from the Cabinet Secretary for Economy, Jobs and Fair Work on 7 December should be taken in private at that meeting.

3. Pre-Budget Scrutiny 2017-18 - Education Scotland: The Committee took evidence from—Dr Bill Maxwell, Chief Executive, Alastair Delaney, Chief Operating Officer, and Graeme Logan, Strategic Director, Education Scotland.

4. Review of Evidence (in private): The Committee discussed the evidence heard earlier in the meeting. The Committee agreed to write to Education Scotland on a number of issues during the evidence session. It also agreed to seek a committee debate in the Chamber on its pre-budget scrutiny.

Submission

Education Scotland (258KB pdf)

Supplementary Correspondence

Letter from the Convener to Education Scotland - 30 November 2016 (105KB pdf)
Letter from Education Scotland - 16 December 2016 (437KB pdf)

Other Submissions

D Robertson (31KB pdf)
Anonymous (PBS_ES02) (13KB pdf)
Dr Lindsay Paterson (62KB pdf)
Prof Mark Priestley (150KB pdf)
S Cunningham (10KB pdf)
AHDS (17KB pdf)
Anonymous (PBS_S07) (17KB pdf)
Anonymous (PBS_ES08) (17KB pdf)
Auditor General for Scotland (132KB pdf)
Colleges Scotland (73KB pdf)
Anonymous (PBS_ES11) (18KB pdf)
Reform Scotland (31KB pdf)
Anonymous (PBS_ES13) (31KB pdf)
A Riddell (43KB pdf)
Educational Institute Scotland (39KB pdf)
2. Enterprise and Skills Review: The Committee took evidence from—Keith Brown, Cabinet Secretary for Economy, Jobs and Fair Work, Hugh McAloon, Head of Youth Employment, and Paul Smart, Head of Colleges, Young Workforce and SFC Sponsorship Division, Scottish Government.

3. Review of Evidence (in private): The Committee considered the evidence heard earlier in the meeting. The Committee agreed to write to the Cabinet Secretary requesting the evidence that the decision to abolish the SFC board and others was based upon.

Submission

- Joint Statement by NUS Scotland, UCU Scotland and Universities Scotland on Enterprise and Skills Review (372KB pdf)

Supplementary Correspondence

- Letter from the Cabinet Secretary - background evidence received by the Review - 8 December 2016 (1MB pdf)
- Letter to the Cabinet Secretary on scrutiny of the evidence base for the decision taken at ministerial level during Phase 1 to abolish the Scottish Funding Council board and other boards covered by the Review - 9 December 2016 (89KB pdf)
15th Meeting, 2016 (Session 5) Wednesday 14 December 2016

1. Decision on taking business in private: The Committee agreed to take items 3 and 4 in private. The Committee also agreed that, at its next meeting, reviews of evidence from the Cabinet Secretary for Education and Skills on both the Draft Budget and on the Scottish Child Abuse Inquiry should be taken in private.

2. The Role of Education Authorities: The Committee took evidence from—Councillor Stephanie Primrose, Education, Children and Young People Spokesperson, and Jane O'Donnell, Chief Officer, COSLA; Councillor Jacqueline Henry, Chair of Children and Young People Thematic Board, and Peter Macleod, Director of Children's Services, Renfrewshire Council, Scottish Local Government Partnership.

3. Review of Evidence (in private): The Committee considered the evidence heard earlier in the meeting. The Committee agreed to write to North Lanarkshire Council on the need for Committee members to be able to discuss education with local teachers in their area in order to inform the Committee’s ongoing scrutiny.

Submission
- Letter from COSLA - 7 December 2016 (125KB pdf)
- Supplementary information from Audit Scotland on The Role of Education Authorities (184KB pdf)

Visit note
- Note of visit to Newbattle Community High School - Colin Beattie (240KB pdf)

Supplementary Correspondence
- Letter from the Convener to the Director of Education, North Lanarkshire Council - 22 December 2016 (102KB pdf)
16th Meeting, 2016 (Session 5) Wednesday 21 December 2016

1. Decision on taking business in private: The Committee agreed to take item 6 in private. The Committee also agreed its consideration of: a draft report on the Scottish Government's Draft Budget 2017-18; a draft report on a legislative consent memorandum on the Children and Social Work Bill (LCM(S5)7); and the Committee’s work programme should be taken in private at its next meeting.


4. Review of evidence (in private): The Committee reviewed the evidence heard earlier in the meeting on the Draft Budget.

Written Evidence

- Universities Scotland - Committee Briefing on Budget (131KB pdf)

1st Meeting, 2017 (Session 5) Wednesday 11 January 2017

2. Draft Budget Scrutiny 2017-18 (in private): The Committee considered a draft report to the Finance and Constitution Committee. Various changes were agreed to, and the report was agreed for publication. The Committee also considered a draft report on Performance and Role of Key Education and Skills Bodies. Various changes were agreed to, and the report was agreed for publication.

Debate

The Committee agreed to hold a debate SQA, Education Scotland, SFC and SDS - Performance and Role”. The debate took place in the Chamber on Thursday 12 January from 2.30pm.

- Read the full text of the motion for debate
- Read the Official Report of the Debate on Thursday 12 January 2017

In advance of the debate, the Committee received the following submissions, which were highlighted to Committee members.

- Anonymous (PBS_SQA_42) (72.7KB pdf)
- Anonymous (PBS_SQA_43) (8KB pdf)
- John Samson (9KB pdf)