



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

EDUCATION AND CULTURE COMMITTEE

Tuesday 27 September 2011

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EDUCATION AND CULTURE COMMITTEE

6th Meeting 2011, Session 4

CONVENER

*Stewart Maxwell (West Scotland) (SNP)

DEPUTY CONVENER

*Claire Baker (Mid Scotland and Fife) (Lab)

COMMITTEE MEMBERS

*Clare Adamson (Central Scotland) (SNP)

*Marco Biagi (Edinburgh Central) (SNP)

*Jenny Marra (North East Scotland) (Lab)

Joan McAlpine (South Scotland) (SNP)

*Liam McArthur (Orkney Islands) (LD)

*Liz Smith (Mid Scotland and Fife) (Con)

*Jean Urquhart (Highlands and Islands) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

George Adam (Paisley) (SNP)

Mark Batho (Scottish Further and Higher Education Funding Council)

David Belsey (Educational Institute of Scotland)

Isabelle Boyd (Review of Teacher Employment in Scotland)

Professor Gerry McCormac (Review of Teacher Employment in Scotland)

Robin Parker (National Union of Students Scotland)

Mary Senior (University and College Union Scotland)

Lord Sutherland

CLERK TO THE COMMITTEE

Terry Shevlin

LOCATION

Committee Room 1

Scottish Parliament

Education and Culture Committee

Tuesday 27 September 2011

[The Convener *opened the meeting at 10:16*]

Draft Budget 2012-13 and Spending Review 2011

The Convener (Stewart Maxwell): Good morning, everybody. Welcome to the sixth meeting of the Education and Culture Committee in session 4. I remind members and all those in the public gallery that mobile phones should be switched off at all times, as they tend to interfere with the sound system. We have received apologies from Joan McAlpine, who is at another committee meeting. George Adam has agreed to attend in her place—welcome, George.

This morning, the committee begins its scrutiny of the Scottish Government's draft budget for 2012-13 and the spending review. The committee has agreed to focus much of its work this year on further and higher education funding, although we will also take evidence on wider spending issues. I welcome Mark Batho, the chief executive of the Scottish Further and Higher Education Funding Council. Good morning, Mr Batho.

Broadly speaking, the draft budget and spending review show that, over the next three years, the council's current funding for higher education will increase while the current funding for further education and capital grants will decrease. What is your view on how that will impact?

Mark Batho (Scottish Further and Higher Education Funding Council): I will start with the good news. It has been notable how well the announcement of increased funding for higher education has been received by the university sector. As members will be aware, there was quite a lot of skirmishing around the nature of the gap in the lead-up to that; however, Universities Scotland has made it clear that it believes that any gap has been closed and that the funding represents a sustainable settlement for the next three years. That has been motivated significantly by the fact that universities have certainty over the next three years, whereas, in other parts of the United Kingdom, there is significant uncertainty. A balancing is probably going on in university principals' minds between levels of resource to which they might have aspired and the certainty that has been delivered.

For colleges, this will undoubtedly be a very tough settlement—there is no point in concealing that. It represents a reduction, over the three years, of around 14 per cent on top of a significant reduction in the academic year on which we have just embarked. From the perspective of the funding council, that will be a challenge.

Helpfully, we have got our guidance letter from the Cabinet Secretary for Education and Lifelong Learning early, so that we can respond to it. We are of the view that, amidst the undoubted challenges of that level of settlement, significant inefficiency can be driven out of the system over the coming period. That should ensure that, in the environment that we are in—of a falling demographic, among other things—the levels of college education at both further and higher levels are capable of being sustained, albeit that some tough decisions will have to be made.

There will be other factors that we cannot begin to consider at the moment. For example, what happens if, during the transition to the new structure that is articulated both in the white paper and in our guidance letter, certain institutions get into financial trouble? In other words, there will be a period of risk as we move to the new—we believe more efficient and effective—regional arrangement. There might also be left-field issues. For example, if industrial action takes place over the coming period, that will present additional challenges to the management of colleges and how the agenda can be driven forward.

That is a broad overview of how the funding council has, so far, assessed the draft budget. We have not yet had a meeting of the council since it was published. We will have an informal workshop tomorrow, but that will be the first occasion on which we will be able to engage formally on it. Therefore, I am speaking as the chief executive rather than fully on behalf of the funding council.

The Convener: Thank you for making that clear.

That has been very helpful, Mr Batho. You say that the funding that has been announced closes the gap for the next three years—it seems to have dealt with that issue. Does it deal with the question—it has been raised repeatedly during the run-up to the budget announcement—of the competitiveness of Scottish universities compared to universities elsewhere in the UK?

Mark Batho: The impression that I get from universities is that they believe that it has. They think that, for the next three years, they will be in a position to attract international staff, staff from the rest of the UK and international students on a competitive basis. That is more for their judgment than for ours, although I have noted carefully what they have said in response to that question. Some

universities are in more direct competition with universities in other parts of the UK than others. In effect, the more research intensive they are, the more in competition they are.

Marco Biagi (Edinburgh Central) (SNP): I have a supplementary question on the funding gap. I do not want to rehash the work of the technical working group but, back in June, David Willetts estimated that the cash available to higher education in England would go up by 10 per cent by 2014-15; however, in our draft budget, public funding is going up by 14.6 per cent. On top of that there will be fees for students from the rest of the UK, which might amount to another £60 million or £70 million—another 6 or 7 per cent. That makes for a total Scottish increase of 20-plus per cent. On the basis of that comparison, it seems that this funding settlement will not only close the gap, but might well go further and make Scottish higher education better funded. Is my reading of the figures accurate?

Mark Batho: It is entirely accurate in the percentages that you are talking about, but there is great uncertainty about what will happen in England. David Willetts's figure is one figure, but the competitive market down there appears to be febrile at the moment and it is difficult to assess accurately what will happen.

As I said earlier, different factors will apply to different universities. The University of Sunderland will not have the same resources as the University of Oxford and the University of Cambridge or face the same competition.

Our universities in Scotland would probably view as their main competitors not Oxford and Cambridge, but other Russell group universities such as Warwick, Birmingham and the like, so it will be interesting to see how the budgets of those universities increase. Birmingham is comparable to Glasgow in size and in many other respects, and I dare say that the Glasgow principal will be keeping a close eye on Birmingham's competitive position.

Jenny Marra (North East Scotland) (Lab): Good morning, Mr Batho. I will ask you three questions—if the convener will allow me—about the proposed merger of the University of Dundee and the University of Abertay Dundee, which is outlined in the letter dated September 2011 that you sent to Nigel Hawkins, the chair of court at Abertay.

Is the purported £1 million that the member for Dundee West claims will be saved over five years by not employing a new principal at Abertay university already accounted for in the spending review?

Mark Batho: I have not seen that figure—it is presumably simply the salary of the outgoing

principal multiplied by five. The spending review will not in any sense have taken that saving into account, not least because it is currently set out entirely at sector level and does not go down to—nor is it aggregated up from—individual institutions. I can state categorically that any possible savings from a principal's salary, if there was to be a merger and only one principal, would not have been taken into account during the spending review calculations.

Jenny Marra: The Scottish funding council's submission, which we received yesterday, says that the SFC is a non-departmental public body that operates between the Scottish Government and the autonomous universities and colleges. Can you indicate to the committee the direction that you received from the Government regarding the letter dated this month that was addressed to the chair of Abertay university's court?

Mark Batho: Can you clarify which of the two letters that is? I have had two letters leaked this month.

Jenny Marra: It is the second one.

Mark Batho: Is it the letter dated 23 September?

Jenny Marra: I do not have the exact date; it says September 2011. It is the one that says that Dundee university and Abertay university should reach a decision on merger by the end of October.

Mark Batho: Right. In drafting that letter, the funding council took account of the guidance letter from the Cabinet Secretary for Education and Lifelong Learning that we had received that week. The guidance letter asks us in higher education

“to achieve substantial efficiency savings through changes in the learning journey, collaborations and, where the educational and financial case exists, mergers.”

We are operating within that clear guidance, which states that we should, where the case exists, consider the possibility of mergers.

In the letter that you mention, we set out a *prima facie* case—which we will develop in discussions with the University of Dundee and the University of Abertay Dundee—that there are educational reasons to do with overlap and complementarity of provision, and a financial case based on the possible efficiency gains that could be made from such a merger. That would suggest that we ought to further examine the proposal—which is founded specifically on educational and financial cases—with those institutions.

As I was waiting to come in to the meeting, I heard that *The Courier* is running another piece this morning; it has apparently received a letter from the cabinet secretary. I have not yet seen that, and I will need to absorb its contents. It is

probably not worth my commenting until I have done so, but I understand that the cabinet secretary has said that he would welcome a broader discussion across Tayside of opportunities for post-16 education, perhaps involving some adjustments in provision, some collaborations and some changes in the learner journey—aspects that were mentioned in the guidance letter. We will consider that carefully.

Following my letter of last Friday, I have meetings in my diary with both Abertay and Dundee—initially with the institutions individually—to discuss further the content of my letter.

10:30

Jenny Marra: Were Dundee and Abertay identified by the cabinet secretary, or by the Scottish funding council?

Mark Batho: They were identified by the Scottish funding council on the back of my letter of 5 September, which said that there is an opportunity at the moment to look at the situation in Tayside because of the principal vacancy. Professor Terry is the acting principal, but his position is clearly identified as such. In the funding council's experience, principal vacancies open up opportunities to look again at the balance of provision.

Formally, it is worth bearing it in mind that the funding council—it can never be institution-blind—has a statutory duty to secure coherent provision, not to keep particular institutions in their particular circumstances for ever and a day. Our interest is in provision, so when a principal vacancy arose, it seemed that we should encourage the university court—which had indicated that it was moving towards filling the vacancy—to consider the issue further and explore whether it could exploit the opportunity. That kind of thing has happened in the past. The chair of the court of Abertay has acceded to the request to delay appointing the principal so that further work can be done.

Jenny Marra: There have not been many university mergers in Scotland, and those that there have been have come to pass through an understanding between institutions that they have areas of complementarity that might allow them to come together for synergy and fusion. The present situation has been SFC-directed. Does the direction to move towards a merger overstretch the Government's statutory or other legal powers?

Mark Batho: Our letter did not direct either institution towards a merger. We made it very clear that we wanted there to be discussion around merger, which is very different. We are clear in our minds that we do not have the legal powers to enforce a merger. We are also alert to the point that you make: institutional mergers,

whether in the college or the university sector, have a much greater chance of success—I will put it no higher than that at the moment—if the partners are willing and recognise the opportunity. That is the circumstance in which we are operating in relation to Abertay at present—not enforcing, but strongly encouraging discussions with us on the possibilities.

Liam McArthur (Orkney Islands) (LD): I would like to discuss wider issues than just Abertay and Dundee. We have talked about the funding council not having the legal powers, but it does have financial levers, and people are concerned that the use of those levers is driving this process and that they might be used in other cases too.

You talked about the need for an educational and financial case, but many of us have the impression that the merger has been driven by the financial imperative and that you are filling in educational logic after the fact. As Jenny Marra said, the commonly-held view is that mergers work best—indeed, they probably work well only—when there is an organic process of coming together and a recognition of the educational benefits that would arise.

Can you understand why there are concerns that the financial imperative is driving the merger while the educational aspects are being bolted on later in the process?

Mark Batho: I fully understand the context. We are in challenging financial times and if we start saying that we must make the best use of every pound, our actions can be interpreted as being significantly financially driven. I would not separate financial and educational concerns, though: the two must go together.

With regard to Abertay and Dundee universities, we have focused on the fact that they both have nursing and legal provision, as well as other complementarities in their educational offerings. There are other factors, such as the fact that both universities are significant recruiters of their students from the local area—although, numerically and proportionately, the University of Dundee recruits slightly more of its students from the local area than Abertay does.

If one is seeking evidence as to whether the provision is being delivered in the most efficient and effective—and, I must add, sustainable—way, there are a number of factors present in the data that we hold on the two institutions that suggest that there is an educational case and a financial case. If one can sort the financial case, one has potentially more resources to strengthen the educational offering for the longer term.

To speak generally rather than about Abertay specifically, if institutions are small they tend to be more vulnerable because they have to duplicate

particular services and they do not have the opportunities of scale in delivering their provision, and for a range of other reasons. I am not making an absolute point, but in general it is more difficult and more challenging to be small than it is to be big.

If one wants to exploit the undoubted excellence of Abertay in a number of areas—computer games and environmental science have been mentioned, but it has strengths in other areas too—and one wants to ensure that those are part of the higher education offering that Scotland can provide for the future, it is incumbent on the funding council to ask the institutions whether the current configuration is the most sustainable. That is the question: it is deliberately framed as a question than as a statement.

Liam McArthur: That is helpful. I am struck by your reference to smallness and vulnerability, and the inextricable link between financial and educational aspects. I am bound to say that that is entirely at odds with the Cabinet Secretary for Education and Lifelong Learning's approach to rural school closures, on which he has insisted on a moratorium, but that is an issue for another day.

Can I bundle up two questions in one, convener?

The Convener: If you are very quick.

Liam McArthur: The financial circumstances in which we operate are, at present and looking forward, extremely tight. Are you confident, with regard to how these mergers and collaborations will work, that there will not be a spike in initial costs even though the longer-term projections are that savings can be made and sustained? In the context of your remit on overall provision, will there be particular locations where universities or colleges will be ring fenced from any requirement to consider a merger or greater collaboration?

Mark Batho: I will answer the spike question first. If you are going to merge institutions, or have deep collaborations between them, and if one of your reasons for doing so is to achieve greater financial efficiency, you have to be blunt and acknowledge that most of the costs for universities and colleges are staff costs. If you are to realise efficiencies, it will entail reducing the overall staff costs, and it will entail up-front investment. The funding council is clear about that. The guidance letter and the white paper indicate a significant reorganisation of the college sector, and we will have to make provision in order to deliver savings for a sustainable future.

I am sorry—I have lost the thread slightly on the second part.

Liam McArthur: I know that the funding council is supposed to be institution-blind, but because of

the location of certain institutions, there will clearly be fears that any mergers or collaborations could lead to the withdrawal of provision over wide areas. That will be more true in the college sector than in the university sector.

Mark Batho: I have heard different speculations from across the university sector, and none of them comes near any of the thinking in the funding council at the moment. In Tayside, as I said, opportunities have emerged, not least because of the principal vacancy. We will also consider opportunities elsewhere, as they emerge. What we do not have is a black book with a list.

In the college sector, there is more of a template—because we have the white paper and our guidance letter, which describes the kind of regional structure that the Government is contemplating. For academic year 2012-13, we are being asked to move towards a system of regional funding. That will give a greater sense of direction if any mergers or collaborations are likely to take place.

Liz Smith (Mid Scotland and Fife) (Con): I want to return to Abertay and Dundee for a minute. You said that the Scottish funding council, rather than the Scottish Government, decided to consider a possible merger. Did the initial suggestion come from the Scottish funding council, or from Abertay and Dundee? If it came from the universities, was it both of them?

Mark Batho: I will describe the history. We had been in touch with Abertay through a long and difficult recent period, and we had a very good relationship with both the chair of the board and the acting principal. We were advised that they were moving ahead with the first stages of the process of appointing a principal. At that point, we felt that a pause would be sensible—and not simply because a very effective acting principal was in place and doing an effective job in stabilising the institution—and that the pause should be used to consider possible structural changes.

Following the issuing of the guidance letter, we reinforced our view and said, "We also think that you should consider merger." We also felt that pace should be injected, so that there should not be too much of an interregnum without a full appointment of a principal.

As we homed in on our evidence on what we perceived to be potential synergies with the University of Dundee, it seemed appropriate for us to advise Dundee as well—hence my letter to the chair of Dundee's court at the same time as my second letter to the chair of Abertay's court last Friday, 23 September.

Liz Smith: And you clarified that it was from the Scottish funding council. Were both Abertay and Dundee receptive to your suggestion of a merger?

Mark Batho: Both had a significant pause in their response, but Abertay said in its reply to me that it feels it entirely appropriate to consider the overall provision of post-16 education in Tayside. In other words, it is not digging itself into a ditch and demanding to maintain the status quo for ever, but is willing to look at the situation more broadly.

I am awaiting a response from Dundee university, which does not surprise me as they must consider it in detail. We are setting up an early meeting with Dundee university so that we can discuss this further. The initial press notice from the university indicated that it was not wholly enamoured with the idea but I am sure that there are things we can discuss.

10:45

Liz Smith: You are being very diplomatic. I have another question on capital funding. There are concerns about reductions in universities' and colleges' capital budgets. Are you aware of important projects in either sector that could suffer as a result of the spending review?

Mark Batho: The main new project in either sector is the Glasgow School of Art. We are clear that we have the resources for that to continue. In our guidance letter from the Scottish Government, we received a clear indication that the costs that the funding council must meet for the non-profit-distributing proposals for Inverness, Glasgow and Kilmarnock are also considered to be covered within our overall capital allocation. Those three new projects are still on track. That places pressure on the maintenance capital that will be available. I can look at the global figures on capital coming to the Scottish Government from a significantly curtailed capital settlement in the United Kingdom Government, whose effect is further exacerbated by the fact that much of that is non-comparable because it is defence capital, and appreciate that there is an enormous squeeze on capital. In the guidance letter, we are charged with ensuring as best we can that resources are available for maintenance. We are encouraged to look at our loan support scheme on that point.

Liz Smith: You were clear this morning that the closure of the funding gap gives universities some security for three years, but capital projects often have a life beyond that. Do the pressures identified mean there must be significant rationalisation and reduction in university resources over a longer period of time, perhaps 10 or 15 years?

Mark Batho: I was quite pleased to look at a three-year horizon because so many factors will change. Most of universities' capital investment is not funded by the funding council; only a small proportion, perhaps 20 per cent, is. Glasgow School of Art is the exception because it is small. At Roslin, a £100 million investment by the University of Edinburgh is being opened, for which we had no direct funding responsibility. The university used its capital allocation from us to lever additional funds from the market. However, the availability of other capital funds will be a challenge in the future. I do not see fundamental threats within the three-year timeframe that indicate that the funding council should be worried about academic year 2015-16 at the moment.

Liz Smith: Again, that is a very diplomatic answer.

Marco Biagi: Given the generosity of the revenue settlement, do you foresee institutions investing more in capital? I remember one principal saying that, if he got an extra £10 million in revenue, he would use it to borrow £100 million and build a new department. Is that likely to happen over the next three years?

Mark Batho: I imagine that some of them will make precisely that decision, not least because if an institution is to remain competitive with its United Kingdom counterparts, big shiny new buildings—I am sorry if that is slightly flippant—are important in attracting world-class faculty and international students, who of course themselves bring resource. If facilities are poor, it is that much more difficult to do that. Such investment is of a piece with investing in the competitiveness of the institution.

As we put capital into projects, whether they are in universities or colleges, we are increasingly turning up the heat on the education outcomes that we expect to see from that capital investment.

The Convener: Does Jenny Marra have a quick question on capital?

Jenny Marra: Mr Batho has not yet had a chance to see Mike Russell's letter, which is quoted in *The Courier* this morning. Mr Russell says that he would hope that

"articulation from colleges as well as the development of shared services featured strongly in their suggested plans."

If the proposal for a merger between the University of Dundee and the University of Abertay Dundee came from the Scottish funding council and not from the Scottish Government, why does Mike Russell's letter bring the potential of shared services with Dundee College into the mix?

The Convener: Was that a question on capital?

Jenny Marra: It was a question on the general subject.

The Convener: I am trying to get through this stuff. I ask Mr Batho to give a brief answer, because we have a lot to get through.

Jenny Marra: Shared campuses are an issue that relates to capital funding.

Mark Batho: I am sorry. I did not follow your question all the way through. If Mike Russell is saying in a letter today that he would want a broader look at the position in Tayside, I am not sure how that leads to the conclusion that in some sense he was telling us what to do in relation to the earlier intervention. I am sorry; I have not followed the logic of your question. If you can help me out, I will be happy to respond.

Jenny Marra: Convener, do you want me to clarify?

The Convener: Perhaps you can do that in writing. We have a lot of questions to get through.

Mark Batho: I will look at the *Official Report* of the meeting and respond to the committee.

The Convener: I am sure that the committee will be interested to hear what you have to say on the point.

Claire Baker (Mid Scotland and Fife) (Lab): The Scottish Government has made a clear commitment on student places in the higher and further education sectors. The spending review proposals include a significant cut to the colleges budget. How can the commitment to maintain places in both sectors be met? What challenges will the colleges sector face in that regard? On page 105 of the spending review document, the justification for the approach is partly that savings will be made in the colleges sector through a move to “rationalise provision”. How will such an approach be developed in the sector?

Mark Batho: We are operating specifically in the context of the Government’s commitment on places in the higher and further education sectors. The number of places is, of course, a concept that is not absolutely defined; it can be a headcount figure, an activity figure or whatever. Between now and when we issue our indicative allocations in December, we must work closely with the Government and the colleges—there is a particular issue to do with the colleges, as you pointed out—to establish the best way of living within commitments that, if they are not conflicting, have some tension between them, to secure the best possible provision for students within the financial envelope, while ensuring that issues to do with access, retention and articulation are maintained.

In crude terms, colleges can always keep the number of students up by having very short courses. We had an initiative—I think that it was last year—in which we questioned the educational value of some short courses. We could go through the list and question whether a course of less than 10 hours in bannock baking is necessarily contributing to economic success in the way that some of the longer courses are doing. We have to get the balance right between the value of some short courses—some are very valuable, particularly when people come from a work situation to do a very specific thing—and the value of longer courses, and look at how that plays in terms of headcount. We have to do that work; that is not resolved yet.

On rationalisation of provision, we consistently ask individual colleges and the college sector—we work closely with Scotland’s Colleges—to look at the relevance and value of everything that is done. In some of the mergers that have taken place recently, most notably in City of Glasgow College but also in previous ones, such as Forth Valley College and Adam Smith College, it has been clear that bringing together provision and giving colleges the capacity to plan on a bigger stage allows them to deliver educational outcomes that are just as effective, but in a much more efficient way. Sometimes, that will be through bigger class sizes—not to the detriment of quality or the learning experience; it is simply that there will be a critical mass of students. In other cases, it is about bringing together different aspects of, for example, engineering, into a more coherent whole. There are a range of possibilities.

As we move forward into academic year 2012-13 and beyond, our job will be strongly to ensure that the decisions that are taken by individual colleges and within regions maintain the kind of provision that is valuable to students and are also the best for the area, as articulated, in particular, by businesses in the area in the light of their need for particular skills. Our skills committee is plugged into that agenda. We have the instruments, in our conditions of funding and the like, to deliver on that.

Claire Baker: I will put university places to one side, because it is easier for the committee to measure and plot how the Government is delivering on that commitment. As you have outlined, it is more difficult in the college sector. The depth of cuts faced by the college sector is leading to concerns about the quality of delivery for students. For example, we know that there has been a reduction in contact hours recently and you mentioned larger class sizes. Another concern is the possibility that we will lose things that are of value in the non-accredited area.

I know that it is difficult to set a baseline for college places now, but it would be helpful if you could give the committee more details in correspondence about how the Scottish funding council plans to measure the number of places and suggest what indicators the committee should look at, so that we can be confident that the cut that is being delivered to the college sector will not impact on college places.

Mark Batho: I am happy to keep the committee in close touch with our thinking. I am slightly hesitant about writing in the next couple of days, because we have only just got the settlement and our guidance letter, so a lot of serious thinking is going on in the funding council. I am happy to ensure that the committee is kept informed at different stages of the process, if that is okay.

Claire Baker: I have a brief question on bursary support. The economic strategy commits to maintaining bursary support for college and university students. Can the funding council say how bursary support will be maintained over the next three years? Will it be maintained in real terms?

Mark Batho: Again, I am afraid that it is too early for me to weigh up all the different parts of the equation. Of course, we are alert to the commitments that the Government has given. It is our job to balance those with the other demands on colleges and with the demographics, and to produce something that works and ensures that the level of bursary is sufficient to fulfil the Government's commitment that nobody should be prevented from going to college in particular—the funds for that are within our gift rather than that of the Student Awards Agency for Scotland—because they cannot afford to do so.

11:00

The Convener: I call Liam McArthur for a brief supplementary question—with a brief answer if possible.

Liam McArthur: Claire Baker talked about the concerns about the breadth and quality of provision. You added in a couple of potential risks during the transition period for colleges and the potential for industrial action, and you also accepted that it will be a tough process for colleges. I noted your answer to Marco Biagi earlier, when he invited you to suggest that the Scottish Government has given almost twice as much as it needed in order to plug the gap in the HE sector. Is that likely to encourage the colleges in considering the cuts—which are 20 per cent in real terms and 14 per cent in cash terms—to make the case that, in order to make the tough situation a little better, some of the funding should be redirected to colleges instead?

Mark Batho: I will sound like a parody of a TV programme: colleges may say that, but I could not possibly comment.

Colleges will of course make their own case over the coming period—I have seen John Spencer's letter to the cabinet secretary—but I would not argue at all for a transfer of resource from universities to colleges. I believe that the universities have a settlement that delivers sustainability and competitiveness and that they therefore have an enormous contribution to make to the Government's economic recovery agenda. They have acknowledged the connection between the funding and their obligations. I would certainly not want for the funding council to argue for a transfer of funds from one to the other. If there are opportunities, for example in Tayside, to introduce a collaborative solution involving the funding that goes to both colleges and universities to deliver a better overall product, that will be a good thing.

Clare Adamson (Central Scotland) (SNP): The Scottish Government has given firm commitments for further education in terms of delivering 25,000 modern apprenticeships. It has also committed to ensuring that 16 to 19-year-olds who are not already in employment or undertaking an apprenticeship or education will be given an opportunity for education or training. Do you have any concerns at this early stage about the cost and capacity implications for the colleges of those commitments?

Mark Batho: I similarly noted the colleges' concerns about those commitments. A complicated pattern is being presented. It is a matter of saying not that the college sector is the safety net and last resort for people but that, across the system of private training providers, the Skills Development Scotland provision, the college provision and staying on at school, there should be a guarantee of a place in education or training for every 16 to 19-year-old.

We have to work within that context. We have clear guidance from the Scottish Government that it wishes us to concentrate our funding effort in the colleges on that 16 to 19-year-old group, and that is what we will do. I should make the point that that is not bad news for the older learner—we should bear in mind that the average age of a student in college is roughly 28. That is because there is a significant demographic decline in the number of 16 to 19-year-olds, which offers the opportunity for the Government's wish to deliver places for all 16 to 19-year-olds to be delivered not to the exclusion of the older learner.

Again, we will have to play the issue out over the coming two to three years. It is not something that I can instantly say that we have sorted. We will have to engage with the colleges carefully, because providing opportunity for all is a number 1

Government commitment. It is a flagship policy, and we are treating it as such. We need to ensure that its delivery—it is not whether it can be delivered—happens in a way that allows colleges to continue to fulfil their roles in other aspects. It will not be easy, but I am not pessimistic.

The Convener: It is always good to end on a positive note.

We are very tight for time this morning, so I will have to apologise to members who have not had a chance to ask some important questions. If you do not mind, Mr Batho, we will write to you with those questions, and perhaps you could respond to them and include any other points that you wish to clarify or add.

Mark Batho: I am very happy to do so.

11:05

Meeting suspended.

11:07

On resuming—

The Convener: I welcome our second panel of witnesses. We have Robin Parker, who is the president of the National Union of Students Scotland; Mary Senior, from the University and College Union Scotland; David Belsey, who is the national officer for further and higher education at the Educational Institute of Scotland; and Lord Sutherland, who will be well known to many of us.

As you have all been sitting in the gallery, you will be aware of some of the areas that we are interested in. As with the previous panel, I will begin with a general question. What are the panel's views on the Government's claim that it has, as a result of last week's budget announcements, filled the higher education gap? Will the funding settlement make Scottish universities at least as competitive as universities from elsewhere in the UK or will it, as Mr Biagi wondered earlier, actually enhance their position?

Robin Parker (National Union of Students Scotland): My take is that the settlement is towards the upper end of the predictions with regard to the funding gap. Perhaps it should act as a reminder to principals that they have an opportunity to show a bit more restraint over rest-of-UK fee levels, particularly given that some Scottish universities have set the highest fees in the UK.

Equally, given the huge focus that has quite rightly been placed on the learner journey, there is an opportunity to think about how some of the money for higher-education teaching might be spent. I am thinking particularly of the increase in the number of articulation-agreement

opportunities—the two plus two programme and so on—for students. There might be opportunity for some of the money to end up with students who are taking part of their degrees at colleges.

Mary Senior (University and College Union Scotland): We welcome the funding settlement for universities. It has redressed the loss that universities suffered in the previous spending review, which saw a significant decrease in university funding that is being played out in the system just now. Indeed, Scotland saw a 10.9 per cent cut in funding for teaching in universities for the funding year that we are going through now.

It is difficult to talk about a funding gap between Scotland and the rest of the UK because the systems are diverging so considerably. UCUS welcomes the Scottish Government's commitment to funding universities and the fact that it has not stripped away teaching funding, as has happened in England. As Mr Batho said, there is still a great unknown around how the funding situation south of the border is going to play out and whether the fees system that has been introduced there is going to be effective and sustainable. We have serious doubts about that, which is why we are so disappointed that the Scottish Government has also introduced the up-to-£9,000 fee for rest-of-UK students, because that is not the right system for Scotland. There are a lot of uncertainties about it and we do not think that it will deliver sustainable funding. We agree with Robin Parker and the NUS Scotland position that Scottish universities do not need to set the outrageous fee levels for rest-of-UK students that we have seen in the past few weeks.

Lord Sutherland: By all standards, the settlement is, in very difficult times, a good one for universities compared with many other sections of the public sector. That is the baseline, but there are a number of caveats and conditions. One is that the agreement must run for three years; there must be no eroding over the next two or three years. If it does not run for three years, the benefits that are in the headlines will not come through to play their part in the future of universities.

The second caveat was mentioned earlier: there is a very distinct dip in capital spending. People running universities are trying to balance both because they have to service the leaking roof and create the new laboratory because a new research team is coming in that will raise money from outside Scotland. The interplay between those two aspects of spending has not been commented on much, but it is very important.

The third caveat is that the settlement presupposes that universities will raise significant sums in fees from rest-of-UK students. The assumption of the Government—not of the

universities—in the settlement is that something approaching £60 million will be raised. If that does not come home, the settlement will not do what we think it might do.

My final point has come up already. If mergers or rationalisations are going to be funded, money will be required up front, but it is not in the budget. If the funding council has to cut money out of the budget to have the kind of fund that Mark Batho was—quite properly, because it is his job—saying that he had to have to stimulate such mergers, the settlement is going to be less than it seems.

David Belsey (Educational Institute of Scotland): The EIS welcomes the HE budget and the funding for HE. Does it fill the HE gap? We do not know, but we believe that it is going in the right direction. Will it keep Scottish universities as competitive as rest-of-UK or international institutions? Again, we do not know.

For the average Scottish student, we probably take in about £7,000 in fees, which is paid for by Government; and the average fee that is set by English universities may be in the region of £9,000, so we are looking at possible problems. There is a mix of higher education institutions in Scotland, some of which will raise significant fees from rest-of-UK students, while others will not raise significant fees by that mechanism. The sector as a whole contains many variables, which go down to individual higher education institution level.

11:15

The Convener: Correct me if I am wrong, but I thought I heard you say that the average fees down south will be set at £9,000.

David Belsey: I understand that the average fee for Scottish students in HEIs will be around £7,000. We do not know what the average fees are going to be in England. They are around £8,000, as I understand it.

The Convener: I thought that you said £9,000, which is why I asked the question.

David Belsey: I am sorry: the maximum is £9,000. I meant that the average is around £8,000 at the moment in England.

The Convener: That is helpful, thank you.

Jenny Marra: I want the panel's brief views on two issues, the first of which I pursued with panel 1—the proposed merger of the University of Abertay and the University of Dundee. What are your thoughts on the impact of that for education and staffing? Secondly, can I have your thoughts on the cuts to the FE budget? I was told by one college that it feels that the cuts represent a 25 per cent reduction in its budget over four years. Do

you think that staff numbers can be maintained in the face of such a cut?

Mary Senior: It is probably appropriate for me to comment on the Abertay and Dundee situation and for David Belsey to answer your second question. Jenny Marra has been in touch with some of our representatives in Abertay and Dundee universities, so she will probably know that there was considerable distress among our members, particularly in Abertay, when they heard the news that the funding council had written to the chair of the university court about a merger.

We had concerns about the manner in which the process seemed to be taking place. I listened very carefully to Mr Batho's comments earlier in that regard, which were helpful. I also had the opportunity to ask the Minister for Learning and Skills last week about the situation. He reinforced to me that any merger should be institution led and be done for education reasons; I was pleased with that response and I envisage that it is the basis on which any merger would go forward.

It is vital that staff be involved and that they have the opportunity to contribute to the process. Indeed, under the Further and Higher Education (Scotland) Act 2005 the trade unions, as representatives of staff, have an important role. I spoke to Mr Batho earlier and impressed that upon him.

We have concerns about whether there will be cost savings and educational value from the merger. We regard the institutions as being very different. I listened to Mr Batho say that there are similarities, but we are very clear that there are also significant differences. For example, Abertay takes a large number of students who have backgrounds from which going to university is less traditional. There are also differences in terms of the numbers of rest-of-UK students at the institutions and in terms of research and international aspects.

I am also concerned that two courses can be identified as being the same—perhaps they have the same title—but when we dig deeper we find that they do not cover the same areas, that they may be very different disciplines and that the institutions may deliver such subjects or disciplines in different ways.

We are also concerned about the proposed speed of the merger; I understand that the universities were asked to give a decision by the end of October, which seems to be a very quick process. I do not see how it would be possible to make a thoughtful decision in such a short period.

In terms of collaboration, it is right that the institutions talk about how they can work better together. Such conversations had been going on but included a bigger number of institutions across

Tayside. I am also aware that some of the initial discussions have not borne fruit. It is cause for concern that pressure is being exerted now. My key points are on the involvement of staff at what has been a worrying time, and that the merger must be institution led and be done for good educational reasons.

David Belsey: The EIS believes that mergers should be driven not by financial need but where there is a convincing education rationale. Our concern is that the merger proposal seems to be driven by financial need. The EIS also believes that such things should be mergers, not takeovers.

Turning to the FE element and the figure of 25 per cent over four years, if you add up Government spending plans for FE, there is a 13.56 per cent reduction in cash terms over three years—14 per cent is the nearest whole percentage. The inclusion of inflation—which was 5.2 per cent in August—to each of the three years amounts to 15.6 per cent, which added to the 13.56 per cent figure gives a real cash cut of 29.16 per cent.

The Convener: I am not an accountant, but I am not quite sure that that is how it works.

David Belsey: In what way?

The Convener: I am not sure that you can multiply 5.2 per cent by three and add it to the 13.56 per cent figure.

David Belsey: We can, if inflation remains the same. If inflation changes and drops to the UK Government's aim of 2 per cent, that will be different. If we take inflation to be the same in three years as it is today—a huge assumption—there will be a real cut of 29 per cent. If we assume that for the first year, then the front-loaded cut can be calculated. It is 13.56 per cent over the three years. In the first year it drops from £544 million in 2011-12 to £506 million, which is a £38 million cut. The following years have cuts of £13 million and £24 million. The first year's cut is the big one.

Jenny Marra: The end to which my question was aimed was whether staff numbers can be maintained and whether student places can be maintained in the face of the cut.

David Belsey: We do not believe that staffing can be maintained with such a large cut. Student places cannot be maintained in terms of the number of student hours being delivered per course at the moment. You could reduce a number of variables to keep the number of places the same, but the amount of FE delivery that each student receives would be cut so that a full-time student would be in college only two days a week.

Lord Sutherland: I am not a specialist in FE, but the numbers suggest that the colleges are in for a very hard time.

On the question of mergers and the one that has been in the press, I cannot think of a worse way of doing it. It looks like merger by fax. How do you give people five weeks to draw up a plan for two institutions with very divergent systems and strengths? Do not forget that we have to consider the impact on Dundee university as well as the impact on Abertay university. Thirty years ago under Adam Neville, the University of Dundee gave itself a strategy, which was—it has been maintained under its principals ever since—to achieve high excellence in life sciences and medical sciences. It has succeeded. That has been a great achievement, although I have to say that it has been at the cost of some other areas.

How will a merger of this kind—fixed up in five weeks—affect that successful strategy? We use the term “world class” too easily, but the Dundee medical sciences and life sciences are world class. I worry that the merger proposal will be a distraction. A need to put money elsewhere, rather than on a considered and successful strategy, is not a good thing.

You cannot do a merger in five weeks. I have done a lot of mergers in London, and the odd one in Scotland. They take time and they require the agreement of the institutions—not an instruction that comes as a veiled threat. I feel quite strongly about the way in which this is being done. However, I am not against mergers; I have done them and have seen real and positive outcomes.

Robin Parker: I reiterate that mergers have to be led by institutions and by students. Another concern is that the two institutions play distinctive roles in terms of access and widening participation. That is an element of specialisation at Abertay that Mark Batho did not mention: as well as offering particular courses, it has a distinct mission that must be protected.

We also worry that the Government's clear commitment to FE funding and to protecting places in colleges is coming into question. The committee could play an important role in holding the cabinet secretary to account in both the short term and the long term.

Obvious risks to local access arise. It is a clear barrier to access if people have to travel a long way in order to take part in a course.

We are also concerned about declining quality. Because of last year's cut, there has already been a reduction in contact hours and it would be worrying if that trend were to continue. We are not against mergers in principle, but we would be concerned if numbers of places were affected. There has already been some impact on jobs as a

result of last year's significant cut. Again, we would be concerned if that were to happen again.

I am no expert, but the general theory seems to be that mergers cost money up front. However, funding has been set out as if the reverse were true. Most of the reductions in funding are front loaded, rather than being delayed until the end of the budget. That seems to be back-to-front.

Claire Baker: We have discussed college places. All members of the committee will have spoken to people at their local colleges and will have repeatedly heard concerns about the depth of the cuts in college funding and about whether the number of college places can be maintained.

The number of university places is obviously easier to measure, and the Government has a similar commitment to maintaining those places. We hear a lot about growing Scotland's economy, and additional funding has gone into the university sector. We have also heard this morning about some of that funding possibly going into capital investment. Such investment is obviously important, but should we be putting more focus on university places? In recent years, there have been consistent reports that students cannot get places in Scottish universities. A lot of people are having to take gap years or go to college.

With the kind of settlement that universities have had, do any of the witnesses believe that simply maintaining student places in higher education is a high enough ambition for the next three years?

11:30

Robin Parker: Providing funding for HE is entirely the right thing to do. In difficult economic times, investing in skills and young people is entirely right. In the longer term, for comparisons in funding and in considerations of overall amounts going into higher education and universities, we need to look beyond the rest of the UK to the rest of Europe and the wider world.

Demographics must be taken into account, and part-time study is an interesting area. The existence of up-front fees should be questioned. They can be a barrier to accessing part-time study, and part-time study can offer people—including people from disadvantaged backgrounds who might not take on full-time courses—an opportunity to come back into studying and to get into higher education. All those issues need to be considered.

Mary Senior: I agree with Robin Parker that providing funding for HE is the right way to go. There will be a reduction in the number of people of school-leaving age going to university, but the demographics mean that other numbers will

increase, so the number of places should be maintained.

Liz Smith: I want to ask Lord Sutherland a specific question. You have put on record your deep concerns about how the proposed merger has been handled, and you talked about the University of Dundee being "world class" in life sciences and medical sciences. The two universities offer very different things, so would you say that it might be difficult, on education grounds, to bring them together?

Lord Sutherland: The universities have presented themselves as being different. That is not surprising. They are universities in the same city, and each wants to play to its strengths and to show that it offers added value.

I know more about Dundee than I do about Abertay, and I simply instanced the fact that its specific strategy over 30 years has had huge benefits. No other Scottish university has repeated that in quite the same way. Dundee's aims are bound to be different from those of Abertay. We all know about Abertay's strength in computer games, but that will involve a different process.

Can they be brought together? In London, I was involved in a merger between King's College London, Chelsea College and Queen Elizabeth College of domestic sciences. They were very different, but now King's is in the top 20-odd in the world and the strategy has worked through. The mergers in the University of London in the 1980s and 1990s mean that two universities in London are in the top 10 in the world. There was a rationalising of what people wanted to do, and that is what we should be aiming for in structural change in Scotland. We did not do that when we created all the new universities, or we would not have the system that we have now. We now have a chance to do it, but it cannot be done in five weeks.

Liam McArthur: I had wanted to ask panel members whether they thought that the process was institution-led, as the then Minister for Schools and Skills said, but clearly from the views that have been expressed, that is not the case.

We heard from Mark Batho that Abertay and Dundee provided an opportunity because of the principal vacancy. From the funding council's point of view, the universities had a complementarity—they were low-hanging fruit, if you like. This is the first merger up the ramp; are any of you concerned about the message that is being sent to other universities and colleges about the way in which the process might be managed for them? The situation with Abertay and Dundee might heighten concerns.

Lord Sutherland: Of course. A review of university governance is taking place, and the

outcome could be significant for how future mergers are pushed through. I hope that this committee will keep an eye on that.

In the case of Dundee and Abertay, has anyone asked the serious question whether we want something like an American community college here? That would be a real option, but one could not do it in five weeks. It requires time and detailed planning, and all sorts of things. One must consider all the options, rather than just thinking, "Here's an opportunity—we can have one principal". Courts will be keeping principals on the books until they are 90 to avoid that situation if that is how it goes.

Jenny Marra: I have a quick question for Lord Sutherland. Do university courts have a legal obligation to proceed with the appointment of a principal? Is it in the funding council's legal remit to delay that process?

Lord Sutherland: As I understand it, in that case, the funding council asked the university to delay, and the chairman of the court agreed to do so. I do not think that the funding council has the capacity to stop the process. The university court has a statutory responsibility to ensure that the university is well managed and well governed, and it has made its judgment.

Jenny Marra: Does the funding council have the legal power to force a merger?

Lord Sutherland: It does not at present, in my understanding.

The Convener: We will move on to the issue of capital, which was raised briefly earlier. I ask Liz Smith to begin.

Liz Smith: My question is similar to the one that I asked Mark Batho. There are considerable difficulties in the capital budget and, as Lord Sutherland rightly suggested, they could go on for a long time. Are you nervous that those difficulties—the funding cuts for capital projects—may mean that some projects will be cut back or scaled down?

Lord Sutherland: Yes again—of course, if you have less capital, you can do less. The real worry is that projects are at different stages, and the stage that each is at does not necessarily reflect its importance for Scotland.

I hate to mention trams, but if you are far down the line in a big capital project, you have legal commitments that constrain what you can do in the long run. I wonder whether that has been thought through in detail. The funding cuts will have an impact, but my real worry is that, if the situation continues for a number of years, we will go back to the stage that we were at in the 1980s and into the 1990s, when universities raided their capital and did not renovate buildings and

therefore had a huge backlog to deal with in the sunnier times that eventually came in the 1990s.

David Belsey: The EIS also has concerns regarding such cuts, as the capital budget was cut by around 50 per cent last year. The merger of the three colleges in the centre of Glasgow to form the City of Glasgow College was driven by the promise of new capital investment and new estates, which has not been realised. Funding for that project has now moved to the non-profit-distributing model, which presents some concerns for EIS members.

The Convener: Does the panel accept that the situation that we are in is largely led by the fact that the overall capital settlement that we received from the UK Government is substantially less than it has been in previous years?

Lord Sutherland: Yes.

The Convener: I am not trying to apportion blame, but there are clear difficulties for the Scottish Government as well as for individual institutions.

Mary Senior: I will flag up one other issue that it is obvious will impact on the sectors—pensions. The Cabinet Secretary for Finance, Employment and Sustainable Growth indicated in last week's Scottish budget that he will transfer Westminster's pension scheme changes to the Scottish teachers' superannuation scheme, which will play out in some of the post-92 institutions and in the college sector. The Scottish Government had a choice on that—although I appreciate that it was very difficult given the question of where else it would find the money.

Our members who work in post-92 institutions are greatly concerned about those changes, as they will have to pay more for their pensions and get less in return. The change has already taken place in the pre-92 institutions: the university superannuation scheme is imposing draconian changes from this coming Saturday, and our members have voted to take industrial action on the pensions issue. The pension system changes are a deep and long-standing concern for us.

The Convener: We turn to further education and the Government's commitment to places for 16 to 19-year-olds. Clare Adamson has a question about that.

Clare Adamson: What likely implications do the budget and related proposals for post-16 reform have for learners' access to institutions following possible mergers, course and teaching provision, and the quality of the student experience?

Robin Parker: One of the few really good points is that there has been a strong steer from the cabinet secretary that all forms of financial support for students in FE, including the education

maintenance allowance and bursary provisions, will continue at the high level, following the amendment to the previous budget. That is to be fully endorsed, as it is incredibly important for students' ability to access further education.

The initial reaction from Scotland's Colleges was that there was no possible way that places could be maintained, but the Scottish Government says that they absolutely can be. That leaves students and student leaders in a very concerning position. We simply do not know who to believe. It is critical to maintain places in the long term purely for the economic contribution that doing so makes to Scotland, particularly through providing people with skills and opportunities. It is about opportunities and getting people back into the workplace.

The commitment on 16 to 19-year-olds is entirely right, but I am concerned about how it can be delivered if colleges do not maintain the number of places. I emphasise that, off the back of last year's cut, we have already seen a reduction in teaching quality through the number of hours that colleges are providing, and I am concerned about a further reduction.

David Belsey: On the implications for learners, the post-16 paper sets a good vision for 16 to 19-year-olds, and the realignment of the sector to support their needs could bring about added support for that age group. I think that the intention is to improve retention, and the changes in some of the courses will improve the quality of teaching in FE and the learning experience.

The post-16 paper clearly focuses on 16 to 19-year-olds. One has worries for the 19 to 25-year-olds, although the paper says that, where possible, the colleges should look to support them to the same extent. However, one has worries about adult education and lifelong learning as a whole journey.

The post-16 paper contains some interesting ideas, but the overall settlement, which cannot be divorced from it, and the cuts that are planned for the next three years will also have an effect on the quality of teaching—unless, of course, people teach a lot less. Either the quality or the quantity will be affected, and we believe that that will be to the detriment of the whole service and students.

Mary Senior: I reiterate what has been said about the whole learner journey and the importance of 19 to 24-year-olds. Members will be aware that the unemployment figures indicate that that is the pressure area, so it is important that there is provision for that group.

The UCU does not organise in colleges in Scotland, so I will not comment further on the college sector.

Lord Sutherland: I was pleased to see the comments in the various papers about support for apprenticeships, for example. However, I do not envy members their job, because they have to reconcile all the many competing commitments. For example, who is asking whether Scotland needs more apprenticeships or more university courses in law? That question must be asked, because it is about the future of Scotland. The Parliament has a major role to play.

11:45

Jean Urquhart (Highlands and Islands) (SNP): Have the witnesses estimated any of the savings that might be made in post-16 education and which institutions would be likely to be affected? Is that a bridge too far?

Mary Senior: Both sectors have already made significant efficiency savings, and it will be difficult to squeeze them further.

Robin Parker: In the college sector, there are different schools of thought about whether backroom support savings can be made. My sense is that, with last year's cut, those services are already down to the bone.

Regardless of that, the argument for making savings—with which I do not necessarily agree—is that, in the long term, we can find savings that do not affect front-line services through mergers, but that does not explain to me why cuts to colleges would be front loaded into the first year of the budget.

David Belsey: A number of the savings in the FE sector seem to be derived from mergers, and there is concern about that within the sector. Certainly, the EIS does not want mergers to proceed simply to save money. It believes only in mergers for which there is a convincing educational rationale.

On which higher education institutions or further education institutions would be affected, there are so many variables that it really is a bridge too far for us to give an informed answer.

Jean Urquhart: Lord Sutherland referred briefly to the review of university governance. Do the witnesses see a need for that?

Mary Senior: The UCU certainly sees a need for it. We spoke to the cabinet secretary about governance in the sector and, indeed, in May we held a meeting in this committee room at which we raised some of our concerns about it.

We had difficulties with the way that the University of Abertay Dundee made certain decisions and the way that things happened there. It is ironic that the Scottish funding council now seems to be taking a forceful approach and that

ministers now seem interested, because there was not much evidence of that happening over the past number of years, as far as we are aware.

The UCU has given a full initial response to the governance review in which we set out a number of areas in which more staff and trade union participation is needed. Courts also need to be able to challenge decisions with which they are presented and should be given alternative options because, all too often, a university's governing body is presented with a fait accompli on a decision. We hope also to give oral evidence to the review panel.

David Belsey: Like the UCU, the EIS supported the review of higher education governance and has submitted evidence to it. We are worried by a number of issues. There seems to be autonomy, but no accountability. The growth in the power of university executive groups and managers within institutions has eroded feelings of collegiality among staff in some universities, which has caused the EIS concern and led us to seek greater participation for staff in the governance structure.

Robin Parker: I should state first that I am on Professor von Prondzynski's university review panel. I am concerned about two things. One is that universities are not being challenged sufficiently by their courts on certain decisions that are made. For example, on rest-of-UK fee levels, university courts were in many cases presented with only one option. Some universities even considered whether a court meeting was necessary. I think that we would all agree that such a decision is sufficiently important that a court meeting should take place to discuss it.

There are other areas in which there is not enough democratic involvement of staff and students and of the wider community. Democratic involvement and accountability are two issues on which we really need to get a hold. Widening access is another issue in that regard. Given the positive enthusiasm in the post-16 review towards improving access to education in Scotland, there will be a real opportunity to consider where the accountability for that lies. Universities should be held to far greater account on whether they are doing enough to widen access.

Lord Sutherland: I am not sure that I would agree with everything that each of my colleagues comes out with.

I have two points. First, there is always room for looking at how you organise yourself, but if you do that too often or at the wrong time, you will distract from other things. There is nothing like a constitutional argument to avoid the big difficult issues such as what type of teaching should be done and which courses should be continued and which should not.

Secondly, I hope that the review committee looks at international practice, including where the best universities are to be found and how they are governed. It should not simply make a number of assumptions about what the model is, because it might end up with the University of Athens. I had a friend who was rector of the University of Athens; I asked him in July how many students he had coming in September, and he said, "I don't know, but it'll probably be 100,000". That is the other end of the spectrum from the university courts pushing on the issue. I have to say that my court made things quite difficult for me at various times. I am not against the review, but it should consider best practice.

Robin Parker: To allay Lord Sutherland's fears, we are as a panel looking at models of governance throughout Europe and around the world.

The Convener: I am sure that Lord Sutherland is relieved. I ask George Adam to move us on to questions about access to institutions.

George Adam (Paisley) (SNP): I think that Clare Adamson has already asked a question on that.

The Convener: Some wider points need to be raised. I am interested to hear the panel's view on the impact of the changes to the FE sector on the learner journey and access to specific courses. Is there a danger that individual courses will go if there are mergers between courses that are the same or similar? Will that mean that there will be a reduction in places on those courses? Is the student experience likely to be affected by the changes?

Robin Parker: On the wider element of access, I will start with the good news story: there is a strong increase in the amount of loans available to students for higher education. For a long time students have been living below the poverty line in Scotland, so that increase should be welcomed as it will encourage access to higher education at colleges and universities in Scotland.

Our real concern is about local access to colleges, especially if the general move is, as it seems to be, much more towards regional colleges and so on. The regions that we are talking about would be very large. For those who are thinking about whether to take an FE course, come back into education and get back to contributing to Scotland's economy and society, having a course in a nearby area makes it much more likely that they will get on to it and start to improve their life chances. Local access is really important.

David Belsey: A merger of two colleges does not necessarily lead to a reduction in the number of courses being delivered, in the number of

students being enrolled or indeed in the sums of money. All that will depend on the detail of each individual merger. If the Scottish funding council ensured that every merger came with a guarantee that the total number of weighted sums delivered by the constituent colleges into the merged college would be the same as it was before, that would ensure that the amount of teaching activity was not reduced. Mergers do not automatically lead to less teaching.

Will the student experience be affected by the changes to the FE sector? That really depends on the types of courses and training that the Scottish funding council wants to encourage. If it encourages training and skills for work, a large number of courses will be encouraged but some others might be less so.

Those FE lecturers who are our members and who are concerned about the student experience are concerned that, with less money in the system, there will be larger classes and less contact with students, the amount of time that will be allocated to each course will be reduced and there will be a move to more online or virtual learning. Those are all the possible consequences, and indeed that is what is happening in some places in Scotland now because of the cuts. Those are the concerns about the student experience.

Lord Sutherland: Two fundamental things control access and its acceptability. One is aspiration and the other is opportunity. Aspiration is a matter for schools and families. In parts of Scotland, if that does not increase, we will not get increased access, so that must be worked out.

Opportunity is clearly a matter for funding and the funding bodies. If funds are reduced, people will play safe. For example, one of the things that I inherited when I came to Edinburgh was a joint course with Stevenson College that was for people who were roughly over the age of 23 and who might do a year part time or full time for which they got support. The course was taught jointly between the university and the college, which was innovative—and I pay tribute to Colin Bell, who was the innovator who drove it. Over the years, that course produced hundreds of entrants to the University of Edinburgh from a sector of society that it had not been all that good at attracting.

We need to think about this. The notion of mergers and restructuring should take account of that kind of possibility. Those courses were jointly taught. People got in without formal qualifications if they finished the joint course successfully; they did not have to do highs. They got in because they persuaded their teachers that there was an opportunity there that they should seize.

That is just one example, and it is probably not a pattern that we can follow now, but it was a piece

of innovative thinking in which we could indulge if things were not too tight. If things are too tight, people draw in the purse strings, but that is the kind of thing that I would love to see happening in what I mean by community colleges.

Mary Senior: It is important that changes and mergers are equality impact assessed, because some groups in society will find it more difficult to travel to learning opportunities that are further afield.

12:00

Marco Biagi: On Mr Parker's comments about access and the loans issue, we have a large commitment to the traditional 18-year-olds who leave school and go to university, but that no longer represents the majority of people who access further or higher education. Given that the loans budget line is going up by 65 per cent, is there an opportunity to address disparities in provision in the system and, if so, which ones would you prioritise? Would it be those in further education or higher education or those relating to part-time students or postgraduates?

Robin Parker: One situation that could be improved is the imbalance between the financial support available for younger students and that for independent students. There is an opportunity for those to be equalised, which would be fairer in principle. Secondly, support for part-time students should be considered, whether that involves ending up-front fees or finding other ways to support part-time students more. Those are two areas to emphasise.

A report that we did with Biggar Economics before the spending review suggested that every £1 of Government money that goes into increased student support delivers £5.10 of economic impact.

Marco Biagi: A small fee grant is already available for part-time students with incomes under £22,000. Are you talking about a loans scheme for living costs or something to pay for up-front fees? What would it be best to do with the money?

Robin Parker: The first thing would be to remove the barrier to part-time students so that there is no up-front fee for those on higher income levels. At present, the situation for part-time students is complex, with about three or four types of support. It is incredibly difficult for prospective students to know what support is available and for them to navigate the system.

Claire Baker: I have two concerns about the student support proposals. The NUS has rightly welcomed the £7,000 minimum income guarantee. The spending review document talks about "the

poorest students". Who are defined as the poorest students and how many students does that include? Do you have an idea of when the guarantee will be introduced, as that is not clear from the document?

My second concern is about FE students. Mark Batho was unable to give a commitment on maintaining college students' living standards. The spending review document gives that commitment for HE students, but the same guarantee is not given for FE students. There has been a contradiction in recent years, because there has been erosion at the same time as protection. Although the EMAs still exist, which we welcome, there has been a shift in the college sector, with students being moved from the bursary system on to EMAs. Some of those students are very vulnerable.

There is much to be welcomed on student support, but there are still many challenges. Who will actually get the £7,000 and how do we maintain living standards for FE students?

Robin Parker: As far as I understand, the £7,000 minimum income guarantee will be introduced as soon as possible, which is 2013-14. To get everything set up, there is a certain lag time, but the plan is to get ahead as soon as possible. You are right that the detail will be important. We will be fully involved in conversations on that to ensure that the right decisions are taken.

On FE support, the reason for that situation is that both the institutional funding and the student support go into the same line of the spending review. We received a clear indication from the cabinet secretary that the bursary support, which is in that line, and the EMA will be protected. We have also had an indication that the FE support will be protected. You are right to ask whether that is in real terms or cash terms, but we have not received an indication of that. However, that kind of financial support is critical in giving people opportunities to get into FE.

Claire Baker: So support for college students is in the general fund that then goes to the colleges, which then decide the level of student bursaries. We have heard this morning that colleges face a 20 per cent real-terms cut in their budgets over the next three years, so you must be concerned that that will impact on the bursary pots.

Robin Parker: There have been broadly positive noises on bursaries, but we need to keep an eye on that. We have said for a long time that there is the opportunity to bring the bursary support that goes to colleges into central Government provision, which would mean that there would be a greater guarantee of protection. We would still very much like that to happen. If it

did, it would remove a concern from colleges, which have indicated to us that they do not necessarily want to deal with bursaries. They feel that there are enough decisions to be taken without taking decisions about which students get priority for FE support. That could be brought into a central budget for central decisions, which would give students a lot more protection.

Liam McArthur: I am conscious that my question is probably more for the cabinet secretary, but you have clearly had discussions with him about the operation of the minimum income guarantee. What is your understanding of its applicability to rest-of-European-Union students as well as to Scotland-domiciled students?

Robin Parker: That is quite straightforward. The way in which European law works means that we can make a distinction for European students in relation to student support but not fees. EU students coming to study in Scotland will receive no financial support with their living costs from the Scottish Government; they will receive financial support for that from their home Government.

The Convener: We are just about out of time, so I will finish with a perfectly straightforward question to panel members. I was going to ask for a one-word answer, but if you can just keep your answer as short as possible, I would appreciate it. We have heard a lot today about the difficulties of managing the cuts in the capital budget and in the FE sector. How would each of you make the savings that are required in the sector?

Robin Parker: It is not really our place to say where the cuts should happen.

The Convener: That is not really the answer that I was looking for, Mr Parker. You must have some ideas.

Robin Parker: I can say what areas I do not think should be compromised at all: student places and front-line provision. I think that everyone would agree on that and that the committee should hold the cabinet secretary to account on that.

David Belsey: I recall from somewhere that we called for principals' salaries to be cut, so I think that we would vote for something like that.

Mary Senior: I echo that view and I think that university senior management teams should also be looked at. Under the terms of the governance review, we have looked at the growth of senior management teams and their salaries.

Lord Sutherland: This is the budget that we have to live within, and we all know that the situation is very difficult. I said the other day that I feel sorry for John Swinney. I do not often feel sorry for politicians, but he has a dreadful job squaring this difficult budget. What we have to do is to say, "Well, if that's what we can afford, what

do we want from it?" That will not happen next year, but it should be happening in two, three, five or eight years' time. Unless there is that kind of discussion in Scotland, we will not use our resources to best effect.

Robin Parker: Can I come in?

The Convener: You have thought of something.

Robin Parker: Two words: learner journey.

The Convener: I thank all the members of the panel very much for coming along this morning to give us their expert views. I suspend the meeting briefly.

12:09

Meeting suspended.

12:16

On resuming—

Review of Teacher Employment in Scotland

The Convener: Agenda item 2 is evidence on the review of teacher employment in Scotland. I welcome Professor Gerry McCormac, the chair of the review team, and Isabelle Boyd, a member of the review team. I believe that Professor McCormac has a short opening statement.

Professor Gerry McCormac (Review of Teacher Employment in Scotland): Yes, I have. Thank you for inviting Isabelle Boyd and I to discuss "Advancing Professionalism in Teaching: The Report of the Review of Teacher Employment in Scotland." We look forward to discussing the recommendations with committee members. I appreciate your interest in the subject.

The review was announced at the end of January this year, further to the 2010 spending review agreement between the Scottish Government and the Convention of Scottish Local Authorities. The Cabinet Secretary for Education and Lifelong Learning created a seven-member group and invited me to chair it. Obviously, only two of us are here today.

The review was set up as an independent body and we worked to that principle throughout the process. We reaffirmed early on in our first meetings that we would remain entirely independent and that, as the driving principle of the review, we would look at improving outcomes for children and young people.

Despite the difficult economic background against which the review took place, our focus was not on financial concerns. We were conscious of the financial circumstances that existed and that we were not in a position to make recommendations to spend large sums of money. That said, we looked very clearly at the teachers agreement and wanted to make recommendations about improving outcomes for learners in Scotland's schools. Clearly, that is an important task. We saw, and see, the provision of a high-quality education system as crucial for the future success of Scotland's young people and the long-term success of the country.

With that in mind, we gathered evidence, commissioned research, met many interested parties and visited a number of schools to discuss current terms and conditions. Having considered all the evidence that we heard, we made 34 recommendations that range from issues relating purely to conditions of employment to matters more closely linked to professional development.

In some cases, our recommendations aim to reinforce existing good practice.

The report's recommendations fall broadly into three themes. First, several recommendations aim to increase the workforce's flexibility. In some cases, how terms and conditions were enshrined in the teachers agreement has resulted in overly prescriptive and inherently inflexible arrangements that do not benefit pupils.

Secondly, the review strongly endorses the Donaldson report's messages—Graham Donaldson was a member of the review group. It aims to build on his recommendations by enhancing arrangements for personal development, which will in turn strengthen the teaching profession's quality.

Finally, we were conscious of, and we observed, a great deal of excellent practice that takes place in Scotland's schools in a wide range of areas. We recognised that, and our recommendations encourage aspects of that good practice to become more commonplace.

Some recommendations do not provide solutions to the issues to which they refer. It is appropriate that interested parties take time to consider and discuss the next steps, and today's session is part of that process. This morning, we might discuss the reactions of the press and others. I know that the committee met unions and representatives of other bodies last week and I read the *Official Report* of that. I have no doubt that members will have questions that relate to that.

It is important for us to point out that the review was not an attack on the teaching profession, as some have portrayed it. It was about considering what can be done to terms and conditions to improve learning outcomes for children and young people. We stayed very focused as we conducted our review—we constantly referred to that purpose and asked, "Will this have that effect?"

Isabelle Boyd and I are happy to take the committee's questions.

The Convener: As you said, we had a round-table session last week with several interested stakeholders to discuss their initial reaction to your review. One broad theme of that discussion was that a clear difference of opinion exists about what a number of recommendations meant—about the interpretation of them. With hindsight, do you think that your report could have had more clarity about what the recommendations meant, to avoid some of the dispute that we heard when we took evidence?

Professor McCormac: That question is difficult to answer. Different constituencies will take different views on a report, and I guess that that is

what you heard from the unions, employers, teachers and so on.

The recommendations are clear. I could pick any number of them to point to—they are unambiguous. I have no doubt that members will talk about chartered teacher status; we have said that that scheme should be discontinued and I do not see how that is ambiguous.

The Convener: That is not the recommendation that I was thinking of.

Isabelle Boyd (Review of Teacher Employment in Scotland): It is important to say that, if the reading of any report is limited to the recommendations, room for misinterpretation can exist. However, reading the recommendations together with the text in the report that led to those recommendations leaves less room for misinterpretation.

The Convener: It is fair to say that I did not ask last week's panel members whether they had read the whole report.

Clare Adamson: Good afternoon. There has been much discussion of flexibility, of what teachers might perceive as safeguards in having annex B and annex E of the teachers agreement and of local negotiation over changes to school timetabling, for example. Concern has been expressed about how the workload might affect teachers. Will you give us more insight into how flexibility will work?

In the context of flexibility, the report recommends that sign-outs from schools should no longer be allowed. Will you enlighten us on that?

Professor McCormac: I think that there are four issues there, the first of which is flexibility. When we looked at that and gathered evidence on it, it was clear that teachers operate a fairly inflexible system. Take the example of a primary school. There are 25 contact hours in a week, of which the teacher will be in contact for 22.5 hours. Typically, there are 2.5 hours that are referred to as McCrone time. We did not refer to it in that way in the report, but that is the general terminology. We heard of many examples in which if a teacher missed 30 minutes of that 2.5 hours in one week because a class ran on, they were given it back, or felt that they were due it back, the following week, when they would have three hours. It is not so much clock watching as time allocation and time owed, and it is done on a weekly basis.

We felt that if those 2.5 hours were to be aggregated up over time, something useful could be done with them. Useful things are often done within the 2.5 hours, but I am talking about the flexibility of aggregating those hours, for example over a month or a term, and creating days in which

to have collegiate activity in school or for other educational activities that would benefit the children and the learning process. That would allow a degree of flexibility that does not exist at the moment.

We heard examples from what would be perceived as very good teachers in very good schools for whom that practice of time owed and so on was the norm. Our recommendation on aggregating time is to create more flexibility and more useful blocks of time that could be put to better use.

Isabelle Boyd: We recommend flexibility for time. Outside of class contact time, time is divided into blocks per week. We consider that inappropriate to the teaching profession now. Annex B and annex E were of their time. It may have been important during negotiations on the teachers' agreement to have a clear indication of teachers' duties and the duties of others, such as support staff, within the system.

However, it is clear from the evidence that we gathered and evidence that is already in the public domain that the significant majority of teachers are hard working and dedicated, and that flexibility already exists. According to the evidence that we gathered, that strict division of 35 hours into blocks of time is seen by some teachers as not being open for discussion.

We heard evidence from teachers that they are developing intolerance towards those who are inflexible. Professor Donaldson put that well last week or the week before. We saw evidence of very good practice. By introducing flexibility in the 35-hour week, we are hoping that that best practice becomes common practice. Within any profession, there is a need for flexibility so that people are able to react to changing circumstances. There is a need not to have the rigidity of calendared divisions of time set out at the beginning of a school year or session.

Claire Baker: In relation to flexibility in the classroom, Isabelle Boyd talked about the fact that the annexes might have been appropriate at the time that the McCrone agreement happened. In the evidence that we took last week, there was a feeling that we have reached another critical point in time in terms of budgets. Concerns have been expressed that if we remove those annexes, that will be an opportunity to remove support staff such as classroom assistants because teachers could take on many of the roles that were being performed by those staff. Many of the concerns last week were driven by the financial context. Do you have any comments on the evidence that we received last week?

12:30

Professor McCormac: In section 8.3 of our report, we talk about the value of other staff in schools. We comment not just on administrative support in schools, but classroom assistants in primary schools, where a second adult in the classroom can be hugely beneficial. The removal of annex E of the McCrone report was not about reducing cost in a school. Our focus was outcomes for children and young people. In our report, we said that it is extremely important that, with the removal of annex E and annex B, outcomes should be the priority, not the reduction of costs, but I can understand why there might be concerns.

Claire Baker: I think that there was recognition that that was not the report's intention, but it was felt that taking those moves might provide the opportunity, in the current economic circumstances, for schools to go down that route.

Professor McCormac: The motivation for removing annex B and annex E was to advance professionalism. Professions do not, typically, create a list of dos and don'ts. That approach was seen as being of its time, as Isabelle Boyd said. It might have been appropriate at a particular point in time, but we are trying to advance professionalism and, in doing so, to remove lists of dos and don'ts. We think that working to a standard and delivering on outcomes is more important than having such lists, which tend to be prescriptive.

The primary purpose of teachers is to teach in the classroom. If you have a teacher doing photocopying, you are spending a lot of money to have someone do a task that they were not trained to do and which involves their not being used optimally. That is made clear in the report.

George Adam: You mentioned outside experts, which is an issue on which there is quite a heated debate among the unions and parents. The national parents forum was strongly supportive of the idea, to the extent that it suggested that parents should be more involved in that kind of thing. In Renfrewshire, where I am a councillor, we put forward a model for primary school provision. Last week, the EIS said that your idea of involving outside experts was not the same as the Renfrewshire model. I just want to get my head round what you mean by the term "outside experts".

Professor McCormac: They are people who can contribute to the learning outcomes for children, but they are not a substitute for teachers in the class. We see teacher-led involvement of outside experts in the educational process as valuable for the delivery of curriculum for excellence. We think that there needs to be

oversight of those outside experts who go into the classroom, which is why we proposed in the report that any local authority scheme for having external experts in the classroom be overseen or facilitated by the General Teaching Council for Scotland.

George Adam: Just for argument's sake, if we were to go down that route, would you be thinking along the lines of involving healthy lifestyles or health and fitness people?

Professor McCormac: The example that I have given is that the Barcelona agreement said that children should get the opportunity to learn two languages in addition to their mother tongue. Someone could come into the classroom to take French or Spanish. The classroom teacher might not have those skills and that person could be utilised to broaden the children's educational experience. That is the sort of thing that we are thinking of.

Isabelle Boyd: In the report, we wanted to make a clear distinction between the use of external experts in an ad hoc fashion and their use in a planned fashion. We were not recommending their use in an ad hoc fashion. The clear indication was that they would be teacher led. An external expert would be someone who could make an enhanced contribution to the learning outcomes for children and young people. It would not be a case of replacing the teacher for the sake of replacing the teacher; an outside expert would be someone who could make a positive contribution to children and young people's learning outcomes as part of a planned, teacher-led education programme.

George Adam: That is what the unions were confused about. They knew that the process would be teacher led, but they wanted to know that the teachers would definitely be in charge of it. That is how I read the proposal, but I just wanted clarification.

The Convener: May I seek further clarification? I think that I know what is meant by teacher led—George Adam is right to say that that was questioned last week. What do you mean, in a practical, classroom sense, by the term "teacher led"?

Professor McCormac: The explanation is more straightforward in the primary school example, so I will talk about that. The teacher would plan the delivery of classes over the school year and think about periods when they might involve external experts in the process. The teachers are instrumental in the delivery of the curriculum, because they ensure that each of the component parts is available. The process is teacher led in the sense that they are doing the planning and using the other resources that exist, very much in the

way that curriculum for excellence envisages that they should do.

The Convener: That is clear, but I want to get it absolutely clear. The teacher would plan the year ahead and would formally book in the outside expert as part of the planned process of education under the curriculum for excellence, but they would not necessarily be in the class when that element was delivered.

Isabelle Boyd: That is the clear distinction that we are drawing. If, in planning an education programme for the class and considering outcomes and experiences in terms of curriculum for excellence, a teacher identifies an external expert—say, a native Spanish speaker—that they could use, that person could deliver certain outcomes and experiences. We recommend that, where appropriate, the teacher could withdraw from the class during the time when the expert is engaging with children.

The Convener: That is very clear.

Jean Urquhart: Thanks for your presentation and for the report, which is an extraordinary and interesting document.

You will not be surprised that there was a great deal of discussion around recommendation 19 and what was seen as the dramatic withdrawal of the chartered teacher scheme. The report says that you found no evidence that the scheme improved children's education, and that that is the reason why it should be withdrawn. However, the teachers representatives to whom we have spoken were concerned about the issue of professional development; you have referred to that, too. They felt that it was almost a sacred cow, and that there is a need for people to feel that they have been rewarded for excellence in the classroom. It was felt that the recommendations in your report do not offer the same kind of reward.

Professor McCormac: We recommended that the chartered teacher scheme be discontinued because it has not delivered against its objectives.

When we took evidence, there was a considerable amount of discussion of the perception that those who have become headteachers, or have taken promoted posts, have moved into management and are not good classroom teachers and that those who remain in the classroom and pursue the chartered teacher route are the ones who excel. However, the evidence that we saw suggested that they were not a universally successful group in terms of the delivery of what was intended.

The process was self selecting early on, and some mistakes were made in the early introduction of the scheme, which did not get it off to a good start. That has changed and revised

standards for chartered teachers were subsequently introduced. However, on balance, when we looked at the evidence and talked to everyone concerned, the message came across to us fairly consistently that the chartered teacher scheme is not delivering for schools and young people.

We mention in the report that there are instances of chartered teachers in schools not wishing it to be known that they are chartered teachers lest they be asked to do further work. That attitude has been criticised and we have been criticised for reporting it, but we heard that repeatedly as we took evidence.

Isabelle Boyd: You are right that recommendation 19 is unambiguous: it says clearly that the chartered teacher programme should be discontinued. However, I point you to recommendation 21, which makes a point about professional recognition. We recommend that some kind of professional recognition should be developed by the GTCS, so that teachers who can demonstrate long-term innovative classroom and collaborative practice or who are successful in mentoring get professional recognition. That is common practice in other educational sectors, but it is not so common in the schools sector.

There is a recommendation in the report that professional recognition is important. However, when you read the deliberations behind our decision to discontinue the chartered teacher programme, you will see that it was made because there is no clear evidence that the chartered teacher programme—even following its revision—has made a significant difference to outcomes for children and young people in our schools. We heard evidence from some chartered teachers that the chartered teacher programme was quite academic and not classroom based enough to provide clear evidence that it was making a significant difference. Nevertheless, the view of the review, which is in recommendation 21, is that we should develop some system of professional recognition.

Jean Urquhart: Did the people from whom you took that evidence have any ideas? Did teachers say that, instead of a charter mark that they did not want to tell anybody that they had—

Isabelle Boyd: The discussion fell into two areas: continuing professional development and professional review and personal development. The recommendations in the rest of the report highlight the need for opportunities for teachers to engage in CPD, which chimes very much with the conclusions of Professor Donaldson's report. The provision of such opportunities should be a duty and responsibility, and they should be available to all teachers. The benefits of the chartered teacher

scheme should be available to the teaching profession as a whole.

Jean Urquhart: The reason for recommending that we abandon the chartered teacher accreditation is the fact that there is no evidence of an improvement in pupil attainment or outcomes that makes it relevant to your focus in the report. You go on to discuss professional development. I think that there should be such development, but there must be some creative thinking about what makes a good teacher in the classroom produce the outcomes and results that we are looking for. There are some really good examples of that across Scotland, but they do not appear in the report—they are not recommended. The report does not say, "Here's something that has that outcome and is evidenced to show child development and advancement in education", yet the lack of such evidence is the reason for recommending that we abolish the chartered teacher programme.

12:45

Professor McCormac: We recommend a revised and revitalised professional review and personal development system that follows on from the recommendations in Graham Donaldson's report, and we think that it should be a national system. We heard that the approach was patchy across Scotland—that continuous professional development and PRPD tended to be tick-box exercises. People had to accumulate their 35 hours a year and just get it done as opposed to seeing those things as part of a real professional development process.

I asked about the accomplished teacher and had discussions about what is done and how it is ensured that accomplished teachers are recognised. The feedback that I received was that, with the promoted posts and career structure that existed, the capacity to experience and progress existed. For example, principal teachers at point 1 continued to teach in the classroom, but they also began to get experience of wider functions across the school. They linked in with other colleagues, did CPD along the lines that Graham Donaldson envisaged, whereby teachers become educators of teachers, and considered bespoke courses that they would turn up to and, having completed those, would tick a box. However, they did not necessarily go back and do best classroom practice on all occasions.

The goal is to look in the round at what will help and continue to develop the profession, and to consider putting in place a national PRPD process that will enhance the quality of the teaching profession. We repeatedly asserted through our document that the best outcomes are produced when there are the best-quality teachers, and

quality can be enhanced in a lifelong process throughout a professional teacher's career. That will result in the best outcomes for children. That is a thesis throughout the report, and it very much links into Graham Donaldson's work.

Isabelle Boyd: To answer the specific question, we recommend in the report the work that is under way by the General Teaching Council for Scotland on producing professional standards. We want to take that further. We say in our document that, through a revitalised PRPD process, all teachers should have a personal development plan that is based on the new professional standards and includes actions that they will undertake for the specific purpose of improving teaching and learning. That gets to the nub of the quality teaching issue.

Marco Biagi: My point about chartered teachers has been made, so I will move on.

The concern about career progression is a real issue that came out of our round-table discussion. I suppose that it is related to the chartered teacher situation. For various reasons, the opportunities from promoted posts are being reduced in different parts of the country. Two issues arise from that: the lack of opportunities and the inconsistencies between authorities' approaches. It seems that there are 32 different promoted post systems—possibly more, if we went down to the school level. What is the way forward on that? Obviously, the chartered teacher scheme was a way of trying to introduce career progression, but with its discontinuation, we have an issue. From an educational outcomes point of view, teachers' morale is perhaps the most poignant issue in the profession.

Professor McCormac: The question relates to the flexibility of responding to the particular needs of particular schools and the schoolchildren and young people in them, and the creation of a senior management team—a group of individuals in promoted posts in the school that is fit for purpose. We see there being such flexibility rather than creating a one-size-fits-all approach throughout Scotland and saying, "This is the way it shall be. There shall be X number of posts in schools." That does not allow people to be responsive to local needs. Our report recommends that the career structure as defined is sufficient to do that if it is used flexibly and if some control is devolved to school management so that it can organise the promoted posts in a way that suits it. Through discussions with headteachers and teachers in the school, the solution that best fits the needs of the school and its pupils can be arrived at.

Isabelle Boyd: There are a couple of points that are worth making. Your point about a national system is well made. Recommendation 30 of the report says clearly that there should be a review of

the job-sizing toolkit by the Scottish negotiating committee for teachers to look at the anomalies that exist across the 32 local authorities.

To go back to McCrone and the teachers agreement, the chartered teacher post was not about career structure; it was about enhancing those who wished to stay in the classroom. However, there is an issue about career structure. The evidence that we gathered was that the current four grades—main grade teacher, principal teacher, depute head and headteacher—were serving the profession well and there was no need to change that approach.

However, we saw some very good practice during the review, whereby some local authorities had devolved to schools an opportunity to create time-bound, short-term opportunities for staff to get experience and to develop their leadership within a school setting. On one of the days when we visited a school, the selection and interview process for such an opportunity was under way. We thought that that was very good practice and, through the report, we are recommending that that becomes more common practice, because it allows teachers to develop their professionalism and bridge the gap—as many people put it—between main grade teacher and principal teacher and gives schools the opportunity to develop leaders at all levels among their staff.

Marco Biagi: So you are recommending that staffing structure with regard to promoted posts should be decided at a school level rather than at local authority level, because that provides greater flexibility than we have at present.

Isabelle Boyd: We said two things. First—I am paraphrasing this, because I do not remember the exact words from the report—we said that the current prescribed models should be discontinued. There is a need for flexibility at a more local level about what kind of structure a specific school needs. We heard evidence that sometimes the structure did not fit the needs of the community—I say community rather than school, because the issue goes much wider than schools. We made a clear recommendation on that in the report.

Secondly, we said that within devolved management of schools, in addition to the three promoted posts, there should be an opportunity to reward individual teachers through a selection process by allowing them to take on some additional responsibilities, such as mentoring colleagues; developing numeracy; developing literacy across learning; or working on aspects of health and wellbeing. It is for the school to decide its improvement priorities.

The Convener: You have touched on temporary promotions to principal teacher grade and recommendation 18. That recommendation

caused some anxiety among some of the witnesses at the round-table discussion last week, particularly with regard to whether it meant that a post could remain vacant and be filled on a long-term temporary basis. Will you clarify exactly what recommendation 18 means?

Professor McCormac: Are you asking whether the temporary posts would replace long-term principal grade posts within the school, for example?

The Convener: There was anxiety about exactly what the recommendation meant.

Professor McCormac: It is exactly as Isabelle Boyd just described: there would be opportunities for temporary promotion to point 1 on the principal teacher grade to do a specific piece of work in order to gain experience of a particular aspect of curricular work—or many other things.

The Convener: In your view, there is no risk that that might be abused.

Isabelle Boyd: The practice exists in some Scottish local authorities. Indeed, where local authorities and schools have used such flexibility, it has led to enhanced professionalism among teachers and allowed schools to make best use of their excellent teachers. However, such opportunities were time-bound and fixed for a specific purpose. Recommendation 18 is not about having some kind of revolving mechanism that prevents the filling of a permanent post.

Liam McArthur: Good afternoon. We started off this session by discussing the question whether different recommendations have been misinterpreted—or have been interpreted differently. You will be aware of concerns from the unions, in particular the EIS and the National Association of Schoolmasters Union of Women Teachers Scotland, that the review was driven by the imperative to save money. However, a collective concern has also been expressed about what you called the inevitable

“trade-off between teacher numbers and teacher quality”.

What do you actually mean by that? With hindsight, do you regret the way in which that sentence was phrased in the final report?

Professor McCormac: It is quite clear that this is not an either/or situation. What we said was that when the economic base is restricted the medium-term priority should be to enhance the teaching profession’s quality instead of marginally reducing class sizes. That said, we saw evidence that suggested that reducing class sizes, particularly in the early years, has benefits. If there were unlimited resources, the way forward would be to reduce class sizes and put resources into improving teacher quality. However, if choices have to be made about where money should be

put, we suggest that teacher quality should be the priority. Indeed, that very much builds on the theme in the Donaldson report of investing in the professional development of teachers. Does that clarify things?

Liam McArthur: I do not know whether that will allay concerns that the phrase amounted almost to a suggestion that somehow the review has not been driven wholly by a need to improve educational outcomes. After all, improvements can be made by, for example, reducing ratios in particular classes.

Professor McCormac: There is no question but that reducing class sizes is a laudable objective. However, the question was where money should be allocated to best effect and, on balance, our view was that the current pupil-teacher ratio should be kept and that whatever limited resources there are should be used to develop the quality of the teaching profession. We felt that that was the most likely way of producing better outcomes.

Liam McArthur: You said that the current ratios should be kept. Are you ruling out any extensions that headteachers might see as necessary in particular circumstances?

Professor McCormac: Our recommendation says what it says. We have not made a recommendation about changing the pupil-teacher ratio.

Claire Baker: We have already touched on the financial context in which the report has been published. At last week’s meeting, Drew Morrice from the EIS commented that, although we might have this report and the Donaldson review and although there are other things going on in education, the most critical issue for improving schools and delivering on the recommendations was the comprehensive spending review. You have said that, although you were aware of economic pressures, that issue did not direct the report, which will now go on to the next stage to be examined by the tripartite group. It might be difficult to answer this question, but what do you think the debate about the financial pressures will centre on? How intact will your report be after the tripartite group has examined it?

13:00

Professor McCormac: As you have said, I suggested that the review was about looking at ways of improving outcomes for children and young people. We focused on that and did not want to recommend schemes that would have added millions of pounds to the cost of education because we were aware that that money was not readily available. In other words, we were in the real world and recognised the situation in which

we found ourselves. It is now for the SNCT and the Government to discuss the recommendations in our report, to look at the Donaldson report, David Cameron's report and even some of the Christie commission's recommendations, and to consider the issue in the round to find out what can be done and how the advancement of professionalism and our recommendations might help the education system in Scotland to move forward.

Isabelle Boyd: We hope that at the next stage of the report's consideration the focus stays on outcomes for children and young people. Indeed, at each of our review group meetings, we always brought ourselves back to the question of the difference that the review would make to children and young people.

Throughout the report, we make it quite clear that teachers in Scotland are hard-working, dedicated professionals. Our review has endeavoured to take a close look at that hard-working, dedicated group, identify the best practice in what they do and find opportunities to make that common practice and ensure that it impacts positively on outcomes for children and young people. In that respect, I am aware that we did not answer one of the first questions that the committee asked about, which related to flexibility and teachers being on the premises during the pupil day. I will do so because it fits in very well with the point about outcomes for children and young people.

Our recommendation that teachers usually be on the premises during the pupil day is a recognition of the teacher's professional role, which is to teach. It is also about lesson preparation and correction, but the fact is that, as has been evidenced through journey to excellence, Her Majesty's Inspectorate of Education and "How good is our school?", teachers also play a collegiate and collaborative role. That whole approach to self-evaluation is about teachers working in teams, learning from one another, visiting one another's classrooms and considering and adopting good practice. The "Improving Scottish Education" reports that were produced in 2006 and 2008 reinforce the view of the teacher as a professional involved in not only self-evaluation but evaluation of the work of their colleagues and the school itself. Those clear responsibilities and professional obligations of the teacher happen during the pupil day.

With regard to the 35-hour week, which we did not recommend should be increased, I point out that the pupil week is 25 hours in a primary school and 27 and a half hours in a secondary school. What we are saying is that during those periods teachers would usually be on the premises as an

indication of the kind of professional flexibility that the best teachers are already exercising.

The Convener: I am aware that it is after 1 o'clock and that members still have a number of questions. I ask for brief questions and brief answers, if possible.

Liz Smith: My question is very brief. Professor McCormac, I hope that the Government will introduce as many of your recommendations as possible. What are your top three recommendations for improving teachers?

Professor McCormac: To pick three would be very difficult. After all, these 34 recommendations were considered as a complete set and in many ways interact with one another with regard to, for example, professional development and flexibility in time. It is not a cafeteria-type thing where you might say "Let's take the top three" and everything else falls into place. This well-considered report is integrated not only within itself, with recommendations playing off one another, but with the suite of documents that have recently emerged on education, devolved school management and so on to ensure that they are coherent in a way that will move education in Scotland forward. As a result, I would not like to pick three.

Liz Smith: Let us hope the Government goes for all of them, then.

Jenny Marra: I want to go back to annex E of the McCrone agreement. I always thought that the strength of McCrone was its guarantee of teaching time because certain tasks were given to support staff in schools. I am acutely aware that the tasks in annex E have different impacts in different schools and that in areas of high deprivation some of them, including paperwork and liaison with social workers, children's panel administration and increased and often unplanned contact with parents, carers, grandparents and a multitude of other people who might have a stake in one particular child's life, take up an inordinate amount of time. Moreover, in such areas, information technology is less reliable—IT itself was included in annex E because there were not as many resources. Have you carried out a poverty impact assessment of taking annex E out of the McCrone agreement?

Professor McCormac: As I said earlier, the group's view was that teachers' primary purpose was to teach and not to carry out that range of other activities. However, in relation to some of the examples that you highlighted, we would want the teacher to be involved in various discussions and that wider educational role. Again, we reflect on that issue in the report.

The recommendation is not about increasing teachers' workload or giving them all sorts of things to do to save money because other staff are

not available. The report does not suggest that; actually, it makes it quite clear that administrators, classroom assistants and other such people perform a very valuable role in schools and it should be reduced, if at all, with great care.

Jenny Marra: Do you acknowledge that, if annex E is removed, teachers in schools in more deprived areas will spend a lot more time on these roles than teachers in schools in better-off catchment areas? Will that not reduce the amount of teaching time in the more deprived schools?

Professor McCormac: The amount of teaching time is already specified elsewhere and will not be reduced. I make it clear that there is no intention to reduce teaching time or to have teachers carry out additional duties that are not appropriate for a professional.

The Convener: I thank Isabelle Boyd and Professor Gerry McCormac for attending this morning—and this afternoon. Your evidence has been very helpful in our consideration of your review.

Meeting closed at 13:08.

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e-format first available
ISBN 978-0-85758-817-3

Revised e-format available
ISBN 978-0-85758-828-9

Printed in Scotland by APS Group Scotland
