



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

EDUCATION AND CULTURE COMMITTEE

Tuesday 19 February 2013

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EDUCATION AND CULTURE COMMITTEE

5th Meeting 2013, Session 4

CONVENER

*Stewart Maxwell (West Scotland) (SNP)

DEPUTY CONVENER

*Neil Findlay (Lothian) (Lab)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)
*Clare Adamson (Central Scotland) (SNP)
*Colin Beattie (Midlothian North and Musselburgh) (SNP)
*Neil Bibby (West Scotland) (Lab)
*Joan McAlpine (South Scotland) (SNP)
*Liam McArthur (Orkney Islands) (LD)
*Liz Smith (Mid Scotland and Fife) (Con)

COMMITTEE SUBSTITUTES

*Marco Biagi (Edinburgh Central) (SNP)
*Mark Griffin (Central Scotland) (Lab)
*Mary Scanlon (Highlands and Islands) (Con)
*Tavish Scott (Shetland Islands) (LD)

*attended

THE FOLLOWING ALSO PARTICIPATED:

David Belsey (Educational Institute of Scotland)
Tony Brian (Glasgow Caledonian University)
John Henderson (Colleges Scotland)
Marlene McGlynn (Skills Development Scotland)
Ian McKay (Edinburgh College)
Professor Stuart Monro (University of Edinburgh)
Alison More (Skills Development Scotland)
Robin Parker (NUS Scotland)
Mary Senior (University and College Union Scotland)
Alastair Sim (Universities Scotland)
Alan Simpson (University of Stirling)

CLERK TO THE COMMITTEE

Terry Shevlin

LOCATION

Committee Room 1

Scottish Parliament

Education and Culture Committee

Tuesday 19 February 2013

[The Convener *opened the meeting at 09:35*]

Subordinate Legislation

Looked After Children (Scotland) Amendment Regulations 2013 (SSI 2013/14)

The Convener (Stewart Maxwell): Good morning. I welcome members to the fifth meeting in 2013 of the Education and Culture Committee. I remind members and those in the public gallery that they should ensure that all electronic devices are switched off at all times, as they interfere with the sound system.

Agenda item 1 is consideration of a negative statutory instrument: the Looked After Children (Scotland) Amendment Regulations 2013. No motion to annul the regulations has been lodged, and the Subordinate Legislation Committee determined that it did not need to draw the Parliament's attention to them.

As members have no comments to make on the regulations, do we agree to make no recommendation on them to the Parliament?

Members *indicated agreement.*

Post-16 Education (Scotland) Bill: Stage 1

09:36

The Convener: The next item is further oral evidence on the Post-16 Education (Scotland) Bill. We have quite a busy agenda. First, we will hear evidence from David Belsey, who is national officer for further and higher education at the Educational Institute of Scotland; John Henderson, who is chief executive of Colleges Scotland; Robin Parker, who is president of the National Union of Students Scotland; Mary Senior, who is the Scottish official for the University and College Union Scotland; and Alastair Sim, who is director of Universities Scotland. Good morning to you all.

There are five witnesses on the first panel, so I ask committee members and witnesses to be brief in their questions and answers. If you feel that somebody else has already covered the points that you wanted to raise, you do not have to repeat them.

Neil Bibby (West Scotland) (Lab): Colleges Scotland's submission talks about concerns relating to

"the 'two-tier' nature of the proposed regional strategic bodies and their constituent colleges."

Do the panellists believe that the regional strategic bodies will subsume the role of controlling employees and finance? What does that mean for the legal position of the boards of assigned colleges?

John Henderson (Colleges Scotland): The regional strategic boards will clearly be new bodies in the landscape. My understanding is that the assigned colleges will still be the employers of staff, but funding for the assigned colleges will largely come through the regional strategic boards. Therefore, in that they will have an element of control at the funding level, the regional strategic boards will be almost mini-funding councils.

Neil Bibby: I understand that the principals would be employed by the individual colleges, but the regional strategic boards and bodies would set the terms and conditions. Would that be legal?

John Henderson: It would be legal if the Parliament passed the bill; whether it is desirable is for the committee and the Parliament to consider. We think that there are problems with that. On the lines of accountability and the psychology, there is a risk of divided loyalties if a principal of an assigned college is appointed and their pay and conditions are determined by a body that is not their employer. Are they loyal to their employer and how do they account to their

employer for their actions, or are they loyal to the person who determines their pay and conditions each year? There are potential difficulties with that, but I think that they can be surmounted.

I understand the thinking behind the bill, but if we look at the position with non-departmental public bodies, for example, we will see that the boards appoint the chief executives of those bodies but it is often the permanent secretary who will approve their appointment as the accounting or accountable officer. Therefore, there can be a measure of oversight at either the Government or regional strategic level without getting into the territory of employer. That is where I think the risk in the legislation is framed.

Neil Bibby: You question whether the position of the colleges and the regional strategic boards would be desirable. Do you believe that a move to regional strategic bodies with control over funding and direction could lead to individual colleges being akin to university departments or faculties? Is there a danger of high-performing colleges seeing their assets moved to less well-performing colleges by a regional strategic body?

John Henderson: There are clearly risks. A lot will depend on the regional strategic board. Rather than talking about four parts of the country, we are really talking only about Glasgow, Lanarkshire and the University of the Highlands and Islands area. How the bodies there form a relationship at a strategic level with the assigned colleges in their area will be very important. I am optimistic that they will not be heavy handed in their approach to the assigned colleges. However, there will clearly be tensions in relationships in a two-tier system, so it will be important to get the relationships right.

The relationships should be built on an enabling rather than a controlling basis, and I would like to see an outcome agreement in the contract between the two bodies. High-level outcomes would be set at the strategic level, but local delivery would be left to the assigned colleges. In the same way, the best approach for the sector nationally is to have a strategic funding council setting high-level outcomes, but leaving the regional colleges to deliver. Further education needs to be delivered locally, because what happens in Stornoway is very different from what happens in the centre of Glasgow or Edinburgh.

Neil Bibby: In your submission, you ask the Education and Culture Committee to seek information and clarification from the Office of the Scottish Charity Regulator on whether the bill will affect charitable status. Could you tell us a bit more about your concerns?

John Henderson: When oversight is changed between a funding body—be it the Government or a funding council—and a charity, there is a risk

that the independence of the charitable trustees will be affected and OSCR will take the view that that would move it out of the charitable status camp. I wrote to the chief executive of OSCR asking him for his view on that. He said that the legislation is complex and that he needs time to look at it, so I do not have a definitive view on that.

Neil Findlay (Lothian) (Lab): The EIS's written evidence states:

"If it's the Government's wish to create a nationally incoherent FE structure with a myriad of different types of colleges, governing bodies and funding mechanisms with separate regulations for each, then this Bill is the way to go about it."

Does the panel wish to comment on that?

The Convener: Perhaps Mr Belsey should start us off on that one.

David Belsey (Educational Institute of Scotland): What the EIS is getting at is that the bill will not create a single, coherent governance model for the Scottish further education sector. In fact, it will codify two main systems: single-college regions with a regional college, and multicollege regions with a regional strategic body. Even within the multicollege regions, there will be two types: the one that will probably be formed in Glasgow and Lanarkshire, and the one that will be formed in the UHI area. There is also a fourth type of governance model for the other two colleges, Newbattle Abbey College and Sabhal Mòr Ostaig.

The bill will create a system that will allow those different forms of governance to exist at the same time and the powers that it will give to a regional college board of management will be different from those that it will give to a regional board for a multicollege region. The bill will therefore not create a single, coherent system. In effect, the bill will create a multilayered system. That is the point that we make in our submission.

09:45

John Henderson: Coming back to my earlier point, I think that if you accept—as I do—that the approach that was recommended in the Griggs review of having one college per region will not be right in certain parts of the country, the question, then, is how you achieve coherence at a regional level. In this legislation, the Government has decided to answer that question through the use of strategic bodies. If, as I have suggested, those strategic bodies can be seen more as enabling than as controlling, the risks that the EIS and others have highlighted will be less likely to come about.

Robin Parker (NUS Scotland): In our view, there is a strong case for improving colleges' governance. In particular, we must ensure that it becomes much more about meeting students'

needs through, for example, delivering courses that allow students to go successfully into the next stage of their lives, whether that be going into employment, going to university or undertaking some other form of study.

The proposed regionalisation has its positives and negatives, and I want to highlight two things in respect of which responsibility at a regional level would be good. First, the fact that each college can set its own rules on FE student support could lead to a postcode lottery, with students at different colleges subject to different rules governing the discretionary FE support that they receive. A national system of FE financial support would be ideal but moving responsibility for student support to regional level would be a positive step in that direction. Secondly, moving responsibility for strong student associations to regional level, as recommended in the Griggs review, would also be a positive step.

Joan McAlpine (South Scotland) (SNP): In its evidence, the EIS says that it

"has long believed that FE governance was poor as it had little democratic accountability and insufficient transparency, all being propped up by the 1992 Further and Higher Education (Scotland) Act. The EIS supports the aims of the Post-16 Bill to increase accountability and transparency".

Will Mr Belsey elaborate on how that lack of accountability affected industrial relations in the FE sector in the past?

David Belsey: The EIS shares the bill's aim of improving the accountability and transparency of governance in the FE sector and we believe that its proposals for changing the governing bodies of colleges and regions are a good thing. However, the problem is that what the Government is suggesting is not what was suggested in the Griggs report. It is suggesting two main different ways of meeting the objective.

As for past problems, the perception was that boards were self-appointing. Because of the way in which the 1992 act was framed, they were structurally susceptible to the perception of cronyism in that board members were self-perpetuating and had very close relationships with principals. It was also felt that colleges were not run in an open and transparent way and, because they were not accountable directly to any other body—or, at least, it was very difficult to hold them to account—there was a range of governance standards and, one might say, effectiveness in Scotland's colleges. As a result, problems such as those that arose at Adam Smith College were able to develop. We hope that the new system of governance will make it less likely that such difficulties will arise.

Joan McAlpine: Would Ms Senior like to comment on the issue of effective governance and industrial relations in the past?

Mary Senior (University and College Union Scotland): I would prefer to confine my comments to governance in higher education.

The Convener: I was going to ask a similar question, but we will come on to that later.

Liz Smith will begin our questioning on governance, which has come up every time that we have taken oral evidence.

Liz Smith (Mid Scotland and Fife) (Con): Just before I go on to that, Mr Henderson, what is Colleges Scotland's estimate of the value of charitable status to the college sector?

John Henderson: I have not looked at that in the past couple of years. It was last looked at a couple of years ago, when it was found to be somewhere in the region of £50 million. That was very much an estimate and I have no way of telling what the current figure is.

Liz Smith: So you will be hoping that the answer to the letter that you have sent is that colleges' charitable status is assured for the future.

John Henderson: It is important because, whatever the current figure is, it is likely to be significant.

Liz Smith: I want to ask about some aspects of governance that transcend both sectors. The majority of people who have sent in written submissions or given oral evidence have said that there is an issue around the autonomy of the sectors. Mr Henderson, you referred to that when you mentioned the concept of local delivery—you rightly pointed out that, in different parts of the country, colleges might want to do different things. Also, the Universities Scotland submission has been very careful about the term "responsible autonomy" in the university sector. Mr Henderson and Mr Sim, do you feel that the bill threatens to undermine that responsible autonomy?

John Henderson: I draw attention to one risk in the proposed legislation. I do not have any difficulty with the proposed public appointments process for the appointment of chairs of regional colleges or regional boards; the process will be transparent and open, and if there have been difficulties in the past, that will be an improvement. However, the appointments process for members of regional boards of colleges seems less transparent. It is not defined very sharply, which suggests that the chair will submit a list of names to the minister, who will approve them.

As I said earlier, I have no difficulty with ministerial involvement but, in this area, we run the

risk of turning back the clock to a time when ministers behind closed doors gave their approval for lists of people who were going into public bodies. We have moved on from that with the public appointments process. We either have an open and transparent public appointments process for all board members, or we have a system like the one that the universities might develop, in which they self-regulate through a code of practice, and it is made a condition of grant that their boards comply with that code. That enabling model, rather than a system that risks a lack of transparency, would lead to better governance in the sector. That is just one example of where the balance is tilted too much away from self-regulation and control through funding.

Liz Smith: What would be the detrimental effect on the college sector if we, as you said, turned the clock back a bit?

John Henderson: There is a fundamental question about whether the further education sector is a national service at all. In Scotland, we have a number of micro-economies in different parts of the country that require local delivery, but there are a few things that we could determine nationally. However, the risk in the philosophy underlying the bill is that too much will be pulled into the centre and away from what is important in local accountability, and there is no balance.

Where there is a need for central control and oversight, we need a light touch. The outcome agreements that the Government and the Scottish Further and Higher Education Funding Council are developing with the sector are good, because they are almost a high-level contract between the funders and those who are delivering the service. Of course we want a certain level of quality and a certain level of outcomes, but we do not want to get into the detail of curriculum planning by saying to a particular college that, for example, it should have a certain number of engineers or plumbers in a particular area. That would be a mistake.

Alastair Sim (Universities Scotland): I would frame my response by welcoming the fact that when Scottish Government officials were here on 15 January, they affirmed responsible autonomy as one of the principles that should lie behind the legislation. The cabinet secretary said words to that effect when he gave a speech last week at the Adam Smith business school at the University of Glasgow.

The policy intentions that have been expressed about the bill—about good governance, efficiency and wide access—are all right, but our perception is that, to some extent, in its drafting the bill has come adrift from the policy intentions. How the bill is drafted raises issues in relation to autonomy. We think that autonomy is important because the flexibility to respond and innovate is central to

universities' ability to deliver social, economic and cultural benefits for Scotland and to deliver benefits that are aligned with the aspirations of the Parliament and the Government.

In our evidence we have pointed out areas where the bill needs to be improved at stage 2 if it is not going to open up those risks to our responsible autonomy in future. We have set out in some detail, particularly in relation to sections 2 and 14, ways in which we think that the drafting of the bill can be improved. I do not think that our specific amendments were attached to the papers that were circulated to the committee today. We have suggested detailed amendments, which we have been over with our solicitors and which we think would get the bill back into a shape that would deliver its policy intentions and close down those perceived risks to universities' responsible autonomy and capacity to deliver.

Liz Smith: When we had four university principals in front of the committee a few weeks ago, representing very different higher education institutions, they were clear about the dangers of too much Government involvement in the sector, not least because international trends suggest that those nations that are doing the best in HE are those where Government is a diminished part of the process. Government is by no means taken out of the process, because Government has, and must have, that responsibility. Nonetheless, the university principals all made the point that, as you have rightly said, to enhance their knowledge exchange and research and development, they need that responsible autonomy. Do you agree fundamentally with that?

Alastair Sim: It is absolutely clear in our evidence that responsible autonomy is crucial to universities' ability to deliver for Scotland. I do not think that there is disagreement over that policy. However, it is necessary to get the bill into a shape that is closer to that policy. We are looking for a specific change at stage 2 to get the bill into a condition that delivers the policy intentions and protects universities' responsible autonomy.

Liz Smith: I address my final question to Mr Parker and Ms Senior. Will you give us some detail about the areas in which you feel that the existing governance system in colleges and universities is not working sufficiently well and therefore has a detrimental effect on the educational experience? Where is the evidence that the governing code that we have at the moment is not succeeding in delivering the best possible education?

Mary Senior: The UCU supports responsible autonomy, but we think that the key principles that underpin that are academic freedom, collegiality and the recognition that we are working within a public education system. From our perspective, it

is really important that there is scrutiny of the governance framework that will come in for universities. We are concerned that there is no parliamentary scrutiny of the code of governance that is being developed. The UCU was supportive of the von Prondzynski recommendations, and it is important to us that the code reflects his recommendations.

10:00

You asked for examples relating to the higher education sector in particular. We have had a concern that university courts—the governing bodies—were rubber-stamping bodies that were not effectively scrutinising decisions that were being made in universities. An example is when a union presented a paper on a big change that was happening at the University of Glasgow. That paper was far more detailed than the one that was presented by the university's management on that specific incident. That is a concern. I guess that it was fortunate that the staff member on court was a trade union official who could present the union's points.

There have been incidents in other universities in which there has been no scrutiny of decisions, including on closures of courses and departments. Obviously, that is detrimental to the student experience and has a profound impact on the staff affected.

Robin Parker: I will start with the university sector. Responsible autonomy is a concept that we support, too. The problem is that, far too often, that autonomy has not been exercised as responsibly as it should have been. For example, more than £4 million is spent each year on university principals' salaries. That spend is out of control in comparison with the rest of the public sector.

Mary Senior has already talked about course changes that have been carried out with little consultation or account of the local and national course provision needs. The lack of transparency in a lot of what is being exercised is a huge problem.

Other crucial examples are the diversity of the people who are on university and college governing bodies and widening access. Although I do not doubt the commitment that exists from the university sector to make progress on widening access, I think that we can all agree that the track record is not what it should be.

If the code of governance, as produced by the chairs, sticks to the recommendations of the von Prondzynski report, and we see that through, that will not only preserve the autonomy of universities but inject the greater responsibility that is needed. My key point is that, with universities in particular,

progress needs to be made on governance. It is therefore right that there is a democratic intervention that increases the responsibility while maintaining the autonomy.

Mr Belsey made some strong points about the previous track record of college governance. In particular, I emphasise that, in the past, student associations in colleges have not had the involvement in decision making that they should have had. The bill provides an opportunity to increase oversight and accountability, with student associations and representatives overseeing the decisions that are being made by college boards. Crucially, more needs to be done to protect local access to college courses—often, having that course on the doorstep is fundamental in giving people access to education, whether for the first or second time. That is difficult against a backdrop of cuts. The views of the NUS on the financial situation are well known. However, it is crucial to have sufficient oversight of the decision making that is taking place. That can be achieved only with greater transparency and accountability of decision making.

David Belsey: Can I—

The Convener: Hold on a moment, Mr Belsey—you can come in in a minute. I want to bring in Neil Findlay because we must make some progress. I am sure that you can pick up on any remarks that you want to make while answering his question.

Neil Findlay: What role has your organisation played in developing the code of governance?

David Belsey: I will answer that and pick up on points that were raised in the previous question. The EIS shares the belief that higher education institutions should be autonomous, and shares the aspiration that they should exercise reasonable autonomy. The same is true for FE colleges.

Autonomy must be defined. It is not simply the ability to be flexible; it is the ability to make one's own decisions. The fact that the regionalisation programme is going through Parliament now shows that the FE sector's autonomy is not as great as that of the HE sector.

I turn to the point that poor governance can adversely affect the students' learning experience. Our members in FE and HE are concerned that some governing bodies do not hold their management to account for their policies. A large amount of the casework that I see and do revolves around the university or college management's almost unfettered use of power. That issue needs to be addressed—von Prondzynski's report started to address it. We do not see the management and the governors as two separate entities, because some of the universities' senior managers—for example, principals—are also governors. Under the structures that the bill proposes, principals will

be separated from governors; they will no longer be members of boards of management, although they will have the right to attend and speak at board meetings.

I turn to Neil Findlay's question. I am sorry, could you ask it again?

Neil Findlay: Yes. That was like the "Mastermind" sketch on "The Two Ronnies": I asked a question and you answered the previous one.

What role did your organisation play in developing the code of governance.

David Belsey: The two consultants met a group of Scottish Trades Union Congress representatives, including representatives of the EIS, to discuss the code. One of the consultants—I think it was Dr West—met EIS representatives separately about two months later. We have met twice and have presented our evidence, which we followed up by submitting written evidence via the website.

Robin Parker: At every institution, the consultants carrying out the review have met in various formats student representatives. NUS Scotland has met the consultants and has submitted evidence.

We are disappointed that there are not staff and student representatives on the steering group for the review; that is a major oversight. The most important thing, however, is the pudding that comes out at the end, and whether what is proposed puts into practice von Prondzynski's report and whether the chairs stick to the tasks that they have been set.

As I have said, many issues need to be tackled. Despite the facts that the majority of students are female and that very close to 50 per cent of staff are female, the overwhelming majority of people on the governing bodies of universities and colleges are male. That is clearly something that needs to be tackled.

Mary Senior: I would echo Robin Parker's concerns. The Cabinet Secretary for Education and Lifelong Learning said in the summer that staff and students would be involved in the process, so we were deeply disappointed that the steering group did not include staff or students. It was only when we made a significant fuss and raised the issue with the cabinet secretary that we got any more detail on what the group was and what it was doing.

The UCU met the two consultants of the group in November and, as Robin Parker said, the consultants then did a tour of all the HEIs in Scotland. Some of our reps had about half an hour with the consultants, but they were often in groups that included other representatives including

senate assessors, and there was only a short amount of time. No minutes were taken of those meetings and our reps had real concerns about how meaningful they could be.

The UCU has been concerned that the whole process has been trying to unpick some of the good recommendations from the von Prondzynski review. We believe that that was a detailed and thorough process, so we have been concerned about what the new process on the code is trying to do. That is why we emphasise in our evidence the importance of scrutiny of the governance code, because it is fundamental to making the change. It is vital that we get the governance code right. We asked to meet the steering group and the chair—Lord Kelvin—but did not get to do that.

The Convener: Mr Henderson, do you want to say anything?

John Henderson: The question was largely about the code that is being developed for the higher education sector, but—

The Convener: I asked you because I am going along the panel.

John Henderson: Yes. As I said earlier, self-regulation through a code—albeit that the code is enforced through a condition of grant—is a desirable route for the college sector to take, as well. It seems to me to strike the right balance between what is being called responsible autonomy, and proper accountability to Parliament.

Alastair Sim: I have two comments to make. The first is in response to some people's portrayal of the relationship between the university governing bodies and senior managers; I speak both in my capacity as a former university senior manager and as someone who works daily with university senior managers.

The university court is taken extraordinarily seriously and it is an extraordinarily testing experience to bring proposals before a court: you can expect rigorous examination and that your evidence and reasoning will be tested pretty severely. I am afraid that I do not really recognise, from my experience or that of my members, others' portrayal of the relationship between senior management and university governing bodies.

Secondly, on the specifics of how the code is being developed, Universities Scotland is rather to one side, because the steering group that has been established by the committee of Scottish chairs is taking it forward. However, I know from what is happening in member institutions that an extraordinarily intensive process of discussion is going on at every institution. Those discussions are involving staff representatives, student representatives and lay members of the governing

body, and are getting various views that take account of the experience of people on the ground of how governing bodies are working and how the code can further embed transparency, involvement and accountability in university governance. From what I see from my position to one side of the work, it looks as though there is pretty thorough footfall on the ground to find out what people are thinking and to pick up ideas about how we can make university governance even stronger.

Neil Findlay: This is just a comment, but it seems to me to be extraordinary that a steering group has been set up that includes no student or staff representatives.

Colin Beattie (Midlothian North and Musselburgh) (SNP): EIS states in its written evidence:

"The EIS welcomes the provisions that college principals will not be automatic ex-officio members of their college boards—believing that the right to attend and address board meetings are appropriate."

From other evidence I note that there seems to be no consensus on that. Some are content with how the bill is set out, others have no opinion, and one or two believe that college principals should have the right to be board members. I am interested to know what the panel thinks.

David Belsey: It is the considered view of the EIS executive that principals should not be members of their boards, whether regional board or a regional college board.

10:15

There is a belief that principals have had and have exercised excessive power in some cases and that a clearer division between governors and managers would therefore be a good thing. However, the EIS also recognises that principals need to be at the top table and that they need to express their views—as the lead academic or teaching professional—to the governing body, because their views are important. However, the principals should not be the sole voice of the profession on the governing body.

Robin Parker: I am not too fussed either way about principals. The principal is the one member of management about whom there is a case to be made for their being part of the governing body. It is unacceptable that in several universities there are three or four members of management—principals and vice principals—who are ex officio part of the governing body, and there is no doubt that that needs to be changed. One of von Prondzynski's recommendations is that the principal should be the only member of management who is part of the governing body.

Similarly, often in university courts people who are not even members of the court dominate discussions. There needs to be a shift in the role that executive officers have in court settings.

If we continue down the path of college regionalisation, one of the key things that the bill should seek to achieve is a gender balance in colleges. The bill is the only window of opportunity in which to do that.

Colin Beattie: Is your position that you do not have a strong feeling about principals?

Robin Parker: Yes.

Mary Senior: UCU's membership is primarily in higher education, so we have not commented on college principals and governance. However, I agree with Robin Parker's points about university governance and the importance of von Prondzynski's recommendations about trade union and student representation on boards, and I agree with the important recommendations about addressing the gender imbalance in governance and looking for individuals from a broad spectrum of society to serve on governing bodies. We have found that most members of governing bodies come from a private sector business background, which clearly needs to be addressed so that governing bodies are more reflective of society in general.

John Henderson: The bill seems to be a bit confused on this issue. We had the Griggs review, which—without any evidence, it seems—suggested that principals should not be members of governing bodies. Now we have the bill, which says, "Oh well, we're not really sure. We're going to leave this up to the regional college boards and the assigned colleges." A situation will develop in which some colleges—probably the majority—will have principals as members of their governing bodies, and others will not. It does not seem very consistent.

It is desirable to have staff and student representatives on college governing bodies. Surely the college's academic leadership should be represented on the board through the principal. In the same way, it seems that it would benefit universities to have principals on their courts. That seems to be an issue of principle and good practice.

The Convener: Do you have views on that, Alastair?

Alastair Sim: I do not have particular views on college governance. I just want to say that there should be robust student and staff membership on university governing bodies universally.

The Convener: Thank you.

We have a lot to cover, so I want to move on to the widening access part of the bill.

George Adam (Paisley) (SNP): Good morning. One of the more exciting things about the bill is that it deals with widening access for students. From some of the evidence that we have had, there appears almost to be a two-tier approach among universities; the University of the West of Scotland is doing well with getting students from different backgrounds, but in others only about 3.3 per cent of students come from lower socioeconomic backgrounds.

In a previous evidence session, a lot of principals said, "There's nothing to see here—we would have eventually got there on our own." However, directly after that, student representatives said that if the task was left to universities, it would probably take about 40 years. There seems to be debate about the issue in the sector. What are your views? What is the best way forward? Is it legislation?

Robin Parker: Legislation is important, because the outcome-agreement process that is taking place needs legislative underpinning. Something is needed to make it clear that widening access is every university's responsibility—it is fundamental to what universities are about. Admission of the people who have the most potential to succeed is fundamental to the purpose of universities, so asking them to do that through core funding is no problem at all.

The legislation must happen. It is good that the process that is being set out will leave to the institution the exact way of enacting it. Every institution is being told that it needs to step up to the plate and do more for Scotland on this, but how they do that and the initiatives that they use will be up to them. We will support work by Universities Scotland to look at the evidence for that. There are examples of good practice on widening access; they just need to be stepped up and done on a wider scale. Every university needs to do more.

David Belsey: EIS supports legislation. It must be recognised that universities have done a lot of good work to widen access, especially in recent years. However, some universities have moved faster than others.

There is a question about how far universities would have moved if they had thought that legislation would never be a possibility. College articulation hubs are an effective means of widening access, but they are not agreed with all universities.

The balance in the bill is correct; it will allow widening access agreements to be part of outcome agreements, which will give universities the flexibility to deliver their own models for

widening access. The bill will not force the use of a one-size-fits-all model. Unfortunately, however, if universities were left to themselves, the means of delivering wider access would not be applied consistently.

Mary Senior: UCU supports the bill's widening access requirements and how the process will work through outcome agreements. It is important to consult staff and students in the development of outcome agreements, which would include consultation on the widening access process.

We recognise that there has, because of how outcome agreements have been developed in universities to date, been little time for consultation. We hope that, if the bill contains a requirement to consult staff and trade unions, that will help with the development of outcome agreements as we move forward. There has been little consultation of trade unions, because outcome agreements have been rushed in.

John Henderson: I will pick up on David Belsey's point. Articulation between colleges and universities is patchy; it is excellent in some parts of the country—for example, north-east Scotland—but is less developed in others. It is important for college students and taxpayers that we do not add an extra year for students because that costs us and the individuals.

Smoothing of the articulation between college and university courses is important. The bill's helping with that would be desirable. Funding, through a new arrangement that the funding council has introduced, is another way of encouraging that development.

Alastair Sim: I will comment at a statistical level first of all. As David Belsey said, significant progress is being made. Over the past six years, there has been a 17 per cent increase in university students coming from the most deprived areas. Similarly, there has been a 26 per cent increase over that period in the number of people articulating from college to university and an improvement of nearly 38 per cent in those articulating with advanced standing. Progress is being made across the board.

In our written evidence, we clearly state that university principals are committed to university being

"equally open to any learner with the appropriate academic potential to benefit, regardless of their social or economic circumstances"

and to

"delivering progress in"

improving the university sector's

"record on widening access and retention."

There is a clear commitment to keep driving that forward, which will always be a work in progress.

Mary Senior mentioned outcome agreements—the first round of which have shown significant progress in widening access. It was not an ideal process; the funding council did not make the rules of the game clear at an early stage, so universities did not understand whether they would be penalised for setting stretching ambitions.

The second round will show even further progress, especially because 1,000 funded places are being assigned to improve articulation and 700 to improve widening access more generally. In that round, universities were overbidding; they wanted to do more. If the funding council had been able to fund them, there would have been yet more places to enable access to be widened. One particularly encouraging aspect was the extent to which the research-intensive universities took the opportunity and overbid for more places so that they could extend their activity on widening access.

There has been a lot of progress, but widening access will always be a work in progress. Until the more general social problems that limit people's attainment and aspiration from the early years onwards are resolved, we will not realise everybody's full potential. However, we are certainly committed to widening access and have expressed that in our written submission.

On the bill, we recognise that the Scottish Government has made a manifesto commitment to legislate on widening access. We simply seek a technical amendment that recognises that widening access agreements should not be pronounced by the funding council for universities but should be genuinely negotiated agreements.

George Adam: On that note, the problem with negotiating and trying to sort out widening access agreements with individual universities is that there is a massive gulf between certain universities—I do not like to mention the ones that always get mentioned—and others that seem to be retaining students, such as the UWS in Paisley. How would you manage that without legislation from the centre?

Alastair Sim: Even at the moment, the funding council has wide powers to impose conditions of grant on universities. When I say “negotiation”, I do not mean something that lacks a hard edge. The amendment that we propose to the bill would not take the hard edge away.

We are pointing out that each university has its own strategy and mission, and has experience of what works for it in widening access—although that experience will be improved by the work that we are doing jointly with the NUS. The initiative should come from the institution, which should say

how it can go further on widening access and retention. However, the negotiation should be hard edged and the funding council must consider whether the institution's proposals represent attainable progress.

Robin Parker: The most worrying divide for me at the moment is not between the universities that have poor track records and those that have good ones, but is between those that have responded positively and constructively to the agenda and those that have responded defensively and taken the “Oh, go on then—we'll do it if we have to” approach. We need the right financial and legislative incentives to ensure that all institutions respond positively and constructively to the agenda.

Crucial to underpinning that agenda is frequent reporting—for example an annual review of widening access progress to ensure that we are on track to get to greater fair access in less than 40 years. A year ago, it would have taken 40 years if things had carried on at the current rate. I hope that the fact that some universities responded constructively means that we are now on target for something better than that. We need collectively as a nation—with Parliament providing that oversight—to ensure that we are on track for quicker fair access.

10:30

The Convener: In its written evidence, UCU raised a specific issue, saying that

“there may be a need for a statutory duty to protect institutions and in particular admissions staff from libellous claims”.

Can you expand on why UCU said that?

Mary Senior: We emphasise the need for greater contextualisation in admissions and we are mindful that such an issue may create difficulties for people who feel that they are not getting into university for a specific reason.

Having looked at the evidence that the committee has considered previously, I know that the issue of displacement has been discussed. I was interested in the witnesses' response to that—that this is about the greater good; it is about widening access and ensuring that everybody who is able to participate in universities is able to access them.

We made that point to ensure that the university is not threatened by such libellous claims.

Liz Smith: On the UHI scenario, in the Colleges Scotland submission there was a concern about how that regional body would operate—at least on a funding basis—because it is a very different structure. Can you explain that concern in detail?

John Henderson: The issue with UHI is the relationship between the centre and the constituent parts. The legislation will give a lot of authority to the university regarding the provision of FE. I understand that it is not possible to enshrine the idea of having an FE committee in the legislation. I also understand that the university proposes to have an FE committee, with the chairs of all the colleges serving on that committee. However, that will be left to agreement, so there are some risks around that process—we need to ensure that the centre will not suck away too much autonomy from the local colleges. That is where the worry lies with regard to UHI.

UHI is a tremendous institution; having that combination is a tremendous development in Scotland. We were talking earlier about the articulation between college and university. In the UHI model, it is possible to start at a non-advanced level and go right through to the PhD level and to do so in a much smoother way, perhaps, than in other parts of the country. There are great advantages to UHI but we have to be careful as we develop UHI that the individual colleges do not feel that their autonomy is being pulled into Inverness, because we all know that Dunoon and Lerwick are a long way from Inverness and the world looks different there.

Liz Smith: As I understand it, the university court is, in effect, the regional body in the UHI set-up. Does that present any concerns about the accountability of the funding process? Does that tie in with what you are saying about the colleges within UHI—that you feel slightly aggrieved that they might be on a university funding principle rather than being treated as colleges?

John Henderson: No; it is about the number of lines of accountability that there will be in UHI. The funding council will give the money to UHI. UHI, by agreement, will delegate FE funding to the FE committee and then the FE committee will decide how it goes to the constituent colleges. The lines of accountability become much longer in that arrangement and there are risks involved.

Liz Smith: As you rightly point out with regard to the colleges within UHI, UHI as it stands is now a very different entity. How do you see the process of the negotiated settlements—if that is how we should describe them—taking place with a university court? Do you feel comfortable with the process that is set out in the bill?

John Henderson: Given that we already have UHI and the court, it is very difficult to see how we can have any other arrangement. The operation of all this will have to rely on the voluntary agreements between the colleges and the court and, critically, will depend on the extent to which the court truly delegates to the FE committee the authority for making FE funding decisions.

Liz Smith: Do you accept concerns that were expressed to us by colleges within UHI that some of their local delivery, which is perhaps even more crucial to UHI than to any other area, might be lost or diminished?

John Henderson: It is bound to be a risk. The real risk might well lie in the sensitivity of the machinery at the centre to decision making and perhaps taking decisions away from the local level.

The Convener: Is there a risk of a conflict of interest in the proposed set-up for UHI, particularly with regard to governance? Obviously further and higher education have different governance arrangements but, in this case, that will all be overseen by one body.

John Henderson: I do not think so. The arrangements for determining what happens on the higher education side of UHI are working reasonably well. However, FE provision needs to be delivered much more locally and have a certain amount of diversity, and what would be a bigger risk for somewhere like UHI would be if the curriculum were to be rationalised and local provision then diminished because it was not economic. After all, people cannot reasonably be expected to travel in the same way that they might travel in urban areas.

Joan McAlpine: Mr Parker and Ms Senior have been quoted in this morning's *Herald* as taking issue with the suggestion by the committee of chairs that legislation is not needed to introduce a cap on tuition fees for students from the rest of the UK. I was interested in the language that was used; for example, Ms Senior said:

"The custodians of our world-class universities only seem to be interested in turning a profit"

while Mr Parker suggested that the written evidence from the committee making this point

"highlights how out of touch the people involved in university governance are with the students they are supposed to serve".

Given the strength of that language, I wonder whether both witnesses could put on record why they feel so strongly about the issue and whether we could have a response from the universities to their comments.

Mary Senior: We feel very strongly about the introduction of a market into Scottish higher education. In many ways, however, we have missed the boat, given the number of students from the rest of the UK who are already paying variable fees to study in Scotland. We are opposed in principle to tuition fees but, given the situation that we are facing in Scotland, we felt that the least worst option would have been a flat rate fee for the rest-of-UK students that could have

been agreed collectively and collaboratively within the sector. If that had happened, there would not have been this kind of market or competition and rest-of-UK students would not have been seen as the cash cow that they might be seen as now. That is why we were very concerned to learn that the chairs of court did not wish the fee to be capped.

Robin Parker: One of the benefits of devolution is the healthy competition that it has created between parliamentarians of all parties in Holyrood and in Westminster to do things better in Scotland, but this is one area—albeit quite small—in which the proposed legislation goes beyond even the worst excesses of what the Westminster Government has proposed.

The proposed cap on tuition fees for a degree will be even higher than it is for rest-of-UK students who decide to stay in the rest of the UK; I also note that the legislation proposes no regulation whatever for bursaries, which is something that even the Westminster Government has recognised is important in mitigating the damage that the fee system can do and indeed is already doing. As a result, the bill needs to move back in the direction of greater regulation of and control over something that is—it would be true to say—ultimately Westminster's fault. We have seen the creation of a market, and a market needs regulation; that means lowering the fee cap and having more rules for and conditions on the amount of bursaries that are provided.

Alastair Sim: On the fee cap, since June 2011 a voluntary agreement has been in place between universities and the Scottish Government that universities here will not charge rest-of-UK fees that are higher than the maximum that is allowed elsewhere in the UK. That voluntary agreement was renewed in January at a meeting of university principals. That remains the policy until the bill comes into force.

The coverage in *The Herald* contains a pretty severe misinterpretation of what the chairs of court said in their submission. They were talking about means, not ends, and they do not see a need for the fee cap to be enshrined in legislation, but I do not think that anybody is arguing that universities should be charging fees that are ahead of the maximum elsewhere in the UK. That would not make sense, not least with regard to how universities can compete in a market.

The Convener: Regarding the misinterpretation, as you have described it, I heard reports this morning that chairs were calling for universities to have the freedom to decide how high or low their fees should be. It did not sound as though they wanted to determine how high or low their fees should be underneath the level of

the cap—which is a voluntary cap at the moment. I was listening to the radio, not reading *The Herald*.

Alastair Sim: As quoted in *The Herald*, the chairs stated in their submission:

“It is inconceivable that any governing body should set its fees at such a level that students would be discouraged from applying.”

The Convener: What is the problem, then, with setting the fee cap?

Alastair Sim: I am interpreting it—you will have to ask the chairs about it later—

The Convener: I am sure we will.

Alastair Sim: I am interpreting it as a manifestation of the current policy, whereby universities are not looking to charge a fee that is greater than what is charged in the rest of the UK. By our calculations, the average Scottish fee is about £6,900, which is spectacularly below the average English fee. That is how principals and governing bodies have used their discretion. We are working closely with the NUS to compare data on rest-of-UK fees and to consider what is being done on bursaries. It is already being shown that means-tested bursaries here are well ahead of those that are being provided in the rest of the UK. The idea that there is some sort of profiteering going on here is bizarre. Funded places were taken out of the system by the Scottish Further and Higher Education Funding Council for rest-of-UK students, using the peak year of 2009-10, when the rest-of-UK population was particularly high. It has proved to be really hard work for universities to recruit RUK students to a level that makes up for the lost income.

Joan McAlpine: I return to what Robin Parker and Mary Senior have said. The written evidence from UCU points out that the changes in Westminster legislation are “out of kilter” with Europe, that the

“English fees are the highest in Europe”

and that our Scandinavian neighbours do not charge fees at all, so Scotland is much more in line with the rest of Europe. Can you clarify the point that you seemed to be making earlier, that the present dilemma has come about because of changes in England and because Westminster is out of kilter? Do you acknowledge that the Scottish Government exists off a block grant from Westminster, which does not cover the fees of English students studying at Scottish universities?

Mary Senior: Yes—I am happy to say that UCU opposes the Westminster system. However, there was a choice in Scotland. We very much welcome the fact that Scottish-domiciled students do not pay tuition fees, but we remain concerned that a market has been introduced for rest-of-UK students. We believe that there was an alternative

of some sort of flat fee, which would be the same for every RUK student, wherever they studied in Scotland. Now, however, there is a market. Scottish university education is the most expensive, particularly if someone wants to study at the University of St Andrews or the University of Edinburgh, where the fees are £9,000 a year. For a normal four-year undergraduate degree, that amounts to £36,000. That is problematic for us and we are deeply concerned about it.

10:45

Joan McAlpine: My second point was that the Scottish Government is funded by a block grant from Westminster, which does not cover fees for students from the rest of the UK. Do you accept that?

Mary Senior: I do, but Alastair Sim referred to the fact that prior to 2012 there was an agreed fee level for RUK students coming to study in Scotland, which went into a central pot and was then redistributed to all universities in Scotland; now, RUK students are not included in the number of students that Scottish universities can recruit. In effect, that means that the universities can get as many or as few as they wish. I think that that is why we see universities such as the University of St Andrews and the University of Edinburgh, which are obviously keen to attract students from the rest of the UK, getting as many as they wish at £36,000 a head.

Robin Parker: Likewise, we appreciate that the hand of the Scottish Parliament has been forced by Westminster. However, I do not think that the block grant or any other reason justifies a system that goes above and beyond and is even worse than the Westminster system. Mary Senior made a point about degree costs, but there is also a point about bursaries. Across the board, the picture is fairly positive, but some institutions could not even provide to us, in response to a freedom of information request, information on what they were doing in terms of bursaries. We will work with Universities Scotland to get to the bottom of the evidence on that. However, if we cannot find out bursary information through FOI requests, how on earth is a prospective student from the rest of the UK supposed to find out what bursaries are on offer from an institution?

Alastair Sim: I have two brief observations to make. First, I contest that we have the most expensive degrees in the UK. About 30 per cent of degrees in England take four years or more—for example, degrees in chemistry, engineering, medicine and veterinary medicine. Secondly, on the evidence base, a key information set is being developed and implemented, in which universities are meant to put up the courses that they offer and what the costs and bursaries are. I think that that

provides a good opportunity for students to have transparent evidence about what is on offer.

Robin Parker: But in England that is overseen by the Office for Fair Access, for which we have no equivalent in Scotland. That point needs to be addressed, too.

Neil Findlay: On Joan McAlpine's point, I doubt whether the block grant covers the costs of students from France, Germany, Portugal, Spain or wherever, but we appear to accommodate them within our current budget.

The Convener: I more than suspect that that might be because of European Union legislation, but we are bound by that as we stand.

Clare Adamson (Central Scotland) (SNP): Good morning. I want to cover some issues surrounding data sharing. The policy memorandum indicated that the database would primarily be about students at risk of dropping out of the system. However, evidence that we have received from Skills Development Scotland seems to indicate that it has moved towards a full database of information about Scottish students and providing a service from secondary 3 onwards. Where do you think we are on data sharing? What are the implications, if any, for staff training and resources for institutions? Are you clear about how the database will help with intervention for students at risk?

John Henderson: Perhaps I can answer that one. Anything that we can do to help address the severe problem of young people dropping out of the system and not accessing education and training is desirable. Colleges do not have a problem about sharing data with SDS or others if the system is designed to achieve that goal. However, once we start designing data systems the problem is that they often grow arms and legs and become a bit more complex than was perhaps first envisaged.

The risk with the proposals on data sharing is that we will end up with a system that will probably be more complicated and expensive than we had envisaged. That is not necessarily a reason not to do it, but it is a good reason to assess the costs and the risks a wee bit more than we have done. Some people expect that it will all be very straightforward and easy. The history of IT systems in the public sector suggests that these things are seldom as easy as they seem.

Robin Parker: I see some potential benefits in effective data sharing if it happens. The first round would be to provide a single application system for colleges that would enable us to identify prospective students and help them to get on to the right college course. It would give us stronger evidence about the number of college places that we need. There is the opportunity to increase the

number of college places given the economic and unemployment situations.

Something could also be done to help the widening access agenda by identifying high-performing school pupils, particularly in the type of school that does not send many people to university. That information could be shared with universities so that they could do more to support those people in applying to university, which would certainly help with widening access.

David Belsey: The EIS supports the principle but, as John Henderson said on behalf of Colleges Scotland, we do not know where the reality will take us and we worry that staff might require to fill in more forms and there will be more bureaucracy but limited benefits to their teaching.

Clare Adamson: There is a bit of concern about where the universities sit with data sharing. We have talked a bit about articulation hubs and so on. Will universities share in the data-sharing model?

Alastair Sim: From the conversations that we have had with the Scottish Government, we understand that it will be able to recover the necessary data about university level students from the Student Awards Agency for Scotland and the Higher Education Statistics Agency. We are all in favour of transparency of data and we do not believe that the imposition of new burdens on universities will be necessary to achieve it.

The Convener: The policy memorandum that accompanies the bill has a vision of the database looking at relevant young people who are

“at risk of disengaging from learning or training”.

How can a database identify those who are at risk of disengaging from learning or training?

Perhaps I should ask SDS that question, as it seems that you are as clear as I am on that point. Do members have any other questions?

Clare Adamson: The Colleges Scotland evidence contains concerns about the financial implication for colleges adapting their own IT systems.

John Henderson: There is a risk that the costs have been underestimated because the new system will be more complex to introduce than was envisaged.

The Convener: I thank the panel for coming along. The evidence has been very helpful to our consideration of the bill.

I suspend the meeting briefly to allow a change of witnesses.

10:53

Meeting suspended.

10:59

On resuming—

The Convener: I welcome members back to take evidence from the second panel, and welcome to the committee the witnesses on that panel, who will focus solely on the information-sharing provisions in section 15 of the bill. Marlene McGlynn is head of operations west and Alison More is head of strategy, policy and research, both at Skills Development Scotland. Good morning to you.

I think that Alison More wants to make some opening remarks.

Alison More (Skills Development Scotland): Yes. Good morning, and thank you very much for inviting us to discuss section 15 of the bill with the committee.

We thought that it would be useful at the outset if we gave a brief summary of our role in policy delivery, the purpose and principal benefits of the hub, and the progress to date in developing it.

As we indicated in our written submission, SDS plays a key role in contributing to the delivery of the Scottish Government's economic and skills strategy. That includes supporting the delivery of a number of related policies, including the 16+ learning choices model and, more recently, the opportunities for all commitment. As members will be aware, both are aimed at ensuring that every young person is supported into a positive opportunity.

Although the OFA commitment applies to all young people, the focus is on those who are at greatest risk of not progressing to a positive destination when they leave school or of disengaging from a positive opportunity at some later point. In contributing to policy delivery in this area, we work in partnership with a range of bodies, including schools and colleges, to support all young people into a positive education, training or employment opportunity.

11:00

I turn to the purpose of the data hub. As individual young people engage with different partners at different points in time, no single partner has a complete, up-to-date picture of their current activity or status. That is the primary reason for having data-sharing systems in place—they allow us to share intelligence and to ensure that no one slips through the net, which is what happened before the implementation of the 16+ learning choices model in 2010. That underlined the need for collaboration and for robust systems and shared processes to track and monitor individuals to ensure that they got the right support

at the right time to make a positive transition from learning to work. It was at that time that the Scottish Government tasked SDS with developing the data hub as the central mechanism for sharing such information.

To pick up on some points that have already been made in the course of the committee's deliberation on the bill, it is important to recognise that the hub is a solution to the fact that partners have a variety of client management information technology systems, as you would expect. It provides a central point to enable us, together with partners, to bring together the core information on each individual. Therefore, the hub is an important tool in sharing and co-ordinating knowledge of young people's participation and in ensuring that continuous support is available, particularly at points of transition, such as when young people leave school or college, when gaps in collective partner knowledge are most likely to arise. At those points, through shared information, SDS can identify individuals who have dropped out of positive activity and work with partners to ensure that appropriate follow-up action is taken. In that way, the hub facilitates early intervention to support a young person back into work, training or education.

As we see it, the key benefits of the data hub are that it helps to remove gaps in knowledge about what young people are doing and provides a more complete and up-to-date data set, which supports more effective delivery and, ultimately, a better service for young people. Overall, it means that more young people are supported into positive destinations, and it provides more accurate information on young people's choices and transitions to support further development of policy.

We believe that the bill's provisions are extremely important in supporting that process. Section 15 will increase the priority that is attached to the data-sharing process by moving it from its current voluntary basis to a statutory basis, which we believe can only make the shared information more accurate and more robust.

As far as progress is concerned, the position is that, in addition to gathering our own information on engagements with young people, the hub currently receives information from local authorities, colleges, the Department for Work and Pensions and the Student Awards Agency for Scotland. Within SDS, we are finalising work that will enable all that information to be combined with our client management system to produce up-to-date records that will enable us to share a combined set of information with relevant partners.

In summary, we believe that the hub is an essential tool in supporting young people's transitions, as has been demonstrated by some

highly positive experience of joint working with our partners. Therefore, we are fully supportive of the terms of the bill, as it can only strengthen the basis for data sharing and maximise the chances of young people progressing into positive opportunities.

I hope that that was a helpful overview. We are happy and ready to respond to questions.

The Convener: Thank you. You may have heard the question that I asked the previous panel towards the end of the discussion, and I will ask you the same question. The policy memorandum states that the data hub will identify young people

"at risk of ... disengaging with ... learning or training."

How will it do that?

Marlene McGlynn (Skills Development Scotland): Because it gives us the information that someone has dropped out of college—

The Convener: I heard you talk in your opening statement about somebody dropping out, but somebody who drops out is not at risk of disengaging; they have already disengaged—past tense. The policy memorandum talks about young people

"at risk of ... disengaging with ... learning or training."

How does the data hub identify those at risk of disengaging?

Marlene McGlynn: It identifies those at risk because we have lots of information on them. We get that information from all the partners, which means that we can identify young people who might have a lot of barriers that might have prevented them from continuously engaging in education. They might have had interrupted learning in school, so we would know that they might do that in college as well. Our work coaches can then support them. They can follow their progress when they go to college and have regular contact with them to ensure that there are no issues.

If a young person comes on to our list having dropped out of college, it does not mean that we cannot quickly get them back in if we can put the right support in place. Previously it might have been months before we knew that a young person had dropped out. Now we know it on a monthly basis. We can find out why they dropped out and whether it is possible for them to re-engage. That was not possible before but it is much more possible now.

The Convener: I have no problem with that. The speed of delivery of the information about somebody who has dropped out, and your attempts to support and re-engage them in education and training, are an obvious step forward. That is tremendous. However, I am

struggling to understand the thinking in the policy memorandum. It sounds to me as if the data hub has been rather oversold as a method of identifying those at risk. I cannot for the life of me see how, in practical terms, a data hub can identify those at risk. I can see how teachers, lecturers and student support people might do that, but I struggle to understand how a collection of data can do that, other than when, like in the example that you gave, there is a history of previous dropouts or a pattern of behaviour that might be on a record such that it would be collected by the data hub. I am trying to get clarity on that point.

Marlene McGlynn: The data hub will hold a history of a young person's destinations. If a young person leaves school, goes to a training provider, drops out of that, goes on a college course and drops out of that, we start to see a pattern and that, clearly, there are issues that are preventing that young person from continuing in any education or training opportunity. We would have that information and, if that young person comes into SDS, we would want to find out what was causing that pattern. Do they feel that they cannot cope when they are in education or training? Is the issue their motivation or confidence, or is it issues in other places, for example because they have caring responsibilities or an interrupted housing situation? We would find out what the barriers were and how to remove them. Whereas at the moment we would all be sitting with our own information and bits of the jigsaw, hopefully the hub will give us all the pieces of the jigsaw.

Alison More: All of the partners have their own client management systems. Within those systems, many of them hold a field that tells them something about the individual that might indicate that they have particular needs or that they will be at risk. That information is held in the constituent systems.

One variable that we hold on the hub is a flag indicating that a particular individual has some issues that might put them at risk. For data protection reasons, there is no detailed information, but the issues can be followed up in a face-to-face discussion between partners. The hub is a source of information as part of a wider engagement between partners.

The Convener: I am keen to bring in other members, but I am still struggling slightly with this. I will ask two quick questions before I bring in Clare Adamson to move us on. First, how many young people will be on the database? What size will it be?

Marlene McGlynn: About 60,000 young people will come on to the database each year, so if we look at the numbers over a 10-year period, about 600,000 young people will be on the database.

The figures reflect the number of young people who leave school in Scotland each year.

The Convener: That is a massive database. It seems to me that it is a big piece of work. How many staff does SDS have, first to monitor and support the database and secondly to identify, monitor and support the young people?

Marlene McGlynn: First, on your concern about the numbers of young people, many of them go into positive destinations each year. If, after a period of time, they are not coming back to us for support, their records might well be archived. It will be possible to bring a record back immediately if a young person comes back in, but that approach will allow us to focus on the young people out of the 600,000 who are not in an opportunity at any given time. That would be the—

The Convener: Let me rephrase the question. How many active records will you be looking at?

Marlene McGlynn: Each year, about 7,000 young people leave school without an opportunity. Obviously, there is churn within the numbers. The 7,000 who leave on a particular date without an opportunity—

The Convener: Sorry. Maybe this is me but you said a moment ago that 60,000 young people a year come on to the system and now you have said that there are 7,000.

Marlene McGlynn: There are 7,000 who do not have an opportunity when they leave school.

The Convener: Is 60,000 the number of active records, or is it just 7,000?

Marlene McGlynn: The 7,000 figure is the number of records of young people who are actively working with us. The 60,000 figure is the number of young people who left school that year. Some 28 per cent of them will go to university, many will go into FE and so on. Those young people are already in an opportunity. The 7,000 will be those who are actively seeking an opportunity.

The Convener: Okay. I call Clare Adamson.

Clare Adamson: I seek a couple of quick clarifications. Does that mean that the database is a record of every pupil in Scotland?

Marlene McGlynn: Yes.

Clare Adamson: We had a wee discussion earlier about the hub growing arms and legs. I do not know whether you were here when Robin Parker was speaking, but I take it that the hub is not designed to be an application point for college courses. It will not be a portal for applications, like the Universities and Colleges Admissions Service system.

Marlene McGlynn: It will not, but it might well give colleges information on, for example, multiple applications. At present, young people rightly apply for the same course at more than one college. They might get an offer from both and turn one down.

Clare Adamson: You said that the information is coming from a whole load of different databases. It will be important for the hub to be able to identify a person that exists in several databases of the partners. How are you uniquely—

Marlene McGlynn: Previously, if John Smith did not start a course at a college, the college did not really know the reason why. Now, with the information that it will get, it will be able to see the reason, which could be that John Smith has started a course at another college.

Clare Adamson: How do you uniquely identify that person across different databases?

Alison More: There is not a single unique identifier. We use a combination of name, address, date of birth and Scottish candidate number to perform the matching process.

Clare Adamson: You said that there is at-risk information, and some students who come from the care system, for instance, could well have multiple addresses in different systems. How will you track down pupils and students who have had multiple changes in their lives, in their addresses and things?

Marlene McGlynn: Hopefully by giving them continuous support, knowing where they go and liaising with our colleagues in social work departments, for example, who also share with us—not through the data hub but on an annual basis—information on looked-after and accommodated young people. All young people who are looked after and accommodated will have coaching support from us on leaving school. We try our very best to continue to track them, and in most cases we are able to do that.

11:15

Clare Adamson: At the moment, if someone drops out of a college course, the college will know that that has happened and, hopefully, they will have mechanisms to try to identify what has happened to that young person. Are you saying that this will allow Skills Development Scotland to identify and flag up people who are at risk of dropping out of whatever positive destination they are in? Does that mean that Skills Development Scotland is taking on the responsibility for looking at retention in colleges? Is that an extension of what you do at the moment?

Marlene McGlynn: We are not looking to take on that responsibility; we are looking to support the individual. If that provides extra support for the colleges, that is fine, but what we are looking to do is to keep young people in positive opportunities and to ensure that those opportunities are the right ones for them. Our focus is really on the individual.

Neil Findlay: How does the system work at the moment? How do you record information at the moment?

Marlene McGlynn: In the data hub?

Neil Findlay: Let us take, for example, the work that SDS does with schools.

Alison More: We have our own client management system, as all the other partners do. We have a wide range of information on our clients in our own client management system. The hub is collecting only a subset of information from partners and pulling it together.

Neil Findlay: Maybe I am not being very clear. Let us say that an SDS adviser goes into a school, gives a presentation to a year group on the skills management framework. Is that what it is called?

Marlene McGlynn: It is career management skills.

Neil Findlay: Okay. The adviser gives a presentation to a year assembly and gives an introduction to the my world of work service. Is that what happens regularly?

Marlene McGlynn: No.

Neil Findlay: Do they give presentations to a class?

Marlene McGlynn: Yes.

Neil Findlay: Okay. Let us say it is to a class.

Marlene McGlynn: I will take you through the process. It would be a presentation to a class of 20 to 30 young people, because it is an interactive workshop, not just a talk. Career management skills is about introducing them to how to become a good career planner. The follow-on workshop that they get is about how my world of work is an environment where there are tools to help them to become an effective career planner. We would record that in their records.

Neil Findlay: So how long are those sessions?

Marlene McGlynn: Forty minutes to an hour for each of them, so together they take up to two hours.

Neil Findlay: Right, so for each pupil you would go to your database or the school's database and tick two boxes on their record to say that they have had that and that.

Marlene McGlynn: Yes, it would be our database.

Neil Findlay: Right, so some box would be checked.

Marlene McGlynn: We call it an intervention for the purpose of our records. We would record the fact that we had seen that young person in a group session and what the intervention was.

Neil Findlay: Okay.

Let us say that an individual has left school and gets a job. How is that recorded?

Marlene McGlynn: It is recorded during the school leaver destination return.

Neil Findlay: But what if there is a gap and they get the job six months or a year after they left school?

Marlene McGlynn: That would still be recorded in the school leaver destination return. We contact all young people in Scotland each year in the year of their leaving. Whether they left in the winter or the summer they are all contacted to see where they are.

Neil Findlay: Presumably you do not get a 100 per cent return from that.

Marlene McGlynn: We get pretty near to it—we get a return in the high 90s.

Neil Findlay: Let us say that someone is at college and then they get a job. How is that followed up? Is the same type of survey done?

Marlene McGlynn: We do a six-month follow-up. We do the first survey in October of each year and we follow it up in March. Obviously, we need to find out whether a young person had a first opportunity that did not last that left them unemployed, for example, so we follow up the first survey in March.

Neil Findlay: What about the case load of an adviser at Skills Development Scotland? I sometimes cannot follow what their latest title is—I think that they are coaches these days. Whatever their job title is, what kind of case load do they have?

Marlene McGlynn: That depends on their job role. In school, they would be dealing with the young people in a school. We now have the work coach role for staff working with people with more intensive needs who need a lot more one-to-one support over a period of time. Over a year, their case load would be a maximum of 30 people and it would change over the year, as some people come on and some come off. We expect to provide an average of six months' support for those young people.

Neil Findlay: I might well come back to that issue.

You mentioned the interface between the DWP, the Student Awards Agency for Scotland and the 32 local authorities. I understand that some of that work has been done, but the financial memorandum suggests that it will cost £52,000 to make all this happen. I do not know what sort of information technology project you can get for that kind of money; an information technology consultant would certainly not get out of bed for that these days. Have the huge majority of the interfaces and the other technical stuff needed to make all this work been done and what has the cost been to date?

Alison More: We do not have the detail of the development costs to hand—

Neil Findlay: Can you provide that to the committee?

Alison More: Yes. I should also point out that the figure in the financial memorandum is for the work required to enable partner systems to export the agreed shared data into the hub in a format that can be read, and we believe that the amount is adequate. Many partner client management systems can already create the subset of information in a format that can be read into the hub, but the £52,000 will resolve certain technical issues such as ensuring that the file format is correct.

Neil Findlay: It sounds like a bargain.

Liz Smith: In taking evidence on other issues, the committee has been asked to ensure that proposed changes to data processing are consistent with other legislation in this area, particularly on data protection. Are you able to assure us that the matter has been investigated and that section 15 is totally consistent with other legislation?

Alison More: We have very clear policies and procedures for handling data in compliance with the Data Protection Act 1998 and the physical data in the hub is held in an accredited data centre that complies with all the relevant quality standards and which is subject to regular audit.

Liz Smith: So there are no concerns about this legislation being inconsistent with any other legislation.

Alison More: I am not aware of any.

Joan McAlpine: Let me take you back 10 minutes to when you were responding to Mr Findlay's questions. I was struck by your point about the difficulties in ascertaining data with regard to young people who had applied to several different college courses. Given that it sounds like there is no system in place to accurately reflect the

situation of young people who might be waiting for college courses, what might that mean for some of the figures that we have heard about so-called college waiting lists? It sounds, for example, as if there is a lot of duplication at the moment. Can you confirm whether that is the case and tell us whether in future the system will improve and give us more accurate figures?

Alison More: The data hub system collects only information on college enrolments and withdrawals; it does not hold information on waiting lists.

Marlene McGlynn: And will not do so in the future. That kind of information would require colleges to have a common application process.

Joan McAlpine: So there really is no way of saying whether or not there are college waiting lists or of accurately totting all of this up, is there?

Alison More: That is not the hub's purpose.

Neil Bibby: As you have said and as we heard in the previous evidence session, SAAS provides information on young people going to university. Is it the most appropriate agency for sharing that information, or should that be the responsibility of universities? What is the reasoning behind that in the first place?

Alison More: I think that it has been recognised that that is the least burdensome way for the data on enrolments and withdrawals to be provided. If SAAS already holds the data, it makes more sense to get it directly from it than to go to each individual institution.

Neil Bibby: If one of the objectives is to identify people who are at risk of dropping out or disengaging, would it not be better to get the information from the universities as opposed to SAAS? That is why I asked the question. For example, would SAAS say who the young person's adviser of studies is?

Alison More: No. Currently, the data from SAAS is only on withdrawals. There are plans to capture information on enrolments later in the year.

Neil Bibby: Would it be helpful if Skills Development Scotland knew who the adviser of studies of the young person who went to university was, as advisers of studies often speak to students to see whether there are any problems?

Marlene McGlynn: Careers guidance in the universities is offered by a careers guidance service, which would follow up on any young people who dropped out. We would come into contact with them if they came into our centres looking for support, but in their first two years of leaving university, they are generally served by the university careers guidance service. That is not to

say that we do not give them support. If a student has gone elsewhere for their university course and returned home having come out of it, they would tend to come to us rather than go to the university. However, the universities have very good follow-up services for anyone who has dropped out.

Neil Bibby: I want to follow up on what Neil Findlay asked about earlier. On the case load and there being around 30 cases for each careers adviser, how many careers advisers do you have, or how many will you have?

Marlene McGlynn: I was not talking about the case load for careers advisers; I was talking about the case load for work coaches, who will be a mixture of people who were previously key workers and careers advisers. We could get you those figures if you want them.

Neil Bibby: Okay. That would be great. Thanks.

Neil Findlay: Can you explain the difference between a work coach and a careers adviser?

Marlene McGlynn: Yes. The intensity of the service that we offer depends on the young person's needs. In schools, we offer a careers coaching service, which will offer a number of interventions to a young person, depending on their needs. That service depends on whether they can take information and make good decisions from it, or whether they need guidance to go through that process. Half a dozen people might be seen eight times in school on average, but if that has not really worked for them and there are still other barriers that prevent them from taking up opportunities, we might decide that they will get the support of a work coach on leaving school.

That approach is very much aimed at young people whom we have described as looked after and accommodated, or who have problems at home. They might have caring responsibilities or they might have been in custodial care previously. I am talking about all the barriers that can prevent young people from making a good transition. We would offer them the support of a work coach, who would give them weekly support or support more than once a week if that was required. They would also support the employer or the learning provider whom the young person had taken up the opportunity with to do everything to ensure that the young person is able to sustain the opportunity. The support is therefore intensive.

Some young people who have left school might have good qualifications and be ready to take up an opportunity, but they might decide to take their summer holiday before they do so and might miss the boat and end up coming in looking for an opportunity when perhaps fewer are available. They will get the support of a career coach to get them back on track and into a positive opportunity, but they will not need the same intensive support

that is needed by young people who need a work coach.

The Convener: I want to take you back to the process of how the data will transfer. How often will the data be refreshed? How often will you get a data file from the various organisations?

Marlene McGlynn: Currently, the data that comes from local authorities for schools is refreshed every two weeks, so it is pretty up to date.

The Convener: And the other organisations?

Marlene McGlynn: That data is currently coming in, so it is still being worked with. Data has been coming in from the colleges. The hope is that there will be a two-week turnaround, as that must happen for the report to be accurate with all the information. Obviously, the information that is currently coming in from the DWP, for example, has to be analysed and we need to see whether we need all that is coming in and whether the fields are right to ensure that information is accurate when it goes back out. That is not yet going back out in a report, but our first lot of data came in a month ago from the DWP.

The Convener: Will all the organisations supply the information on a fortnightly cycle?

Marlene McGlynn: We would hope so.

The Convener: I want to push you on that. Saying that you “would hope so” is not quite the same as saying that they will. You have schools on a fortnightly cycle, you hope to have colleges on a fortnightly cycle and it sounds as though you hope to have the DWP on a similar cycle, but that hope is not quite as strong as it is for the colleges. Is your understanding that data will be supplied fortnightly? If not, is there an expectation or a hope of that? Who determines the cycle? Do you not tell the organisations what the cycle should be?

11:30

Marlene McGlynn: Yes, and we agree that with them. It is not compulsory for them to give us the information; they do it because we have a data-sharing agreement with them. The bill will allow us to be confident of that cycle.

The Convener: Assuming that the bill is passed, your expectation would be to get the information from all the organisations fortnightly.

Marlene McGlynn: Yes.

The Convener: How do you ensure the accuracy of the information that you are receiving from the organisations and that is in your data hub?

Marlene McGlynn: We can only hope that their records are up to date and accurate. If there are any issues around that—for example, because our information is perhaps a bit more accurate than theirs—the business rules will need to be changed. That is all about the last time that someone had contact with the young person. If information is collected fortnightly, we would expect their information to be as accurate and up to date as ours is. Therefore, the information should be robust.

Alison More: We are certainly working on the basis that partners are maintaining their own systems for their own business purposes and, therefore, the data will be as accurate as it needs to be for their purposes. It is not our role to check it all.

The Convener: That is why I was asking. It is not your role to check the data that is coming in.

Alison More: No.

The Convener: You accept that the data has been checked by the other organisations.

Alison More: Yes.

The Convener: How do you ensure that that happens? Do you know for a fact that they check it or how often they check it? What levels of accuracy do they have in their business?

Marlene McGlynn: No, we do not check it. However, it is in their best interests to have accurate information. If they are not checking it, it will be rubbish in, rubbish out.

The Convener: Do you ask them whether they are checking it?

Marlene McGlynn: Absolutely. Part of the agreement is that they put in robust information.

The Convener: An agreement is in place that effectively determines the level of accuracy that you would expect from the data. Is that what you are saying?

Marlene McGlynn: Yes—that the information is up to date and accurate.

The Convener: What level of accuracy do you expect?

Marlene McGlynn: That it reflects the most recent contact that they have had with the young person and it tells us what happened from that.

The Convener: I am sorry, but perhaps you misunderstood me. Recent information is not necessarily accurate information. What I am asking is whether the agreement states that any data coming in is checked for accuracy and the level of accuracy that you would expect. For example, it might have to be 98 per cent accurate or whatever the figure happens to be.

Marlene McGlynn: No, I do not believe that we have that, but we can check that for you.

The Convener: I would certainly find it helpful if we had detailed information about how the agreements operate and how the data transfer works.

Marlene McGlynn: We can certainly get that information for you.

The Convener: That would be helpful. Thank you.

Clare Adamson: I understand what information everyone is giving you apart from that provided by the DWP. If you have a record of every pupil in Scotland and they have a destination flag at some point, is it possible for them to drop out of all the partner databases completely?

Marlene McGlynn: Yes. I would guess that that is possible. There are always young people who could fall through. You can do your absolute best to get information on everybody that is out there but 16 to 18-year-olds who are unemployed but are not in receipt of benefits, for example, can sometimes fall through the net because they are not registered with the DWP. Their family circumstances might be such that they do not claim any benefits or they might not be looking for a job at the time. There are always gaps.

Clare Adamson: You did not mention employers in relation to figures, but you mentioned that employers would be providing information. Do you mean employers that have engaged with you already, including organisations such as Rathbone that provide training opportunities?

Marlene McGlynn: No. Employers will not put data into the data hub. I mentioned employers with regard to our support to them by providing work coaches if a young person goes into an opportunity.

Clare Adamson: How will you identify someone who has fallen off a training programme?

Marlene McGlynn: That comes through our corporate training system database, in which we record young people who are in training. That database also feeds into the hub, so we have accurate information on who comes off training.

Clare Adamson: So if someone serially engages in employment but fails to secure a long-term employment position, you would not be able to capture that through the hub.

Marlene McGlynn: We could not necessarily capture that, if that person was not engaging with us—unless they were claiming benefits in between times.

Alison More: We could identify them through DWP records and the unemployment register, potentially.

The Convener: I think that everybody is quite happy with the questions that they have asked. It would be helpful if you would supply as soon as you are able the information that you indicated you would supply on how the system works. I am not sure about other members, but I am always keen on flow diagrams. They might help us to understand how the process works.

Thank you very much for coming this morning. It has been most helpful.

11:35

Meeting suspended.

11:38

On resuming—

The Convener: Welcome back. Our third panel of witnesses is here to discuss the bill's provisions on higher education governance. We have Tony Brian, chair of Glasgow Caledonian University; Stuart Monro, chair of the University of Edinburgh; and Alan Simpson, chair of the University of Stirling. Good morning, gentlemen, and thank you for coming along.

I believe that Alan Simpson would like to give us a brief opening statement.

Alan Simpson (University of Stirling): Thank you very much for inviting us to give evidence. As has been said, I am chair of court at the University of Stirling. I also chair the committee of Scottish chairs of higher education institutions. On my left are Stuart Monro, the vice-convener of court at the University of Edinburgh, and Tony Brian, who, as well as being the chair of court at Glasgow Caledonian University, is on the steering group that is preparing the new code of governance.

We are here to represent the committee of Scottish chairs, and you will have seen the written evidence on the bill that we submitted. As chairs of court, we are ultimately responsible for the governance of our universities; the principals are responsible for their management. Therefore, we are primarily concerned with the parts of the bill that relate to governance of universities, namely sections 2 to 4 and 14.

We would like to make three fundamental points. First, we fully support the need for good governance—all the chairs do. We support accountability and the need for accountability. Really, we support the overall intentions of what is included in the bill. Secondly, we believe that all the proposals relating to governance that are contained in the bill have been achieved in the

past and can continue to be achieved without the need for legislation.

Our third point is that the proposals, as drafted, go far beyond the stated intentions and could seriously erode the autonomy of higher education institutions in Scotland. As written, the bill would allow a future minister to specify any principle of governance or management that he believes is good practice.

It might be worth clarifying what we mean by governance. Basically, governance has four elements, taken from the von Prondzynski review. The first is the effective stewardship of the university to secure its sustainability in the medium and long term. The second is safeguarding the mission of the university and the services that it provides for the public benefit. The third is securing the proper and effective use of public and other funds, and the fourth is ensuring stakeholder participation and accounting to wider society for institutional performance.

It is generally accepted that there is no particular problem with governance in Scotland to be solved. Standards of governance in this country are high and that is reflected in the international standing of our universities. Autonomy is one of the bedrocks of a successful sector and, as it is currently drafted, the bill is a real threat to that autonomy.

Why is autonomy important? All institutions need to be able to react to external pressures and opportunities in appropriate ways. Because of the diversity of the sector, reactions will be very different in different institutions. Numerous studies have shown that the success of an institution is linked to its autonomy and, throughout Europe, universities are being given greater freedom so that they can emulate the success of universities in Scotland and the rest of the UK. As the cabinet secretary has said, the need for accountability and the need to protect institutional autonomy are not conflicting principles.

It is also important to understand that concepts of good governance are constantly evolving. What we consider to be excellent practice today will be standard practice in the future. There is great diversity between different institutions in Scotland, which range from the University of Edinburgh to the Royal Conservatoire of Scotland and the Open University in Scotland. To have rules that apply absolutely to everyone is virtually impossible, so the concept of comply and explain is essential.

As the committee knows, chairs have taken a lead in arranging for a steering group to prepare a code of governance that will apply to Scottish universities. At present, all HEIs adopt the code of governance that was prepared in 2009 by the committee of university chairs, which covers the

whole of the UK. However, the von Prondzynski review challenged the sector to be more open and transparent in a number of ways, hence the preparation of a new code for Scotland. Such a code will reflect the recommendations of the von Prondzynski review but will be broader and go into other areas of governance that the review does not cover. The chairs believe that, once a code has been prepared, it will form a benchmark of good practice that will be an exemplar for the rest of the world.

We recognise that it is difficult for the committee to consider a code of governance that has not yet been published, so I will explain the timescale. After the publication of the von Prondzynski review in February last year, the chairs met and agreed that, as we are responsible for governance of the institutions, we should take a lead in developing a code of governance for Scotland. We checked with the funding council, which is the other body that might want to undertake the work, and it was content with our approach. In May, we met the cabinet secretary and discussed the membership of the steering group. It is chaired by Lord Smith of Kelvin, and the other external members are Dame Elish Angiolini and Simon Pepper. I can give further information on the members of the group if the committee would like to have it. The steering group's terms of reference were finalised in August—members have seen a copy of them. The date for completion of the code is specified in the terms of reference as spring of this year. When we produced the terms of reference, we had no idea that a bill covering governance would be running in parallel with the steering group.

Consultation has been an extremely important part of the code's preparation. Meetings have been arranged at all higher education institutions bar one—that was caused by a problem with dates. Consultations finished two weeks ago and the code is still due to be published in early April. There will then be an opportunity for people to comment on the code and supply additional evidence before it is finalised and implemented for the next academic year, which starts on 1 August. It is quite a tight timescale between now and August to get the code published and the comments in.

The Convener: Thank you for that helpful introduction. I am pleased that you have answered what I am sure would have been an early question, if not the first question, on when the draft code will be published. We are now talking about publication in early April, which I understand will be before stage 2. Is that correct?

11:45

Terry Shevlin (Clerk): It will be published after stage 1.

The Convener: But before stage 2, which is in line with what officials told us.

Some of the language that you used in your opening statement and your submission feels a bit apocalyptic, with phrases such as “seriously erode the autonomy” and “a real threat”—I will not quote them all. What makes you conclude that the bill has such apocalyptic implications?

Alan Simpson: We believe that the principles of good governance should be developed in a collegial manner with the sector, through discussions. However, the bill says that the Scottish ministers will have the power to impose

“any principles of governance or management which appear to”

them

“to constitute good practice”.

That is imposition from outside and, in effect, political control, which would be a retrograde step in relation to what has recently been an accountable form of governance.

The terms “responsible governance” and “responsible autonomy” have been used today and they represent the way forward. A balance must be struck between the independence and autonomy of universities and their accountability.

The Convener: I accept that.

Tony Brian (Glasgow Caledonian University): If the Parliament and the Government are keen to legislate on the issue, we support the amendments that Universities Scotland has suggested and which Alastair Sim mentioned, which would take a much more acceptable approach in the drafting.

The Convener: I understand that, irrespective of any possible amendments to section 2, an imposition would not take place—ministers would not decide arbitrarily what would happen, and there would be a discussion. The chairs of court and others are involved in the process of producing the code. We have heard that you have gone round all the institutions—Alan Simpson mentioned that. I struggle to understand where the imposition would come from. Proposed section 9A of the Further and Higher Education (Scotland) Act 2005 is about requiring institutions to comply with the principles of good governance, which is surely not unreasonable.

Tony Brian: Our issue is particularly with the wording. The provision seems to give future ministers the ability to choose any code of governance that they want to apply, whether it is relevant to higher education or comes from another sector. I am not a parliamentary draftsman, but I understand that the wording does not provide for consultation or for the principles to

relate to a generally accepted code for the higher education sector, whether that comes from another country or whatever. No such constraint seems to exist.

The Convener: Your concern is that the provision does not relate to codes or guidance on good governance from the sector.

Tony Brian: Yes—given that the Parliament and the Government are keen to legislate on the area.

The Convener: Absolutely—I accept that.

Liz Smith: As parliamentarians, we must make a crucial decision. In part, consideration of the bill is about whether we should legislate on governance or whether a non-legislative process will provide the assurances that you have given on better university education.

That decision must be based on the facts. At the moment, we are missing one set of facts: we do not know what the new code of governance, which is coming in April, will say. That makes our decision rather difficult. Can you say at this stage how the new code might allay the concerns raised by groups such as the UCU and the NUS, which feel that governance is perhaps not as good as it could be?

Tony Brian: I am probably best fitted to answer that one. I apologise, because I think that my answer will probably be seen as unhelpful, but I am afraid that it is just too early in the process for us to—

The Convener: That is not a good start.

Tony Brian: I know—I thought that I would just lead with my chin.

I apologise, but it is just so early in the process. The consultation process finished at the end of last month—in fact, it finished on 1 February. The two external experts whom the steering group engaged to help us do the work are now assessing the consultation evidence. The plan is that they will come to the steering group by the end of this month with their first conclusions and probably some draft wording. We will then have what I can only describe as a fairly packed March, when we will go through various iterations and meetings to try to come up with a draft code to meet the early April timeline that we have talked about.

I apologise, because we have not reached the stage in the process where we are able to say what the differences will be in detail. Clearly, we recognise that there is a desire for the code to embody more openness and transparency than the previous one perhaps did. As I think Alan Simpson hinted at in his introduction, the previous code has served us extremely well since it came

out in 2009, but that was some time ago and the governance world generally has moved on. We also have the review that was completed last year by Professor von Prondzynski, which is very informative and which will form one of the core elements of input to the code. However, the code itself will go much further than the areas that he covered.

The current code—the document that I am waving—is not all about governance specifically. However, it has about 20 or 30 detailed pages of a governance code and supporting principles. If we are doing a Scottish code, we must replace or replicate what is in those pages, but the new code will be much broader than what the von Prondzynski review covered. We are looking at a number of key inputs.

Liz Smith: Thank you. That is helpful in one sense, because it spells out some of the timescales. Do you accept that the timescale for the bill, particularly given that we have to decide on its principles at stage 1, is made rather difficult by the fact that it is not very well balanced with the timescale for the consultation on the new code of governance?

Tony Brian: I can understand the difficulties. As Alan Simpson explained, given the timeline that we have been working to for quite some time, the bill's timing was slightly unexpected.

Liz Smith: Mr Simpson, you and the university principals have said strongly that you fundamentally object to parts of the bill because you feel that they push Government responsibility too far at a time when, as was said earlier, the countries around the world with the greatest success in HE—in relation to students' academic ability, positive destinations and lower drop-out rates—are the countries where Government has taken a reduced role within HE. Do you feel a significant part of the bill relates to the Government responsibility aspect? Is that one of the reasons why you are deeply concerned about the need to legislate?

Alan Simpson: Yes. We are deeply concerned about the bill's wording. We do not really object to the stated policies; we acknowledge the accountability aspects and so on, and the cabinet secretary has made it clear that he supports autonomy. However, we do not read that approach in the bill's wording; rather, we envisage a future minister being able to impose things that may not relate to the new code, as has already been said, because there is no reference to a particular code in the bill. There are various other areas where the word "impose" is used.

Liz Smith: Mr Monro, the principal of the University of Edinburgh, Timothy O'Shea, expressed his strong view to the committee that

the responsible autonomy that the University of Edinburgh has developed in relation to its research potential, which has brought in a huge amount of money, and the knowledge exchange economy have been hugely successful because there has been no Government control. I take it that you share that view. Is it common to those on your university court and the students and staff whom you consulted?

Professor Stuart Monro (University of Edinburgh): Undoubtedly. The great advantage that the University of Edinburgh has—this is true of other universities in Scotland—is that it has an international footprint. That is important for Scotland because it brings expertise into Scotland and exports expertise from Scotland.

Having a vibrant higher education sector is of fundamental importance to Scotland's economic development. In Edinburgh, not far from where we are sitting, we have the supercomputers that serve not only Scotland and the UK but significant parts of Europe. We must retain the flexibility to respond to such opportunities as they emerge. That is why the autonomy that is given to the universities and, indeed, their courts to respond—often very quickly—to those opportunities seems to me to be an important part of maintaining Scotland's economic vibrance.

Neil Findlay: I am looking at your submission. I will read you a list to see whether we can identify anything from it. The submission says that the committee of Scottish chairs is Sir Moir Lockhead, Mr Frizzell, Mr Sanderson, Professor Mr Monro, Dr Mr Forbes, Mr Bloomer, Mr Slater, Lord Vallance, Lord Lindsay, Mr Ross, Mr Brian, Mr Rodney, Professor Mr MacIver, Professor Mr Brown, Mr Simpson, Mr Hunter and Mr Blackburn. We do not appear to have the most diverse group there.

Mr Simpson says that you decided among yourselves that you would run the steering group. That is hardly surprising. It seems like an old boys network, with people appointing themselves to come up with a new governance arrangement for universities. Do you understand why people would be cynical about that?

Alan Simpson: You say "run the steering group", but we are not running the steering group; we set up a steering group that is independent from us. Yes, we have three chairs on it, but we also have Lord Smith of Kelvin, who is a very experienced director, and Dame Elish Angiolini. We also have Simon Pepper, who is an executor—he wrote the book on guidance for rectors—and, therefore, understands the student perspective. They are the people who actually run the steering group; the chairs merely set it up.

We do not anticipate commenting on the code when it is prepared because we have experts to

do that. We will accept it and offer it for consultation.

Neil Findlay: You said in your introduction that you wanted to operate in a more collegiate manner, but no staff or students are represented on the steering group. How is that a more collegiate way of operating?

Alan Simpson: We believe that the real purpose is to consult fully in every institution. We have done that with one exception—the conservatoire—and, as I said, that was because the dates did not work. The conservatoire has nevertheless had an opportunity to provide input.

There has been a vast amount of discussion at each of the institutions. When the consultant came to my university, he met the lay members of court, members of staff and students separately. When he met the members of staff, representatives from all three unions that are recognised within the institution were present.

That is happening in every institution, so we are getting input from people. That is how we get the collegiate approach.

Neil Findlay: Did you consider having staff or trade union representation and student representation on the steering group? If not, why not? If you considered that but rejected it, why?

Alan Simpson: We considered it, but the difficulty was with finding one or two representatives who would cover the complete range. The NUS is not represented in all institutions. Also, four main unions represent probably about 30 per cent of staff around the institutions. It would have been difficult to get someone who was representative of that, which is why we went for consultation.

Neil Findlay: I want to get this right. You found it easy enough to get representatives of the chairs of universities, but you could not find someone who would have represented staff or students. That is your consideration, and that is why you rejected having such people sit on the steering group. Is that correct?

Alan Simpson: No one on the steering group is a representative. They are there as individuals. Lord Smith is there not as a representative, but as an independent chair, in the same way as Dame Elish Angiolini and Simon Pepper are on the group.

12:00

Professor Monro: I would like to approach the issue from a different angle. The steering group is not there to impose its views on what the code looks like at the end; it is there to make the thing happen. What is important is that we develop a

code that is evidence based. That evidence is being gathered by consulting a wide range of stakeholders who are concerned with the whole of the higher education sector, including staff and students.

In my view, the best way in which we can embrace the views of staff and students is not by having them on the steering group, on which they would not be able to express their own opinions, but through the consultative process. Through that, they can provide the evidence that will inform what is in the code. It is important to make that distinction between the role of the steering group as the group that guides the way and ensures that the processes happen, and the role of those who present the evidence that will inform what is in the code.

Neil Findlay: I want to ensure that I am clear about this. Chairs sit on the steering group, so it is okay for them to comment, but—

Professor Monro: It is okay for them to guide the process.

Neil Findlay: So why is it not okay for staff and students to guide the process?

Professor Monro: What I was saying was that if we genuinely want to embrace the opinions and the evidence of staff and students, that is best done through the consultative process.

Neil Findlay: Why does the same principle not apply to chairs?

Professor Monro: It could do. I accept that.

Neil Findlay: Ah. We are getting somewhere.

Tony Brian: I will put a bit of flesh on the bones of that. In their university consultations, the external experts whom the steering group has engaged to go out to see all the institutions and the various trade unions and other interested parties from whom the committee heard earlier have seen more than 120 members of staff and more than 70 students to get differing views from across the spectrum in all sectors. I hope that that gives you some comfort that there has been very broad consultation.

Neil Findlay: I have one final point. In hindsight, do you think that it looks bad that people at your level are represented, but people who deliver the education or who are being educated are not included in the steering group? Would you concede that?

Alan Simpson: I do not believe that it looks bad, because the essence of the process is the consultation. The purpose of the steering group is to consult and to obtain the evidence.

Joan McAlpine: You have been talking up the consultation, but earlier in the meeting Ms Senior,

who represents the staff at universities, did not seem to be terribly impressed with it. I do not know whether you heard her evidence, but she said that some of her organisation's members had been given very little time to put their views at the consultation sessions and that no minutes were taken, so the trade unions had no confidence that staff views were being taken on board in the consultation process.

Tony Brian: The steering group has certainly not had any direct feedback on gaps or lapses in the consultation process. What I heard earlier was interesting; I will speak to the external experts to gauge their views.

In my institution, the staff members whom I have managed to speak to who attended the sessions thought that they were useful and full. No one has mentioned to me that they thought that they did not have enough time, although I accept that that is just one university.

Professor Monro: I add that the consultative process has a website attached to it, so there is total transparency. It allows anyone who wishes to contribute to the debate to do so. The process is totally open, which is important, because there are many diverse opinions within a university. It is extremely important that we can tap into that diversity, and the website is another mechanism through which we can tap into the opinions of staff and students.

Joan McAlpine: I would have thought that you would have put more weight on the view of the staff's trade union representative. However, even though the representative has already said, "Our staff are not happy with the consultation process", you seem to be sweeping that away by saying, "It's okay—everyone can contribute through the website."

Professor Monro: Far from it. In fact, we are extending contributions beyond the voice of the elected trade union representatives. This is additional.

Joan McAlpine: Are you saying, then, that the voice of the elected trade union representative is somehow not representative?

Professor Monro: Not at all. We are listening to it and taking it into account.

Tony Brian: The committee should understand that, although many of our staff are members of trade unions, many are not—indeed, in my university, the figure is about 50:50—and we need to find some way of tapping into the understanding, knowledge, experience and submissions of people from all parts of the spectrum. That is what we have done in the consultation process.

The Convener: Joan McAlpine referred to evidence in the earlier session from Mary Senior, who talked about consultants coming along and spending half an hour with a mixed group of people comprising students, staff and so on, some of whom might be in a trade union, some of whom might not, all of whom expressed a variety of views. Is that how the process should work?

Tony Brian: We might have misled you—that is not quite how the process works. Certainly in my institution and as far as I know in all the other institutions bar, for reasons that I have explained, the Royal Conservatoire of Scotland, four separate meetings were held: one with staff, including trade union representatives and other staff members; one with students; one with lay governors; and the last with the principal and the executive team. In my university, the meetings lasted three quarters of an hour to an hour—the one that I attended certainly lasted about an hour—and so were quite extended. If you picked up the impression that there was only one half-hour meeting to cover the many audiences, I have to tell you that that is not what happened.

The Convener: I did not pick up the impression—that is what Mary Senior said earlier.

Tony Brian: I took her comments to refer to the meeting purely for staff representatives in the institution that she was talking about, not the meetings with all the other audiences.

The Convener: We will seek clarification on that matter, because that is not the way I understood it. Do members have any other questions before I press on?

Joan McAlpine: On a different topic, do you think it right for a university principal to be paid more than the Prime Minister of the UK?

Professor Monro: I am in no position to judge what the Prime Minister should be paid, but I might be in more of a position to judge the sort of salary that the principal of a university with a turnover in excess of £700 million a year should get. I do that through international benchmarking, which is the only guidance that I have; I look at what constitutes an appropriate salary for principals elsewhere and judge accordingly. I note that, over the past four or so years, the salary of the principal of the University of Edinburgh has not been increased, which I think has happened in response to an attitude that is around at the moment. However, that gives me concern because I know that somewhere down the line I or my successor will have to appoint a new principal of Edinburgh university, and I am not sure that I will be able to get a top-class principal on the salary that we pay the Prime Minister.

Joan McAlpine: Does anyone else wish to comment?

Alan Simpson: I have nothing to add.

Joan McAlpine: In 2010, which is the last year for which I have figures, the principal of Heriot-Watt University was paid a £39,000 bonus, taking his salary from £160,000 to £199,000. That seems a little excessive in the current financial climate.

Alan Simpson: I do not know the details of Heriot-Watt, so I cannot comment on that matter.

Neil Findlay: What is the pay ratio between the lowest-paid member of staff at the university and the highest paid? Have you done any work on that? I will not hold you three gentlemen to a response just now, but perhaps you can provide the committee with that information.

Alan Simpson: We can provide that.

The Convener: Another issue was raised this morning primarily because of comments from yourselves—not necessarily individually, but collectively—regarding the bill's provisions on the fees cap. If you were here earlier, you will have heard some of the exchanges on the issue. Could you explain your thinking? Perhaps you can clarify the matter, as there was some debate between the committee and Alastair Sim about what exactly your view on the fees cap is.

Alan Simpson: We made it clear in our submission that we think that four sections of the bill are unnecessary, and that three are potentially detrimental. One of those that is unnecessary relates to fee caps. We do not view it as a particular issue—the provision is just unnecessary. It seems to be trying to address the possibility of making it less attractive for rest-of-UK students to come to Scotland by increasing fees to a level that would discourage them. That is my reading of the policy statement. All universities try to encourage students from the rest of the UK, which provides a diverse range of students. We certainly do not want to prejudice the people who come north from down south.

The Convener: I am sure that you do not but, given that the environment is competitive, and that students are competing against each other for places, if there are 100 places for students from the rest of the UK and there are 200 applicants, who are all willing to pay £9,000, and if there is no cap, is there not at least a suspicion that you could make the fees £10,000 or £12,000, in which case you might still get 150 or 120 applications? If you made the fees £15,000, you might get 100 applications. You would fill your 100 places and you would get £15,000 per student rather than £9,000. What is to stop you doing that?

Tony Brian: The chairs, as much as the principals through Universities Scotland, support the principle of restraining the amount that is paid by RUK students. That is why the voluntary code,

to which Alastair Sim referred earlier, was put in place last year. As you heard this morning, it has been renewed again for this year.

The other reason why we think that legislation on that is unnecessary is that the sector is already addressing the issue—admittedly through voluntary means, but with great willingness. The chairs, the principals and Universities Scotland are all at one on the matter.

Professor Monro: I want to address the other side of the coin—fees are one side of the coin and bursaries are the other. There is an incumbency on all the Scottish universities to try and raise money from whatever sources to produce new bursaries so that young people—or indeed older people—who wish to come to university have the opportunity to do so and will not be disadvantaged by the fact that they are economically challenged or whatever.

In Edinburgh we have used a robust system to assess bursaries. It is not based on the Scottish index of multiple deprivation, but on an examination of the whole family income. That is a sustainable approach. The University of Edinburgh has invested a significant amount of money in providing bursaries to ensure a diversity of students coming into the university, which is what I think we are all trying to achieve.

The bursary money is simply given out, so the student has the opportunity to spend it in whatever way they like. It might be for paying the fees, for paying for their accommodation or whatever. In addition, there are accommodation bursaries for Scottish students. To some extent, that is to help the flow from the west to the east—there seems to be a fairly significant barrier, I am afraid, in getting students across to Edinburgh to take advantage of whatever Edinburgh university has to offer.

The Convener: I want to clarify this. If the level under the voluntary code is set, as it has been, at the same level as the maximum fees for the rest of the UK, what is the problem with legislating to set it at that level?

Alan Simpson: We have not said that there is a problem, particularly; all that we have said is that it is unnecessary.

The Convener: Perhaps you could confirm this. Perhaps the BBC was inaccurate in its reporting, but the news this morning seemed to say that the chairs wished universities to be free to set the maximum level as they saw fit.

Professor Monro: Not the maximum level. We wish to be able to set a level that is appropriate. We are trying to encourage as many students into Scottish universities as possible. There is a market there that will define that. It will not necessarily be on the way up.

The Convener: I am glad that you said that. You are saying that you want to be free to set fees at a level that is appropriate below the £9,000 fee at the moment.

Professor Monro: That is where we are at the moment.

The Convener: In what way does the bill interfere with that right?

Professor Monro: I do not think that it does.

Alan Simpson: We have not said that it does interfere with it.

The Convener: I am just trying to clarify—

Alan Simpson: I do not know where the BBC got its information from, but if you read it you will see that all that our submission says is that we believe that section of the bill to be unnecessary.

The Convener: Okay. I am sure that the BBC is as accurate as ever.

I thank you for coming along this morning, gentlemen. I very much appreciate it.

12:15

Meeting suspended.

12:18

On resuming—

The Convener: I welcome to the committee our final witness, Ian McKay, who is the chair of Edinburgh College board and the Edinburgh regional lead. I invite you to make a brief opening statement.

Ian McKay (Edinburgh College): I shall keep it brief, chairman. Thank you for the invitation. On behalf of all the regional leads and the chairs of the colleges, I welcome the opportunity to contribute to a long and difficult—and continuing—task for the committee.

The regional leads are very much the new kids on the block. We are only a few months old, which is perhaps evidenced by the noticeable lack of paperwork that we have given the committee. However, our experience may be helpful to the committee in its considerations, particularly as regards merger and the efficiencies that follow from merger, since that is such a fundamental part of the regionalisation process that is outlined in the bill and will be a major factor should the bill be passed.

More important, regional chairs will be a central part of the new apparatus and the most important part of governance. The committee has heard quite a lot about governance this morning. Corporate governance will be a critical part of the

new structures. There has been criticism in the past, which has been repeated this morning in the committee, of the history of good governance within the sector. It is a view that I share. The changes that are envisaged in the bill offer the opportunity for us to begin to address that and to get it right—if it is ever possible in any corporate body to get it right—or certainly to aim in that direction.

The other side of the coin is, of course, money; in other words, finance and the opportunities for savings offered to the public purse by the merger process. Once the bill is made law, regional leads and regional chairs will play a critical part in that aspect of regionalisation. Indeed, members will have seen in the submission from Edinburgh College concerns about the scale and timing of the process and how it will be carried out, although we support the changes.

The changes that are being considered offer the opportunity for an authoritative voice that can advocate for the sector. That has been missing for some time and I hope that the move towards regional chairs will, with all the other things that are being talked about just now, such as the need for a central voice for management, changes in bargaining, and so on, mean that we will see a sector that can unite around an authoritative voice and leadership that will provide a way forward. We are giving the new kids on the block quite a tall order, although it is always nice to have ambition.

I will stop there. It is probably best to get on with questioning.

The Convener: Thank you. I will begin with a practical question. What exactly do regional leads do? As you say, you are the new kids on the block because you have just been appointed, so what is the daily, practical purpose of regional leads?

Ian McKay: That is a good question. At our last regional leads meeting, I was charged with auditing exactly where all the regional leads are so that we could answer that question for ourselves.

My understanding is that regional leads are there to help to move along the merger process and to establish a more regional programme and perspective for a strategy within a particular region. Of course, if you look at the 13 different areas, you will find that they are all at quite different stages of the process. I was fortunate that I came into a process that had largely begun with the Edinburgh colleges, which were following a parallel course towards merger. The idea that those colleges should form one college was not new to them. The only difference was that I was joining in that process as regional lead.

That has happened elsewhere but, as I said, areas across Scotland are at different stages of development. The regional lead may be engaging

with local colleges, talking about merger or perhaps facilitating an existing agreement to merge so that they can begin to move towards one regional college, which is the most common model. In places such as Lanarkshire, the regional lead is actively engaged in negotiating the terms on which that arrangement will come together.

Your question is a good one, convener. We are seeking a full answer to the question about just how much regional leads will be engaged, but we are part of the transition and we are moving into what I think will be the critical role of the regional chair once the bill has become law.

Liz Smith: The college sector has submitted quite a bit of evidence that suggests that it feels strongly that one of its greatest successes has been the ability to deliver locally. Some witnesses have also expressed concern that that might be diminished because of the bill. You said that you are the new kids on the block, so can you assure us that that local dimension will be part of the process by which you will deliver college education?

Ian McKay: It would be very foolish indeed if we lost that at the end of the process. One must also ask about the degree to which we have managed to achieve it under the current system. To my mind, the role of regional chairs—it is easier to speak of regional chairs, since you are talking about the post-bill situation—will be critical in ensuring that the regional bodies can balance achieving a strategic view for the region overall, engaging with key stakeholders and so on, with retaining the flexibility of local organisations and bodies.

I listened intently to some of your other witnesses this morning and I think that we can see in different aspects of the relationships of public bodies and organisations to education, particularly post-school education, just how easy it is to get gaps in the system and for people to fall through them. To my mind, the best way of getting round that is through what local organisations can offer. However, that is very different from a system that, to my mind, atomised further education in Scotland.

I put my cards on the table, because at the time of incorporation I was the senior official in the EIS who dealt with the further education sector. I was a big critic of the proposals for incorporation at that time. I am on record as saying—I think even in a parliamentary committee—that the proposals would have an atomising effect because the whole community would not be catered for in the way in which it had been under the previous regions. Unfortunately, in too many cases, that is what came to pass. Pooling us back into regions and giving us a better opportunity for scale and strategic advance will give what has tended to be

the Cinderella sector of further education a better chance at the races.

Liz Smith: Thank you. That is an interesting answer. You said in your opening remarks that it was important that the college sector had a unified voice. However, we heard earlier this morning, particularly from your former colleagues in the EIS, of concerns that the FE sector will have different tiers. We heard concerns about there being two types of colleges and we had a substantial discussion about UHI, which is a different animal. Are you concerned that some aspects of the bill are creating divisions within FE?

Ian McKay: In a place as diverse as Scotland, it will be necessary to have a degree of variance in the way in which we exercise control over a national structure. It makes sense that there should be such variance. What does not make sense is when, through the variance, there is inequality or the emergence of a different purpose. To my mind, it is right and proper that the bill should try to recognise variance and local conditions. I would be a hypocrite if I said that local was good, but took no account of the local. If there is local variance, we should take account of it.

What is incredibly important is that there is good corporate governance, whatever individual shape or mechanism one uses in order to effect that. The problem is not the mechanism itself; the critical areas are the policies and attitudes that one brings to that, and the establishment of good corporate governance and good relationships between the executive and the board.

Liz Smith: Given what the EIS and Colleges Scotland said earlier this morning, do you accept that having different types of structure that reflect local delivery will mean different lines of accountability? Is it a concern to you, speaking on behalf of the college sector, how the accountability will relate to the Scottish funding council and Scottish Government ministers?

Ian McKay: I will have to give you a personal view just now, because I do not think that the regional leads have a collective view on the issue. My personal view is that, with regard to structure and accountability, I do not see that one necessarily follows the other. As I said, it is perfectly possible to have a variety of mechanisms, while ensuring that there is proper public accountability and transparency in the way in which a mechanism operates.

To my mind, good governance and a good relationship between the board and the executive are critical. When those get out of kilter, it does not matter how long the line of command is or how small or how big the institution is—you just have it wrong at that point. The accountabilities and so on

that any executive should have in relation to the board get lost.

12:30

That issue is not unique to the college sector. There have been many instances of getting it wrong in different parts of the public sector and, indeed, in the private sector. One of the most important offers that we have through this bill is for us to try to get it right and to try to get that relationship working.

Neil Findlay: You mentioned the consideration about local access and local provision. My understanding is that the Edinburgh College joinery and construction campus in Mr Colin Beattie's constituency at Dalkeith is going to be moved wholesale to Granton—a considerable distance away. Does that not reflect the concerns that many of us had about local access being lost? For example, how will young people from East Lothian or certain areas of Midlothian continue to access courses when they are moved to Granton?

The Convener: Given that your constituency has been mentioned, do you want to comment, Colin?

Colin Beattie: We are still seeking a great deal more information on the proposed move. It has just recently come to light, and I have written to ask for more information from Edinburgh College and also the local council, which is involved in the decision. I do not know whether much more information is available at this time.

The Convener: Perhaps Mr McKay can answer both those points.

Neil Findlay: What Mr Beattie said is very helpful because, as far as I am aware, the staff and the students—and the businesses that send apprentices to that college—are just as much in the dark about what is happening.

Ian McKay: It is a useful example. Your final point is wrong, Mr Findlay, as they are not in the dark; they have been spoken to as well. When Mr Beattie and others raised the issue—as you will recall, it appeared in the press a couple of weeks ago—I discussed it with the principal and asked whether there had been conversations. I am aware that there have been.

There is a much more important point behind the question than just the doings of Edinburgh College. It is about how we continue to reflect local demand, particularly the relationships with employers and other agencies in a locality when we are taking advantage of the strategic opportunities and so on of regionalisation.

That happened when I first started in FE, when all of the FE colleges in Lothian were part of

Lothian region and were run by Lothian Regional Council. There were, at one and the same time, the democratically accountable body of the regional authority that had control over the colleges, and the different sites—they were called much the same thing when I first started: Esk Valley College, Stevenson College, Telford College, and Napier College—through which the general policy of the regional authority was carried out into the different neighbourhoods of Edinburgh and the Lothians.

The current situation is not very different. We have brought together local colleges that were previously competing with each other as regards provision—and the locality had to take its chances on what came out of that competition. We have taken those colleges and put them together. I hope that we are now in a position to take a more strategic overview, similar to the overview taken by the old Lothian region, as to how the provision is made available to people across the whole of the area.

It is not right to duplicate and overprovide in certain specialist areas. Particularly in highly technical areas, it is important that we are able to offer the best possible facilities. We would have a geographic spread for certain things; others would be sited in a place that allows us to build up a centre of excellence and of expertise.

The new Edinburgh College is still at the point—I remind you that we vested on 1 October—of having engagement with the community as to how, in the end, we will rejig the curriculum and the things that we do. However, that is part of what the process offers: the ability to bring together the quantum of the facilities available in colleges that were previously competing with each other and to ensure not only that communities get the provision that they need close to the point of delivery but, more important, that we have an opportunity to provide centres of excellence and good training for employers and the community across the region as a whole. Coming from my background, I can say that the process is very similar to what happened in the old local authority system.

Neil Findlay: My area of experience is the construction sector. A lot of courses provided locally would be access courses and courses provided in school. They would be low-level—not high-tech—localised provision that would give young people access into the construction industry. That seems to have comprised a significant amount of the work at the campus we are talking about.

Do you accept that, if your organisation moves the provision to Granton, people who are accessing it at the lower level will simply not travel to Granton and will therefore not get provision locally? The Scottish funding council actually

agrees—as, indeed, did Griggs—that the higher the academic level the more willing people are to travel. Can you confirm that?

The Convener: Before Mr McKay answers that question, I should say to Mr Findlay that, although it is perfectly acceptable for you to highlight a local example, we are interested in the principles of the bill and whether the outcome that you have described in your area is likely to arise in others. Perhaps Mr McKay could respond in those terms.

Neil Findlay: Forgive me, convener, but I think that it is for me to ask my questions and for you to ask yours.

Ian McKay: I am quite happy to answer the question—

The Convener: I am sorry, Mr McKay, but I need to clarify this point. This is an evidence-taking session on the Post-16 Education (Scotland) Bill; it is not about what is happening in your region, Mr Findlay. I am quite happy for you to use this example but I want you to stick to the bill and to examine the impact of any such example in relation to the general principles.

Ian McKay: Perhaps I can be helpful—

Neil Findlay: Excuse me, Mr McKay, but with respect, convener, that might be what you want to stick to. I am using a practical example to highlight issues in the bill that are real for people at the moment. It is highly relevant to our discussion.

The Convener: And I have said that I have no problem with your highlighting a practical example. However, an example is only an example. We need to discuss how it impacts on other areas with regard to the bill's principles.

Ian McKay: Perhaps I can be helpful, because the two issues are inextricably connected. In every merger involving several colleges and sites, every college involved will have to go through exactly the same process of having to think through the merger's opportunities and potential difficulties. Indeed, the same happens in any merger in any area of work.

I want to use Mr Findlay's specific example to illustrate the point in the bill. Leaving aside the fact that thinking on this matter is still not clear, I should point out that, as it happens, one of the last things that I ever did as an FE trade union official was to negotiate the transfer of the building arrangements in which Mr Findlay has taken an interest from Stevenson College in the east of the city to Telford College at Granton in the north. All the departments and provision—which I would regard as entry level rather than low level—were transferred wholesale in and around 1987 because the two colleges, which were then under Lothian Regional Council control, recognised that such a move would maximise the potential of

Telford College as it was then and offer a much better facility to better serve the trade and those coming into it.

There are statistics that show a falling away towards lower-level courses or entry-level courses, but it is important to recognise that there is immense change in the professions. I do not think that anyone accepts any more that they are just hammer-and-screwdriver professions; they are increasingly highly technical and they increasingly involve other areas of education, alongside the work.

I hope that in Edinburgh—and in any other part of the country that has to address the same process as the bill goes through—we will get good educational reasons and good reasons for serving our communities and the workforces in them that direct why things are made available in certain places. As it stands, my fear would be that unreasonable competition would emerge—a sort of bums-on-seats fight—that gets in the way of us doing the process right. Regionalisation and the strategic view that it offers us are an advantage, not a disadvantage, in such situations.

Liam McArthur (Orkney Islands) (LD): What I will say draws together a bit of what Neil Findlay and Liz Smith asked about. You talked about the importance of having a single authoritative voice, but you acknowledged the importance of recognising local variance. Do you accept the concern that the determination to have a single authoritative voice risks overriding the perhaps inconvenient and inconsistent voice that might emerge from local campuses and colleges?

Ian McKay: I do not see a local voice as inconvenient; I see it as a necessary—

Liam McArthur: Is it inconvenient to providing a consistent view across the sector?

Ian McKay: I will explain what I mean. I see locality not as a bad thing but as a good thing. Difficulties arise in a sector such as further education when there is unacceptable variance in the workforce's terms and conditions—in the pay in different parts of the country—or in funding mechanisms, for example, which leads to inequalities across the country.

Another difficulty arises if the situation that pertains does not allow us to have someone who can stick up for the sector and argue on its behalf and if it does not allow the sector to reach a collective view. Even organisations such as Colleges Scotland, which was represented here this morning, are voluntary membership organisations—they do not provide a collective voice. If we returned to national bargaining—which has been speculated about and has been in the press—no mechanism out there could form the management side. No body in the sector has the

authority or legal status to take that role. That is what I mean by moving to a more effective collective national voice.

Liam McArthur: Neil Findlay referred to access and course content issues. It is not inconceivable that differences of opinion will exist across a region about where provision should be—indeed, you talked about problems of duplication and overprovision. However difficult it is for students to have their course relocated from Dalkeith to the north of Edinburgh, that is—to be frank—a lot more manageable than having a course relocated from Orkney to somewhere that is closer to Inverness, for example.

Is the concern legitimate that the pursuit of the strategic unity of view will—perhaps not immediately, when people are still fairly confident in their current positions, but over time—result in homogenisation in a region that gravitates towards a central view and downplays the voice of people in local campuses? The local voice is perhaps stronger at the moment as a result of where we are, whatever the problems with the current system might be.

12:45

Ian McKay: I refer you back to the points that I made to Ms Smith earlier. How you use the greater power for strategic work that is given through regionalisation is very much down to the policies and attitudes that you bring to it, but the bill does provide greater power. I agree with you that how it is used will be up to the bodies themselves, but I trust that they will be held to account.

Liam McArthur: Do you think—

Ian McKay: Let me finish. I do not think that that simple move in itself takes away the local advantages. However, what you are perhaps neglecting is that some of the apparent local advantages also bring with them problems of atomisation and unnecessary competition between different individual units, as well as a lack of cohesiveness in a sector that was always suffering from being the poor relation within education.

Liam McArthur: Can you point to the safeguards in the bill that would give people who have concerns a degree of confidence that, were any such situations to arise, there would be some recourse within what the legislation proposes, particularly given the wider concerns about the extent of ministerial influence in the college sector going forward?

Ian McKay: That is a wide question, as you are moving over two or three different areas, but I will try to answer it.

I see no less accountability in the bill for the regional committees that would be established through it than there is in the 1992 act for the college boards that currently run our system. I see no detriment there; in fact, I see the advantages that a larger strategic view gives. On the accountability—the corporate governance involved in moving from one to t'other—I see no enormous difference between the two.

Liam McArthur: There is a shift in terms of ministerial appointments of principals and course content.

Ian McKay: I was just coming to that. The structure is the structure. A board is established either to run a college or to run a number of colleges or a college with a number of sites. The accountability of the boards must, indeed, be as transparent and as good as we can possibly make it.

The third point that you asked about is where the minister comes in. You are right to draw attention to that, as it has been controversial. I personally have no problem with the idea that the chairs of those regional boards—which will be important bodies—will be appointed through our public appointments structure in much the same way as the chair of an NHS local board or whatever would be appointed.

As to their accountability to the minister for doing their job, unfortunately, as we have seen in other areas of the public sector quite recently, it is normally the first port of call for both the media and the public when some problem arises in a public body to ask the minister to intervene and do something about it. As I understand the powers that are available in the bill, that is for the minister so to do. However, it would be bad governance all round were a minister to see their job as doing the job of the regional authority and interfering overly in the work of the people who are there to do that work. That would bring into question a behaviour on the part of the minister that went way beyond the legislation and was much more about a style of work, which would be unacceptable.

I am trying to stick to the facts and the corporate governance structures that exist throughout the public sector. Those of you who are as old as me will recall the Monklands affair and so on. From time to time, such structures require to be exercised and are, I think, legitimate ways in which the Government holds those of us who are appointed to public office to account for doing our job.

Liam McArthur: That is helpful. However, given recent events such as the cabinet secretary's interventions in respect of roles over which he has no hiring and firing powers, there is understandable concern.

Clare Adamson: Mr McKay, would you like to address some of the concerns that have been raised about the myriad of arrangements that mean that in some regional boards the voices of the students and staff will be heard but that in other boards they will not be heard?

Ian McKay: It would be my wish that every regional board has representation from the staff and the student body on it, and the bill clearly goes in that direction. I would hope that that will be the case and that we will benefit from it.

I would hope, too, that a whole bunch of other areas of public life are represented on the boards. My view is that it is extremely important that we have private sector involvement because, by and large, it is private sector companies in which the people who come through the colleges look for employment. We need to have a good balance between what companies are doing and what further education is doing. I think that that applies to higher education, too.

Although I would like the boards to have wide representation on them, I do not think that it is a numbers game. I have had discussion locally with my student president on whether it is more beneficial to have one student voice or two on the board. Sometimes having two voices is not as good as having one voice that people know speaks for them.

What is more important is that proper arrangements are made at an institutional level to ensure that the representatives of the staff and students have sufficient back-up and resource to do the job properly. I do not think that it is enough simply to tick the box and say that we have someone on the board. I would imagine that members of the committee might find it very difficult to do the job that you do without the back-up that you have from the clerks and your own staff. Similarly, the important issue for me as far as good governance is concerned is that, when someone sits at the board table, they are well informed and well resourced and can do the job properly. In a way, I think that some of the discussion about numbers tends to deflect from consideration of what representatives do when they get on a board, which, to my mind, is by far the most important aspect of the issue.

The Convener: As members have no further questions, I thank Mr McKay very much for coming along and giving evidence.

Our final evidence-taking session on the bill at stage 1 will take place next Tuesday, when we will hear from the Scottish Further and Higher Education Funding Council and the Cabinet Secretary for Education and Lifelong Learning.

Meeting closed at 12:52.

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