The Committee will meet at 2 pm in Committee Room 6.

1. **Further and Higher Education (Scotland) Bill**: the Committee will take evidence from:
   
   Tom Kelly, Chief Executive, Association of Scottish Colleges;
   
   Professor John Little, Principal and Chief Executive, Inverness College;
   
   David Caldwell, Director, Universities Scotland;
   
   Professor John Archer, Principal, Heriot Watt University and Convener, Universities Scotland;

   on the Further and Higher Education (Scotland) Bill.

2. **Arts in Community Inquiry**: the Committee will hear reports on case study visits undertaken in connection with the inquiry.

3. **Arts in the Community Inquiry**: the Committee will discuss issues for inclusion in a draft report.

4. **Delegated authority report**: the Convener will report on the use of the authority delegated to him by the Committee in connection with the Renewable Energy Inquiry.

   Stephen Imrie
   Clerk to the Committee
   Room 2.7, Committee
   Ext. 0131 348 5207
The following meeting papers are enclosed:

**Agenda Item 1**

Joint submission from the Association of Scottish Colleges and Universities Scotland  EC/S2/04/23/1

SPIe Bill Briefing on the Further and Higher Education (Scotland) Bill  EC/S2/04/23/2

Letter from Scottish Executive – follow-up from 5 October 2004 meeting  EC/S2/04/23/3

**Agenda Item 2**

Note of case study visit to Inverness  EC/S2/04/23/4

**Agenda Item 3**

Summary of written evidence  EC/S2/04/23/5

*Written evidence has previously been circulated to members and is available online at:*  

http://www.scottish.parliament.uk/enterprise/inquiries-04/arts/elr04-evid-01.htm

Notes of informal meetings  EC/S2/04/23/6

**Agenda Item 4**

Delegated authority report  EC/S2/04/23/7
1. **Introduction**

1.1 The Association of Scottish Colleges (ASC) is the policy and representative voice of Scotland’s Colleges of Further and Higher Education.

1.2 Universities Scotland is the representative body of Scotland’s Universities and Higher Education Institutions.

1.3 On the majority of the main issues we have a shared view, and more importantly a shared vision for the future of further and higher education. The purpose of this paper is to highlight how the Further and Higher Education (Scotland) Bill as introduced will help achieve that vision.

2. **What the Bill and a single funding body should achieve**

2.1 Both ASC and Universities Scotland have supported the principle of merging the funding councils. A single funding body for colleges and universities has the potential to lead to greater coherence and better provision of lifelong learning and research in Scotland.

2.2 The best way to achieve that will be to ensure that the Bill establishes the right relationship between the Scottish Executive, the new funding body and institutions. The needs of teaching and research will best be met by a variety of diverse institutions each with a distinctive and well-focussed mission for students and employers. The creation of an undifferentiated sector or type of institution would be unhelpful.

2.3 Responsibility and accountability need to go hand in hand. As autonomous institutions, universities and colleges have direct responsibilities which they must be seen to regulate and account for by themselves. Any “re-regulation” through the new funding body of statutory and other legal responsibilities of colleges and universities is unnecessary and inappropriate. The focus of the new funding body should be on the
use of public funds in accordance with Ministerial priorities and the financial security of institutions.

2.4 The funding body is situated between government and institutions. Its role should be to facilitate communication in both directions. The funding body funds capacity of colleges and universities to deliver teaching and research. It is not – and must not be seen as – either a purchaser-provider or an all-purpose regulator. It should act strategically and avoid becoming involved in or duplicating levels of planning and management which are more efficiently undertaken at the institutional level.

3. **Key principles and concerns about the draft legislation**

3.1 During the public consultation period we indicated that we had some limited but serious concerns about features of the draft Bill. ASC and Universities Scotland jointly established a series of underlying principles which we felt should guide the development of the Bill and the relationship between the institutions and the new funding body. This was formally submitted to the Scottish Executive in July 2004 and included:

- The proposed changes must demonstrate that they will achieve greater coherence between the sectors.
- Any new funding body must be lean and efficient.
- The new body must not become involved in planning or micro-managing universities and colleges or the further and higher education sectors.
- The changes must not result in more red tape and administrative burdens for universities and colleges.
- There should be no undue political or funding council interference in matters which are the responsibility of the governing bodies of institutions.
- The draft Bill itself should be slimmed down and the guiding principle should be to legislate only where there is a clear need to do so.

3.2 The draft Bill as consulted on was not felt by ASC and Universities Scotland to follow these principles. Among our particular concerns were that the draft Bill:

- appeared to increase the planning and intervention role of the new funding council;
- involved unnecessary and unhelpful bureaucracy and restructuring, such as changes in the definitions (i.e. Tertiary) and designation of institutions (i.e. STEPs) within the further and higher education sectors;
- failed to recognise and utilise the diversity within and between the further and higher education sectors;
failed to build on and strengthen the existing collaboration that exists between colleges and universities, in particular with regard to progression and articulation routes already open to students.

4. **The revised legislation**

4.1 Both ASC and Universities Scotland have now had an opportunity to look at the Further and Higher Education (Scotland) Bill in some detail. This Bill has been substantially revised and indicates significant progress from the draft Bill that was consulted on earlier in 2004. This is to be welcomed and indicates that the consultation process was meaningful and that the Scottish Executive responded positively to the points made by key stakeholders.

4.2 We thank Scottish Ministers for listening to the views of the further and higher education sectors and in particular for the following key changes:

- In our view the Bill reduces unnecessary and unwarranted provisions that might encroach on institutional responsibility.
- The Bill also clarifies that a single funding council will support both sectors to develop increasingly effective collaboration and coordination while recognising the diversity and coherence of the two sectors.
- The revised Bill now makes it much clearer that the new body will be a funding body and not a planning body. The merged funding council will have a clear strategic role in supporting institutions to deliver excellent learning and teaching that meets student demand and expectations, employer requirements and society’s needs.

4.3 There are a few remaining issues where there is a need for further clarification. These include:

1. The power of the new funding council (rather than Scottish Ministers) to propose and approve the addition of new fundable bodies prior to Scottish Ministers modifying Schedule 2 (section 7).
2. The power for the new funding council (rather than Scottish Ministers) to decide on the adoption of a credit and qualifications framework (section 14).

4.4 There is also a need for more discussion on how best to develop further:

3. the role of the new funding body in meeting the skills needs of Scotland through the provision of coherent lifelong learning and research (section 20); and
4. the scope of the remit of the Scottish Public Service Ombudsman (section 26).

4.5 With regard to the issue of variable fees (section 8) our view is that the provisions in the Bill simply permit Ministers to specify a different fixed fee for certain subjects (such as medicine). We are content with this power so long as it is only used where there is a clearly established case for doing so and that the financial implications for Scottish domiciled HE students are neutral. We are fully supportive of the Scottish Executive’s
policy of funding institutions properly without resorting to charging Scottish domiciled students a tuition fee.

5. **Conclusion**

5.1 Both ASC and Universities Scotland are very grateful for the open and transparent manner in which the Scottish Executive carried out its consultation process. It is an indicator of the effectiveness of that process that while neither ASC nor Universities Scotland felt able to fully support the draft Bill, we are now able to endorse the Further and Higher Education (Scotland) Bill as published.

5.2 This does not mean that there are no outstanding issues which will need to be resolved, but in our collective view these are relatively minor and largely technical and can be dealt with as the Bill makes its passage through Parliament. We firmly believe that the Bill now achieves its aims successfully without unnecessary disruption or the risk of damaging unintended consequences. In doing so it should be of benefit to colleges and universities and, above all, the students, employers and communities for whom they serve.

Ends

**For further information:**

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This briefing outlines the main purposes of the Further and Higher Education (Scotland) Bill. It details the amendments to the draft Bill as a result of the consultation ‘A Changing Landscape for Tertiary Education and Research in Scotland’. Responses to the consultation are summarised, and a discussion of the key issues raised by respondents is included.

The Scottish Executive provided additional information on three of the main issues raised at the Enterprise and Culture Committee’s evidence session on 5 October 2004. This information is summarised in the final section of the briefing.
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## PURPOSE OF THE BILL – KEY POINTS

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- Consultation and Collaboration
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- The Provisions of the Public Finance and Accountability (Scotland) Act 2000
- Convergence of Quality Assessment in Further Education

## SOURCES

- providing research and information services to the Scottish Parliament
PURPOSE OF THE BILL – KEY POINTS

- The Bill proposes to merge the Scottish Higher Education Funding Council (SHEFC) and the Scottish Further Education Funding Council (SFEFC) to create the Scottish Further and Higher Education Funding Council (SFHEFC). The Bill intends to create the single body that will have a duty to provide ‘coherent strategic decision making' at a National level covering both sectors.

- It sets out the general duties of both Scottish Ministers and of the new Funding Council, with Ministers having high level responsibilities for the policy context

- It explains the specific responsibilities of the new Funding Council in terms of allocation and administration of funding to the ‘funded bodies’

- The Bill establishes a number of criteria and conditions in place for bodies to comply with in order to achieve and maintain ‘funded body’ status, and that it will be the duty of the Council to monitor this.

- It seeks to extend and standardise the level of autonomy across both the further and higher education sectors, and preserve the distinctive roles of both sectors

- As a regulatory measure, a new power is included for the Council to be able to attend and address any governing body meeting of a ‘funded body' that relates to the issue of financial support. This power is intended only to be used in extreme circumstances.

- The Bill also proposes to place a duty on the Council to work with and share information with certain key bodies, as well as placing a duty on these bodies to provide information as reasonably required by the Council. Section 22 sets out the key bodies included in these provisions.

- Provisions have been included to allow changes in the way that funding is allocated to the Council i.e. The Scottish Parliament may vote one budget for both sectors, rather than agree two separate budgets. Therefore, it is proposed that the Council will be required to provide the Parliament with an annual report of its activities for scrutiny.

- A new provision on fees (section 8) is also included to allow for possible fee changes by Ministers i.e. a maximum fee level set, and different fee levels for different courses. It allows Ministers to use the conditions of grant to control tuition fees. They will be able to set the fee levels by subordinate legislation, which is subject to the affirmative procedure.
• The Bill intends to create a power for Ministers to enable the Executive to channel additional funds to the new Funding Council for specific purposes (set out in the bill) and areas of importance, for example the support of collaboration.

• The remit of the Scottish Public Services Ombudsman will also be extended to include the actions of the further and higher education bodies (currently including the Scottish Agricultural College, but excluding the Open University as it is under UK wide procedures)

THE DRAFT BILL AND CONSULTATION PAPER

The draft Bill was published in April 2004, with the title ‘Tertiary Education (Funding etc.) (Scotland) Bill. Alongside the draft Bill, a consultation paper was also published, titled ‘A Changing Landscape for Tertiary Education and Research in Scotland’.

In the introduction to the consultation document, it is explained that the merger of the Funding Councils was originally a recommendation of the Enterprise and Lifelong Learning Committee, and was therefore included in the Scottish Executive’s Lifelong Learning Strategy in February 2003. In the development of the Lifelong Learning Strategy, a 3 part Higher Education Review took place. It was the report ‘A Framework for Higher Education in Scotland’ arising from the second stage of the review, that set out the Executive’s ten year higher education strategy; and explained the intention of the Scottish Executive to introduce the legislation required to merge the two funding councils.

The consultation paper sought general views on the contents of the draft Bill, but also requested opinions on specific areas about the structure and function of the proposed new body. There was also a request for suggestions and views regarding the name for the new body.

The Scottish Executive invited written responses to the consultation paper to be received by the 15th July 2004. It was explained that these responses would be placed in the Scottish Executive Library by the 12th August 2004, and would be available on the Scottish Executive website by 7th October 2004 (unless confidentiality was requested). These consultation responses are now available online, as is the Executive’s summary of consultation responses.
CONSULTATION RESPONSES – MAIN ISSUES RAISED

78 written responses were received from various stakeholders to the consultation document. The Scottish Executive summary attempts to collate and review the varying responses to each section of the draft Bill. The summary also attempts to explain where the views of the respondents have led to revisions of the Bill (details of amendments follow).

The majority of the respondents supported the merger of the funding councils in principle for a number of reasons, such as improving parity of esteem between the two sectors; and improving the strategic position of the Council to support lifelong learning. Still, a number of issues were raised over the content and structure of the draft Bill. These are now examined.

Terminology

The Executive summary states that one of the overarching points of contention was the general terminology used throughout the draft Bill. Indeed, numerous stakeholders expressed concern with the use of ‘Tertiary Education’ as a replacement term for further education and higher education, and therefore did not approve of the names ‘Tertiary Education Funding Council’ or ‘Specified Tertiary Education Providers’ (STEPs). The general view was that this terminology did not distinguish between the differing roles that the two sectors play. There was also concern from the higher education sector in particular that this terminology would take away from their status/brand in terms of being known as world class research institutions, and that the use of the terminology ‘tertiary education’ would not be widely understood. For examples, in response to this issue, the Association of Scottish Colleges (ASC) concluded:

‘ASC does not believe the introduction of the term “tertiary education” will help explain the work of colleges and universities to students, employers or society at large. It is archaic and not widely understood beyond those in public bodies and institutions with a direct interest in legal matters’

Universities Scotland, as with other respondents, was concerned that the terminology used implied that the two sectors were being merged, and not just the two funding Councils:

‘Both the consultation paper and the draft Bill convey the strong impression that the underlying concept is of a single tertiary sector. {… } Universities Scotland accepts the assurances of Ministers that in fact they do not intend to merge the higher and further education sectors or to weaken their identities, and therefore proposes that the term “tertiary education” should not be used and that instead the legislation should use the existing categories and definitions’

It should be noted however that the National Union of Students (NUS) Scotland, representing students’ interests, was in favour of using the ‘tertiary education’ terminology, for reasons that it created greater parity of esteem between the two sectors. The Coalition of Higher Education Students in
Scotland (CHESS) was indifferent to the concept of ‘STEPs’, regarding it as ‘defective’. However, they were hugely supportive of any commitment to improve parity of esteem.

The Scottish Councils for Further and Higher Education did not comment on the terminology used in the bill, but pointed out that the name chosen is important as it will set the tone of the work of the council.

It should also be noted that when defining further and higher education in Section 2 of the draft Bill (section 5 in Bill), a large number of respondents questioned why the Scottish Credit and Qualifications framework hadn't been included. The joint submission by the ASC and Universities Scotland states

‘The coherence created by the Scottish Credit and Qualifications Framework (SCQF) is a cornerstone on which Scotland can build well articulated lifelong learning for all’

Another point of contention was that the draft Bill categorised the ‘STEPs’ into 4 separate categories (detailed later). The majority of the respondents found this largely unhelpful, in that it did not improve parity of esteem.

**The Council and Ministers’ General Duty**

The Executive’s summary explains that the wording of the sections in the draft Bill covering these duties appeared to cause widespread concern, when considering Ministers securing provision by the fundable bodies. There were a number of issues raised:

- Whether Ministers were the most appropriate to be ‘securing’ either provision of tertiary education or the undertaking of research
- The complications in defining and measuring what is ‘adequate and efficient’
- The application of this phrase to the undertaking of research. Higher education institutions felt it was inappropriate for Ministers to determine this, as HEIs carry out research for other organisations too.

The respondents were also generally opposed to subsection 1(2) in the draft Bill where Ministers could ‘do anything which is necessary or expedient’ for the purposes of securing adequate and efficient: provision of tertiary education; and undertaking of research. It was generally felt that this subsection allowed for Ministers to intervene with the fundable bodies’ activities at any point, and therefore it was seen as a threat to the autonomy of the individual institutions. For example, the Association of University Teachers commented:

‘While we understand the need to ensure adequate and efficient provision, we are concerned that the phrasing of subsection (2) seems to give wide ranging powers for Ministers to intervene in higher education institutions (...) We recommend that this...’

**providing research and information services to the Scottish Parliament**
clause is preferably deleted or redrafted to specify these specific powers which Ministers will be entitled to exercise'

The Funding Councils for Further and Higher Education stated:

‘The term “adequate and efficient” is open to wide interpretation and the experience of the SFEFC is that achievement is difficult to demonstrate and measure in practice. We also believe that the duty would be unworkable and counterproductive if it is extended to cover research’

This was also the general feeling about section 20 in the consultation draft Bill, which made provisions for the Council to do ‘anything it felt is necessary or expedient’ in connection with its functions

**Fundable Bodies: Further Provision**

Section 22 in the draft Bill (section 7 in the Bill) included a provision that allowed the list of ‘STEPS’ (changed to fundable bodies in the Bill due to concerns already discussed) to possibly include organisations other than colleges and universities to become eligible for funding from the Council. This was a point of contention for most of the respondents, for example the University of Edinburgh stated:

‘A further concern is that the legislation would open the door for other providers to be funded by the new Council in exchange for delivery of teaching and research. It is unclear whether this is simply to deal with the consequence of mergers and the occasional creation of new public sector institutions, or whether it is intended to enable commercial and/or overseas providers to be funded .. if the latter, it is a matter of considerable concern because of the threat of unequal competition and the distinct threat of dilution of funding.’

It was seen that by allowing the number of ‘fundable bodies to increase’ it could be that resources are stretched further, and there was no recognised need for this provision. It was also generally felt that the criteria for becoming a fundable body should be more clearly laid out, with specific reference to complaints procedures, sustainability and accountability. It was also stated by a number of respondents that by allowing any organisation to become a fundable body, it could be seen as treating education as a ‘tradable commodity.

Another area of the draft Bill that caused great unease was in Section 24, which stated that

(1) ‘ The governing body of a specified tertiary education provider must by such time in each financial year as the Scottish Ministers may direct, prepare a plan (a “development” plan) and send it to the Council.
The section went on to explain that the development plan should cover the following financial year and the next 2 academic years, and should include whatever information that the Council determines.

There were a number of reasons as to why this was deemed inappropriate:

- This was again seen as a threat to institutional autonomy
- This type of development plan was seen as impractical and undeliverable, and many felt it was unreasonable to stipulate the form in which each institution set out their ‘plans’
- Some respondents felt it was unfair due to the fact that not all funding is received from the public sector
- Existing mechanisms for planning, such as conditions of grant are already used, and deemed sufficient by some.

For example, the University of Edinburgh comments

‘Effective mechanisms already exist (such as SHEFC conditions of grant, special funding schemes – e.g. strategic change grant, SRIF etc – and the Financial Memorandum) for creating a regulatory framework which is capable of ensuring accountability for public funds and pursuit of strategic priorities by the higher education sector without the need for legislation and which is capable of being changed relatively rapidly to reflect changing circumstances’

**Funding of the Council: Additional Grants**

Section 5 in the draft bill made provisions for Scottish Ministers to make additional grants to the Council. The Scottish Executive summary explains that there was a mixed reaction to this. Although it was generally welcomed, it was felt by a number of respondents that the conditions of the additional grants should be tightened and the purposes of the grants’ use should be defined. Some of the conditions mentioned within the summary are:

- The grants should not be used as a way of directing substantial funding
- The additional grant should meet the full cost of additional provision
- Ministers should not be able to earmark grants to benefit particular public services
- The additional grants should be aimed at courses of benefit to the public sector

Some of the conditions above were mentioned by The Association of University Teachers:

‘We would welcome additional grants where they would help to encourage geographical and social provision for Scottish students. Additionally, such grants would be welcome to meet certain needs within the sector, such as equal
opportunities for staff and students; and in meeting employment legislation such as the current regulations on fixed term contracts

**Council’s Right to Address Meetings**

Providing the Council with a right to ‘require’ the holding of a special meeting of the governing body of any ‘fundable body’ on any financial support matters was met with strong opposition from the respondents. It was seen as a further impingement on institutional autonomy, and that if at all, it should be made clear that this power could only be used in exceptional circumstances. There was a concern that this provision could make it harder to recruit talented and high quality people to the boards. It was also deemed an unnecessary provision by the existing Funding Councils of Further and Higher Education:

‘We believe that it is not necessary to include this requirement in legislation because the Councils already have the means to communicate directly with governing bodies and there are other mechanisms – such as conditions of grant – which can be used effectively to deal with the financial arrangements of a college or HE institution’

**Council to Have Regard to Particular Matters**

The draft Bill required that the Council have particular regard to skills needs when referring to the duty to provide ‘tertiary’ education. The Scottish Executive’s summary of responses explains that the majority of the higher education sector respondents saw referring to ‘skills needs’ alone as far too narrow, and that the broader economic, cultural and social role of such institutions should be included. In addition, it was considered that the international context should also be taken into account. This was one issue raised in the response from the Coalition of Higher Education Students in Scotland (CHESS):

‘Whilst it is undoubtedly true that tertiary education providers must be aware of, and respond to, local needs, it is also necessary that they have an international outlook and this does not appear to be reflected in the {draft} Bill. Indeed both the {draft} Bill and the consultation document lack a distinct reference to diversity. Education plays a wider role empowering and developing the population so as to benefit society as a whole, not simply to make graduates employable’

**Consultation and Collaboration**

The overall response to provisions for consultation and the promotion of collaboration was a positive one. However, although not mentioned in the Scottish Executive’s summary, there was a general consensus throughout the responses that section 26 of the draft Bill should be removed as it allowed for the Council to require merger evaluations. This was deemed by the majority of respondents to be costly and ineffective if ‘required’. The Funding Councils for Further and Higher Education agree in their response, describing the ‘fact of
merger as the intended outcome often being the real barrier to collaboration’. The ASC acknowledged that there is a role for Scottish Ministers and the new Funding Council to play in the dealing with collaboration, but also stated that

‘ASC does not believe that this requires legislation to achieve the desired outcome. Past experience has shown that cross-sectoral collaboration can work, and is best nurtured, from the bottom up’

The majority of respondents also felt that the Council should concentrate instead on promotion of collaboration.

The Executive summary also explains that in terms of who the new Funding Council should consult, a number of additional organisations were suggested by the respondents, such as Community Planning Partnerships, Careers Scotland, Trade Unions etc.

Single Budget

A couple of the respondents expressed concern about the possibility of the Scottish Executive assigning only one budget to the Council to cover both sectors. The University of Edinburgh explained that it believed it should be a political decision as to how funding flows are affected (e.g. a movement of funding from research to teaching or vice versa). Worry was also expressed by Universities Scotland, the AUT, the University of Glasgow, CHESS and the University of Aberdeen amongst others. Not only was it considered by these respondents that it should be a political decision, but there was concern about transparency of funds and decision making, accountability and also movement of funds between sectors as well as teaching and research if a single budget was assigned, rather than two separate budgets.

Wider Issues Raised

There were a number of general issues raised throughout the different consultation responses, covering funding, autonomy, accountability, distinctiveness and parity of esteem.

There was widespread concern about future funding for both sectors, in terms of both the actual amounts of funding required, and the flows of funding between sectors and teaching and research. For example, a number of the higher education sector respondents raised the issue of the level of funding to remain internationally competitive in terms of research. Others were concerned about movement of funds from research to teaching and vice versa. A lot of these general funding concerns were raised with regards to the possibility of a single budget model.

The Scottish Executive Summary explains that there was a strong feeling from the majority of respondents that the Bill was making numerous provisions for the Council to play a central planning role, which would threaten
the autonomy of individual institutions and create more bureaucracy in the form of regulations. As explained in the summary, a number of the higher education sector respondents quoted the Lambert report which recommended a lighter regulatory system, rather than more regulation. For example the University of Glasgow pointed out that

‘The UK Government’s own advisers have recommended a ‘significantly lighter touch regulatory and accountability regime for well-run universities, in the interests of efficiency, entrepreneurship and responsibility (Lambert review of Business-University Collaboration, recommendation 7.5), so it seems perverse to propose that universities should be subject to further controls’

Maintaining the distinctiveness of the two sectors was raised by almost all of the respondents, as it was felt that the draft Bill was hinting at the merger of the two sectors and not just of the two funding councils. The University of Dundee stated that whilst it was in favour of the merging of the Funding Councils, it felt that the consultation document went ‘much further than is necessary to achieve this. The document appears to set the scene for the merger of the higher and further education sectors – a situation which we do not believe is in Scotland’s best interests’. So in general, the Executive summary states that whilst parity of esteem was seen as a positive concept by majority of the respondents, there was also a slight conflict of this concept versus maintaining the individual characteristics and diversity of the two sectors and the individual institutions.

AMENDMENTS SINCE THE DRAFT BILL AND CONSULTATION

This part of the paper details the amendments made since the draft Bill and consultation to each section of the Bill. The content of the sections has also been re-iterated where appropriate for clarification and comparison.

PART 1 – FURTHER AND HIGHER EDUCATION ETC

This part of the Further and Higher Education (Scotland) Bill proposes the merger of the existing Scottish Further Education Funding Council (SFEFC) and the Scottish Higher Education Funding Council (SHEFC) to form a single Funding Council covering both sectors, to be known as the Scottish Further and Higher Education Funding Council (SFHEFC).

Establishment of the Scottish Further and Higher Education Council

Sections 1 and 2 propose the establishment of the new Funding Council and make provisions for the dissolution of the existing two Funding Councils. Section 1(2) introduces schedule 1, which makes provisions for the constitution of the new Funding Council and other matters relating to the
Council. There have been several alterations to this schedule since the consultation draft Bill. These amendments are listed:

**Amendments to Schedule 1**

- **Section 2(1)** a makes specific reference to the Chief Executive being a member of the Council, which is not the case in the consultation draft. Various small changes are consequential to this addition

- **Section 4** in the Bill has removed the requirement on Scottish Ministers to consult with the Council before making the first appointment of Chief Executive (if the current incumbent is unable to fulfil the role)

- **Section 7** has removed the reference to 'the body created by virtue of section 59A (2) (c) of the 1992 Act'. This is the body known as the Scottish Funding Councils for Further and Higher Education.

- **Section 8** replaces a section in the consultation draft on Transfer of Undertakings and Protection of Employees (TUPE)

- **Section 9** again has removed the reference to 'the body created by virtue of section 59A (2) (c) of the 1992 Act'.

**Provision of Further and Higher Education**

**Sections 3 and 4** set out the general duties of Scottish Ministers and of the new Funding Council, which have changed quite considerably since the draft Bill.

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<td>- ‘Coherent’ provision of fundable further and higher education</td>
<td>- ‘Adequate and efficient’ provision of fundable further and higher education</td>
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Section 3 of the Bill explains that the general duty of the Funding Council is to secure the ‘coherent’ provision by the ‘fundable bodies’ of high quality fundable further and higher education, and also securing that research be undertaken by these fundable bodies. These general duties were originally proposed as Scottish Ministers’ duties, with more emphasis on the ‘level’ of
provision, described as adequate and efficient in the draft Bill, but changed to ‘coherent’ in the Bill.

Section 4 explains the Scottish Ministers general duties. This section has changed, in that the Scottish Ministers general duties are now not to ‘secure’ the provision of fundable further and higher education as well as the undertaking of research, but that they will ‘provide support’ for these provisions by making grants to the Council and by other means deemed appropriate. So the duty of securing provision is now to fall on the Council and not on the Ministers as originally proposed.

Sections 5 and 6

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<tr>
<td>- Schedule 2 includes 2 categories of ‘Fundable bodies’</td>
<td>- Schedule 2 includes 4 categories of ‘fundable bodies’</td>
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<td>- Glasgow Metropolitan College included in list of ‘Fundable bodies’</td>
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Sections 5 and 6 explain the meaning of ‘Fundable Further and Higher Education’ and ‘Fundable Bodies’. The terminology used in these sections has changed from ‘Tertiary Education’ and ‘Specified Tertiary Education Providers’ or ‘STEPs’ used in the draft bill, as a result of the consultation process. Section 6 introduces schedule 2 where the ‘fundable bodies’ listed in the schedule are no longer split into the 4 separate categories of ‘incorporated colleges’, ‘non-incorporated colleges’, ‘higher education institutions’ and ‘ancient and chartered universities’, but are now split into just 2 categories, those that were formerly eligible for funding by the SFEFC and those that were formerly eligible for funding from the SHEFC. It also should be noted that Glasgow Metropolitan College has been added to schedule 2, due to the merger between Glasgow College of Building and Printing and the Glasgow College of Food Technology in August 2004.

Section 7

Section 7 of the Bill explains that Scottish Ministers may be able to add or remove entries in schedule 2, but only if the Council has proposed or approved this change. It also details the conditions that a body must fulfil in
the opinion of the Council to be deemed a ‘fundable body’. This section has been extended since the draft to include conditions on the provision for planning and development of the fundable bodies’ activities and arrangements, and for the use of a credit and qualification system (which refers to section 14).

**Funding of Further and Higher Education etc (Sec 8-12)**

**Sections 8 – 12** make provisions for the funding of the Council, additional grants to the Council, and the administration of these funds, as well as the funding of ‘fundable bodies’ and provisions for people with learning difficulties.

<table>
<thead>
<tr>
<th>Bill</th>
<th>Draft Bill</th>
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<tbody>
<tr>
<td>- Specifies the purposes for which Ministers can make additional grants to the Council</td>
<td>- Explains that additional grants could be made to the Council by Ministers, but detail of purposes are not specified</td>
</tr>
<tr>
<td>- Ministers and the Council can support collaboration (and mergers) through additional funding, but cannot require a merger evaluation</td>
<td>- Ministers are able to require that the Council request the Governing body of a ‘Fundable body’ to carry out a ‘Merger feasibility’ evaluation with any other ‘Fundable body’</td>
</tr>
<tr>
<td>- The definition of a learning difficulty refers to an individual that has greater difficulty than those in the same age group. People suffering from disabilities have been removed from this definition (see below)</td>
<td>- The definition of a learning difficulty refers to an individual that has greater difficulty to someone over ‘school’ age, and also included individuals that suffer from a disability in the definition (see below)</td>
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Section 8 explains the conditions under which Ministers may make grants to the Council, and is largely unchanged since the draft Bill. Section 9 makes provisions for Ministers to make additional grants to the Council and has been altered to specify purposes that these additional grants can be used to support. These purposes include:

- Restructuring among the fundable bodies (including the merger or de-merger of such bodies)
- Innovation in the provision of fundable further education and fundable higher education
- Collaboration between the fundable bodies

Section 26 of the draft Bill on merger evaluation allowed Ministers to require the Council to request the governing body of a ‘fundable body’ to carry out an evaluation of the feasibility of, and advantages and disadvantages of, a merger of the fundable body with any other specified fundable body as requested. This section has now been removed and the above proposals in the Bill now allow Ministers and the Council to provide additional funding in support of mergers and collaboration, rather than being able to require that evaluations take place.

**Sections 10 and 11** on the administration of funds and the funding of fundable bodies respectively remain the same as the draft bill, apart from the new terminology of ‘fundable further and higher education’ and ‘fundable bodies’.

The provisions for people with learning disabilities in **section 12** have been altered in that it is now the Council’s duty, and not the Ministers’, to have regard to the requirements of people with learning disabilities when exercising it’s funding functions under sections 10 and 11.

The definitions included have also changed from the draft Bill. Section 12 originally referred to people over school age, but now refers to an individual having a learning difficulty ‘if they have significantly greater difficulty in learning than the majority of other persons within the same age group as the person’. It has also removed the definition of someone with a learning disability as being ‘a person who suffers from a disability, impairment or condition which prevents the person from making use of educational facilities generally provided by the funded bodies’
The Council: Functions

Sections 13 – 19 set out provisions for the functions of the Council, including quality assessment, efficiency studies and advisory functions. There are some changes since the draft Bill:

**Bill**

- A section is included covering the promotion of a credit and qualification Framework by the Council. Details of the framework are not specified.

- The Council will have the right to ‘Attend and address’ meetings of the Governing body of a ‘funded body’ that cover issues of financial support.

**Draft Bill**

- The establishment of a credit and qualification framework is under consultation at this time and so the draft Bill does not include provisions for this.

- The Council have the right to ‘require’ the holding of a meeting with the Governing body of a ‘funded body’ about issues related to financial support.

Section 14 has been added, which explains that the Council is to promote whichever credit and qualification framework that it adopts. However, this section does not specify which framework this is.

Section 16 relates to the Council’s right to address meetings. In the draft bill, this section proposed that the Council would be able to ‘require’ the holding of a ‘special meeting’ of the governing body of a funded body, on any matters relating to the financial support of the funded body received from the Council. However, in the Bill this has been altered, and it is now proposed that the Council is allowed to ‘attend and address’ these meetings, but will not, as originally proposed be able to ‘require’ that one is held.

Section 18 extends the existing provisions of Section 43 of the 1992 act to all ‘fundable bodies’. This section has been added since the consultation and makes provisions for the Ministers to delegate their functions to the Council, which relate to land and property that is used for the purposes of a fundable body.

Section 19 amends the Education (Scotland) Act 1980, to allow Ministers to direct the Council or any other body/person to administer certain forms of student support. These provisions made relate only to support for students undertaking/undertaken courses of education at the ‘fundable bodies’ defined in the Bill. It is understood that the purpose of this section is to give Ministers the power to provide funds to certain persons via the Council rather than...
directly. This includes funds to be given as allowances to students. It may be used to create a new administration system for funding, or changing of funding streams.

*The Council: Exercise of Functions*

**Section 20**

<table>
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<tr>
<th>Bill</th>
<th>Draft Bill</th>
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<tr>
<td>- The Council must have regard to skills needs in Scotland, but also to economic, social and cultural issues.</td>
<td>- The Council must have regard to the skills needs of Scotland when considering the activities of any of the ‘fundable bodies’</td>
</tr>
<tr>
<td>- The Council must have regard to the wider UK and International Context. Definitions of ‘skills needs’ and ‘issues’ are included</td>
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Section 20 of the Bill is a wholly new section from the 1992 Act. It refers to particular matters the Council should have regard to. This section has a number of additions to the draft Bill due to concerns from the higher education sector. Not only does it require the Council to have regard to the skills needs in Scotland (as in the draft Bill), but also economic, social and cultural issues of importance. A further amendment is that it now proposes that the Council, when exercising its functions, should also consider the wider UK and International context in which any of the ‘fundable bodies’ may carry out their activities. Definitions of ‘skills needs’ and ‘issues’ are also provided.

**Section 22** sets out how the Council must exercise its functions, with regards to consultation and collaboration. This section has remained almost the same as the draft Bill, although section 22 (6) has been added which states that the Council must, in relation to the provision of fundable further and higher education, promote collaboration between the fundable bodies. Again, this addition will be partly due to the removal of the merger section that had been proposed in the draft Bill. The emphasis now is on ‘promotion’ of collaboration by the Council, rather than ‘required’ merger evaluation.
The Scottish Ministers: Requirements and Directions (Sections 24 and 25)

It was proposed originally that Scottish Ministers may impose requirements on the exercise of the Council’s functions, with the exception that these requirements could not relate to functions under section 7: Fundable bodies, further provision. This limitation has been extended in the Bill (section 24) where these requirements also do not relate to functions under section 17, which covers the advisory functions of the Council.

The draft Bill set out that if it appears to Scottish Ministers that the financial affairs of a ‘fundable body’ have been/are being mismanaged, they are able to direct the Council about the provision of financial support for the activities of that fundable body as they consider necessary. However, a further provision has been included in the Bill (Section 25(2)) to state that Ministers must consult the Council and the fundable body first, before giving out these directions.

Fundable Bodies: Miscellaneous

Section 26 of the Bill is an addition to the draft following consultation, and states that the remit of the Scottish Public Services Ombudsman will be extended to include the actions of the ‘funded bodies’ (including the Scottish Agricultural College, but excluding the Open University as this body is under a UK system). Section 26 (4) explains that Schedule 4 of the Scottish Public Services Ombudsman Act has been changed. This schedule explains the matters that the Ombudsman must not investigate, and a new limitation has been added to prevent the Ombudsman from investigating matters of academic judgement.

PART 2: OTHER ENTRIES AMENABLE BY ORDER OF THE COUNCIL

Sections 27 - 29 included in this part of the Bill cover inspection of accounts, change of name by certain bodies, and information about recorded children. These three sections remain unchanged since the draft Bill.

PART 3: GENERAL

Sections 30 - 34 make provisions for amendment of enactments, ancillary provision, orders and regulations, interpretation, and short title and commencement respectively. All of these sections in the Bill remain unchanged, with the exception of section 32 – orders and regulations.

Section 32 sets out the powers for making orders and regulations under the Act, and explains that these powers are exercised using statutory instruments (SI).

The Bill states that any SI containing an order or regulation under this Act is subject to annulment in pursuance of a resolution of the Parliament. The exception to this is an order under section 34 (2) which cover the short title and commencement. The exceptions to SIs are listed in subsection 4.

Subsection 4 explains that certain SIs cannot be made unless a draft of the SI has been laid before, and approved by, the Scottish Parliament. These are SIs that contain:

providing research and information services to the Scottish Parliament
Regulations under section 7(2)(i) – This regulation relates to the conditions a ‘funded body’ should fulfil, that the Council must regard when proposing or approving a modification to schedule 2. 7(2)(i) states that a body should be considered by the Council to have suitable ‘provision, procedures or arrangements of such other kind as the Scottish Ministers may by regulations specify’

Orders under section 7(4) or section 8(7) – section 7(4) explains that Ministers may by order change paragraphs (a) to (h) under subsection (2), these paragraphs list the provisions and procedures that a ‘funded body’ should have suitable arrangements for, as regarded by the Council. Section 8(7) states that Scottish Ministers may by order specify fees payable and place maximum fee levels.

Orders under section 31 which amends an act – this section covers ancillary provision and states that Scottish Ministers may by order much ‘such incidental, supplemental, consequential, transitional, transitory or saving provision’ as they deem necessary for ‘the purpose of or in consequence of this Act’

Schedule 3 is introduced under section 30 of the Bill – amendment of enactments. Schedule 3 has only one additional section since the draft Bill. This is section 5, which relates to the Education Reform Act 1988.

ENTERPRISE AND CULTURE COMMITTEE – EVIDENCE SESSION

On Tuesday 5th October 2004, at their 21st meeting, the Enterprise and Culture Committee took evidence from the Scottish Executive on the content of the Further and Higher Education (Scotland) Bill.

The Scottish Executive explained that the Bill was partly a result of the recommendation from the previous Enterprise and Lifelong Learning Committee to merge the two funding Councils (Official Report, 5th October 2004, p. 1087). It was further explained that as a result of the draft Bill and consultation process, there have been numerous changes included in the Bill, and that this ‘has led to the main stakeholders now broadly welcoming the Bill’ (Official Report, Enterprise and Culture Committee, 5th Oct, p.1088).

DIFFERENTIAL FEES

The Executive did mention that there had been late concern from the NUS about the newly included section (8) in the Bill that makes provisions for differential fees to be charged for different courses of study.

Richard Baker MSP questioned the Scottish Executive on this matter, and requested assurance that the intention of section 8 was purely to give Ministers the ability to vary fee levels in order to address cross-border flows, and that these provisions were meant for courses of medicine, as suggested in the explanatory notes. The Scottish Executive was asked to provide confirmation from their lawyers that the explanatory notes of the Bill, that explain the intentions of section 8, had legal weight. It was also confirmed at the time that any changes in fees under the Bill would have to be made by Statutory Instrument and that it would not be possible for fees to be varied by institution (Official report, Enterprise and Culture Committee, 5th Oct, p.1090).
The Scottish Executive has now provided the Committee with the exact legal weighting of the explanatory notes. In a letter to the Enterprise and Culture Committee Convenor, Alex Neil MSP, the legal effects of the explanatory notes, with particular regards to paragraphs 17 and 18, are described. The explanatory notes legal weight is ultimately the decision of a court.

However, it should also be noted that the wording of paragraphs 17 and 18 in the explanatory notes and the content of section 8 do not appear to restrict the courses able to be affected by variable fees to medicine alone. In the policy memorandum, the Scottish Executive states:

‘On 24 June 2004, the Deputy First Minister made a statement to Parliament, outlining the Executive’s policy to increase fee levels in order to control demand for places in the Scottish HE system, from English students once variable fees are introduced in England. This plan also raises the possibility that in specific areas such as medicine, where demand is especially high, fees could be raised to a higher level again. {..} In order to implement this policy, Ministers will now use an affirmative order if they wish to stipulate a maximum fee level. It will be possible to set different fee levels for different subjects, such as medicine. This will also be set in an order’.

‘{..} At the moment, the only area this will apply to is medicine, and it is essential that any further differentiation is carefully focussed and has the approval of Parliament’

Therefore, this section of the Bill is not legally restricted to medical courses, but Ministers would have to use an affirmative order to change fee levels regardless of type of course.

THE PROVISIONS OF THE PUBLIC FINANCE AND ACCOUNTABILITY (SCOTLAND) ACT 2000

Questions were raised regarding how the Public Finance and Accountability (Scotland) Act 2000 would now be applied to both the FE and HE sectors. When the Act was passed Higher Education institutions were exempt, but Further Education colleges were included.

It was explained by the Scottish Executive that this has not been changed as a result of this legislation and so there is still a difference in the governance of FE, as the auditor general will continue to undertake the audit of colleges, whereas this is not the case for Universities. A letter clarifying this was requested by the Committee (Official Report, Enterprise and Culture Committee, 5th October 2004, 1092).

The Scottish Executive have now provided the Committee with this written clarification on the legal position regarding the accountability relationship between accountable officers for further education colleges and higher education institutes in accordance with the provisions of the Public Finance and Accountability (Scotland) Act 2000. It explains that colleges are audited by the Auditor General for Scotland and the accounts are laid before Parliament.

It also provided the reasons why Higher Education institutions appoint their own auditors and therefore do not have their accounts laid before Parliament. It appears that the main reason for this continuing (provided by the Financial Issues advisory Group) is that the timescales for this Bill did not allow for public audit principles to be extended to Higher education Institutions, but that the Scottish Executive may consider it in due course.
The Convenor of the Committee raised the issue of quality control and pointed out that the Lifelong Learning Inquiry resulted in a recommendation that quality control should be better coordinated between the further and higher education sectors (Official Report, Enterprise and Culture Committee, 5th October, 1095). He asked what the Executive intended to do about this.

The Scottish Executive explained that numerous developments have been taking place amongst organisations to improve quality systems, and therefore it is the policy view that intervention is not currently required. It also agreed to provide a short paper explaining further the work that is being taken forward to improve quality assessment in the FE sector. The paper received by the Committee:

- Acknowledges the multiple processes of QA and audit within the FE sector
- Outlines the processes and standards which are ‘compulsory’ for all colleges (i.e. review by HMIE/SFEFC, audit by SQMS, accreditation, programme validation and moderation processes by SQA
- Lists the main additional voluntary audit processes that many colleges participate in (e.g. Investors in People, City And Guilds, other quality systems like Chartermark
- Explains that all colleges are subject to other monitoring processes operated by SFEFC.
- Describes the actions taken to reduce the audit burden, for example: setting up a Convergence Steering Group (CSG), common audits, common documentation and mapping of quality frameworks and credit transfer
- Explains the next step, which is expected to be the investigation of possible overlaps between SQA and HMIE processes
**SOURCES**


Scottish Executive, 'A Framework for Higher Education in Scotland', February 2003

Scottish Executive, 'consultation responses', October 2004

Scottish Executive, 'Lifelong Learning Strategy', February 2003

Scottish Executive, 'summary of consultation responses', October 2004

Scottish Executive, 'Tertiary Education (Funding etc.) (Scotland) Bill

Scottish Parliament, Further and Higher Education (Scotland) Bill
[http://www.scottish.parliament.uk/business/bills/billsInProgress/furtherEd.htm](http://www.scottish.parliament.uk/business/bills/billsInProgress/furtherEd.htm), October 2004

Enterprise and Culture Committee

Meeting 2 November 2004

Further and Higher Education (Scotland) Bill:
Scottish Executive Follow-up Evidence

Introduction

Attached is a letter from the Scottish Executive setting out its response to the following three issues which were raised at the Committee meeting on 5 October 2004:

- legal aspects of the provision giving Ministers ability to raise fees for particular courses (section 8);
- the legal position regarding further education colleges and higher education institutions as regards the Public Finance and Accountability (Scotland) Act 2000;
- arrangements to streamline quality assurance in further education.

Recommendation

Members are invited to note the information contained in the attached letter.

Stephen Imrie
Clerk
At the meeting of the Enterprise and Culture Committee on 5 October 2004, during the evidence session on the Further and Higher Education (Scotland) Bill, you asked for further information on three areas:

- To clarify the position on the legal effect of the intention set out in paragraphs 17 and 18 of the Explanatory Note to the Bill as regards Scottish Ministers' ability to set differential fees for different types of courses;
- To clarify the legal position as regards the accountability relationship between accountable officers for further education colleges and higher education institutes in accordance with the provisions of the Public Finance and Accountability (Scotland) Act 2000;
- To provide the Committee with a briefing paper on the arrangements for streamlining the quality assessments, and their effectiveness, in further education.

Please find three annexes attached to this letter, which contain responses to each of these points. If any further information is required on these, or any other aspects of the Bill, please do not hesitate to contact me.

Yours sincerely,

MTS Batho

cc. Stephen Imrie – Committee Clerk.
ANNEX A

To clarify the position on the legal effect of the intention set out in paragraphs 17 and 18 of the Explanatory Note to the Bill as regards Scottish Ministers' ability to set differential fees for different types of courses

1. It is the view of the Executive that courts will have regard to accompanying documents in interpreting legislation and consider them as being authoritative as regards the executive’s view of its effect. But, the Executive believes that the courts do not consider the documents to be in any way authoritative as to Parliament’s views and do not therefore feel obliged to interpret legislation in accordance with statements made in them. This in recognition of the fact that the documents are not endorsed by the Parliament

2. The case of Westminster City Council v National Asylum Support Service [2002] UKHL 38 examined the legal status of accompanying documents. Lord Steyn, in obiter remarks analysing the status of Explanatory Notes which accompanied the Immigration and Asylum Act 1999, makes clear that the courts do not need to establish an ambiguity before taking into account any material which casts light on the objective setting or contextual scene of a statute. The Lords of Appeal, after considering the Explanatory Notes, did not however place any reliance on them in reaching their judgments, but Lord Steyn did go on to assert that—

“if exceptionally there is found in Explanatory Notes a clear assurance by the executive to Parliament about the meaning of a clause, or the circumstances in which a power will or will not be used, that assurance may in principle be admitted against the executive in proceedings in which the executive places a contrary contention before a court. This reflects the actual decision in Pepper v Hart [1993] AC 593. What is impermissible is to treat the wishes and desires of the Government about the scope of the statutory language as reflecting the will of Parliament. The aims of the Government in respect of the meaning of clauses as revealed in Explanatory Notes cannot be attributed to Parliament. The object is to see what is the intention expressed by the words enacted.”

3. Although this represents the Executive’s view on the legal effect of accompanying documents, in the context of the Bill, ultimately a court could decide definitively to what extent it would take accompanying documents into account in any particular situation.

Scottish Executive
October 2004
To clarify the legal position as regards the accountability relationship between accountable officers for further education colleges and higher education institutes in accordance with the provisions of the Public Finance and Accountability (Scotland) Act 2000.

1. Colleges of further education are covered by the accounting and audit provisions of the Public Finance and Accountability (Scotland) Act 2000 (the PFA Act). Their accounts are therefore audited by the Auditor General for Scotland (AGS) and must be laid before the Scottish Parliament. Higher education institutions (HEIs), for the reasons set out below, are not currently subject to the requirements of the PFA Act. They therefore appoint their own auditors and there is no statutory requirement for their accounts to be laid before the Parliament.

2. The following extract from the Policy Memorandum of the PFA explains the rationale for excluding HEIs from the requirements of the PFA Act:

- “FIAG [the Financial Issues Advisory Group] also considered the possibility of bringing other organisations such as local enterprise companies and higher education institutions into line with public audit principles. It did not reach a firm view, as the Group recognised that to make any changes on the myriad of constitutional arrangements affecting these organisations within the time available was unlikely to be practicable. It did however agree that the Auditor General for Scotland and the auditors appointed by him should be granted a right of access to the records of those organisations that depend to a significant extent on money from the Scottish Consolidated Fund. The Bill provides this in section 22.

- “The Executive agrees with FIAG's conclusion that to apply the principles of public audit at this stage to higher education institutions etc would be extremely difficult within the timescales required of the Bill. The Bill does not therefore address this issue but the Executive may consider it in due course.”

3. Under the terms of the PFA Act the Permanent Secretary of the Scottish Executive, in his/her role as the Principal Accountable Officer (PAO) for the Scottish Administration may designate as accountable officer, on a statutory basis, a member of staff of any body the accounts of which are subject to audit by the AGS.

4. However, as local public spending bodies, further education colleges are subject to less control than for example, non-departmental public bodies. The accountability mechanisms reflect the different legal status of the colleges, and make it more appropriate for SFEFC (which has a statutory accountable officer) to require the designation of “accountable officers” by individual colleges.

5. The Accountable Officer of the Councils require both colleges and HEIs to appoint an “accountable officer” for the funds they receive from the Councils, this is a condition within the financial memorandum with each institution. The Councils are currently working to completely revise their financial memoranda with institutions in a move which will see the same basic template being used for all institutions. Although not a direct result of this Bill, this is another example of how the Councils are attempting to create a parity of esteem across both sectors by treating HEIs and colleges in a similar way where it is possible and practical to do so.
Scottish Executive
Enterprise, Transport and Lifelong Learning Department
October 2004
To provide the Committee with a briefing paper on the arrangements for streamlining the quality assessments, and their effectiveness, in further education.

The following briefing paper, provided by the Scottish Further Education Funding Council, describes the work being taken forward to streamline the quality assessment process in the further education sector.

CONVERGENCE OF QUALITY ASSESSMENT IN FE

Background

It has long been recognised that FE colleges are subject to multiple processes of quality assurance and audit. In 1999, the newly created Scottish Further Education Funding Council (SFEFC) ran a consultation exercise on quality, and the issue of audit burden was a key feature in colleges’ responses. As a result, SFEFC, in partnership with the FE sector and relevant agencies, has taken a number of steps to reduce this burden through rationalisation of audit methodology and convergence of quality systems.

Colleges are subject to audit, assessment and monitoring by a range of bodies, each of which is answerable to its own stakeholders and hence has good reason to ensure that its standards and processes are being adhered to. We have drawn a distinction in practice between processes which are ‘compulsory’ for colleges in the course of their normal business and those which are ‘optional’ in which colleges voluntarily participate.

The main ‘compulsory’ processes are:

- Review by Her Majesty’s Inspectorate of Education (HMIE), under contract to SFEFC, which is a condition of grant for SFEFC funding.
- Audit by SQMS (Scottish Quality Management System framework) which is conducted by Babcock Engineering under contract to the Enterprise Networks and overseen by the SQMS Council; this is a condition of contract for all training providers receiving LEC funding for training.
- Institutional accreditation, programme validation and ongoing moderation processes operated by the Scottish Qualifications Authority, as a condition for colleges providing SQA awards.

Many colleges also participate in additional audit processes, the main ones being:

- Investors in People
- Accreditation, validation and moderation by other awarding bodies, the most common being City & Guilds but there are at least 30 other awarding bodies with courses available in one or more Scottish colleges;
- Other quality systems such as Chartermark and European Foundation for Quality Management.

In addition to formal audit processes, all colleges are subject to other monitoring processes operated by SFEFC, including scrutiny of annual planning documents, analysis of financial statements, and surveys of college provision in specific areas such as ICT and staff development.
Actions taken to reduce the audit burden

Convergence steering group

In 2000, SFEFC set up a Convergence Steering Group (SCG) including representation from HMIE, SQA, Scottish Enterprise, Highlands & Islands Enterprise and SQMS Scotland to consider various approaches to reducing the audit burden. This group has taken an overview of the specific actions outlined below.

Common documentation

Between 2000 and 2002 SFEFC supported work by HMIE, SQMS and SQA to consider the documentation required by each audit body. Colleges had reported that different auditors required similar data but presented in distinctive ways. This created a burden for colleges which was hard to justify. As a result of this exercise, the national agencies agreed clearer protocols for required documentation which allowed colleges to make more use of a single set. SFEFC funded groups of colleges to develop and present good practice in this area.

Common audits

The CSG partners piloted two approaches to combined audits. In one model, two or more audits were timetabled to take place simultaneously in volunteer colleges. In practice, this did not lead to reduced burden and proved to be quite stressful. It was also not easy to scale up this model since each agency was working to an existing 3 or 4 year timetable. In the second model, a single team of auditors, including members trained in more than one approach, conducted a combined audit which generated multiple audit reports from a single process. This approach had mixed results; it was highly dependent on the skill set of particular team members and in some cases led to confusion and tension. Nor was it scalable since the skill sets required by each agency were quite different; in particular, few SQMS auditors had the special professional experience associated with HMIE inspectors. We therefore abandoned this approach after the pilots.

Mapping of quality frameworks and credit transfer

SFEFC supported work by HMIE, SQMS and SQA to map the various quality frameworks used by each agency. This identified significant areas of overlap, particularly between HMIE review and the SQMS standards. SQMS already had a process for requesting credit transfer where there was independent evidence that one or more standards had been met. The first result of this was an agreement in the spring of 2002 that colleges which successfully completed an HMIE review could receive credit transfer for 3 out of the 10 SQMS standards.

This approach was further developed throughout 2002. SFEFC commissioned the Scottish Further Education Unit to conduct a detailed analysis of the HMIE and SQMS quality frameworks, which identified a potential for credit transfer for a further 4 SQMS standards. To achieve this, HMIE agreed to modify their review methodology in order to broaden the evidence base. In particular, they included LEC-funded provision within their sample of teaching observations. As a result, successful colleges could then receive credit transfer for 7 SQMS standards.

In 2003, SFEFC made a third application to the SQMS Council. This took account of the wider range of audit and monitoring processes carried out by SFEFC, in addition to HMIE review. As a result, colleges can now receive credit transfer for 9 out of 10 SQMS standards; the exception is Health and Safety, which is not systematically addressed by HMIE or SFEFC; the CSG took the view that monitoring of this standard by SQMS was therefore appropriate.
In parallel with this process, the Enterprise Networks have conducted a review of SQMS and have introduced broader measures to reduce the burden across all training providers, notably by no longer requiring providers to meet the financial costs of audit.

SFEFC conducted a further consultation on quality in 2003, and HMIE are now introducing a revised methodology of review. In the new model, the scope and range of HMIE review is determined by the level of confidence which HMIE have in colleges’ ability to manage quality. Although all colleges will still be subject to systematic and rigorous review, we expect that in many cases this will involve not only less time spent by HMIE in each college, but a shift in focus from quality assurance to the identification and dissemination of good practice. The first reviews under the new method begin in January 2005. We plan to take a paper to the November meeting of the SQMS Council to ensure that this new approach will retain the existing wide range of credit transfer.

Next steps

The CSG next meets in November 2004 and will consider further steps in convergence of quality systems. We expect that the next priority will be to investigate possible overlaps between SQA and HMIE processes, particularly in the area of how colleges safeguard the academic standards of awards. In its revised model, SFEFC is giving greater priority to quality enhancement, and we think there is also scope for collaborative activity between SQA, HMIE and SFEFC on the development of good practice in areas such as moderation, the design of assessments, and student feedback. These ideas will be developed over the next few months.

Scottish Further Education Funding Council
October 2004
Enterprise and Culture Committee

Meeting 2 November 2004

Arts in the Community Inquiry: Case Study Visit to Inverness
13th October 2004

INTRODUCTION

The Committee agreed, in June 2004, that the approach to evidence-taking for the Arts in the Community Inquiry should be innovative. Accordingly three case-study visits have been arranged to Inverness, Cumbernauld and Dundee. This paper relates to the visit to Inverness. The members representing the Committee were:

- Murdo Fraser, MSP
- Jamie Stone, MSP

The aim of the meeting was to explore the relationship between HIE and Highlands Council in supporting the arts, and to consider whether rural networks which may be more established play a role in supporting participation in and attendance at arts events. More generally the visit was intended to gain an understanding of the level of artistic provision at community level in the Highlands and of issues affecting provision specific to rural areas.

Meetings were held with representatives of the following organisations:

- Sonia Rose, Eden Court Theatre
- Caroline MacLeod and Jelica Gavrilovic, Hi-Arts
- Sandy Anderson and Duncan MacInnes, Promoters Art Network
- Rita Hunter, Feisean nan Gaidheal

Members wish to express their gratitude to all the participants who gave their time to meet in Inverness. In particular thanks are due to Robert Livingstone at Hi-Arts for arranging the programme for the day and to Pat Scott of Eden Court Theatre for organising arrangements at Eden Court Theatre.
Sonia Rose – Eden Court Theatre

- The isolation of young people in the Highlands due to lack of transport links, geographical inaccessibility results in difficulty accessing cultural activities.
- Drama is not featured in the Secondary school curriculum whilst Highland has a higher than average number of professional practitioners in the field but a lack of employment opportunities. The partnership between Highland Council and Eden Court Theatre is an attempt to address this. Highland Council provide funding for Eden Court whilst external funding is obtained from a range of organisations and trusts such as the Esmee Fairbairn Foundation. In general the theatre relies on a patchwork of funding sources. In general there is a feeling that whilst we would like to be able to get funding but ‘without having to dance for it’.
- The theatre concentrates on the areas of Inverness, Nairn and the Black Isle. 8 outreach workers are employed including 2 Gaelic outreach workers and 2 dance workers. The theatre works with young people from pre-school age children up to 18 year olds. At present the theatre is the only theatre in Scotland to be delivering dance qualifications up to Higher level.
- The key aims of Eden Court are: 1) Involve Young People; 2) Access 3) Develop Gaelic 4) Target social inclusion areas and children with special needs 5) Developing Pathways.
- A key need in the area is for drama teachers. Drama was seen as an added extra by school boards and due to the high associated costs (e.g. travel etc). Suggested that Devolved School Management of budgets has meant drama is crowded out in schools. The theatre aims to demonstrate that there is a need for provision in schools.
- The theatre aims to find original ways of finding funding. In seeking funding projects get slightly skewed out of shape e.g. have to work out of school hours, focus on certain age groups etc.
- Eden Court obtained 168,000 'attendees' last year with 45% of these coming from a location that is at least a 45 minute drive away.
- There is an issue about lack of recognition for the sector and feels that there is scope for the Parliament to act here. E.g. could provide awards (similar to the Sports Leader Awards – perhaps a Creative Leader Award) which could be awarded by the Parliament.
Caroline MacLeod and Jelica Gavrilovic, Hi-Arts

- Hi-Arts was founded in 1991 and is funded by Highlands and Islands Enterprise and the Scottish Arts Council to deliver a programme of arts development throughout the Highlands and Islands.
- 60 arts festivals are currently held across the Highlands and Islands many of which are local. Hi-Arts has been looking how to market these festivals internationally and in the longer term how to fill gaps in provision. Hi-Arts is considering establishing a Festivals Forum in order to consider these issues as to date the marketing of festivals has been poor.
- Hi-Arts publish an on-line journal which lists arts events in the Highlands. The journal is currently the largest events database in Scotland. However there have been difficulties getting the tourist boards to take the information and distribute it despite the listings being free. Hi-Arts want to make on-line ticketing available and want closer / better co-operation with libraries and tourist boards in order to make this service available.
- Hi-Arts is part of the Highlands Arts Partnership consisting of Hi-Arts, Highland Council, HiE and the Scottish Arts Council. Apart from this organisation Hi-Arts does not have much of a relationship in other areas with Highland Council. Following the decentralisation of Highland Council the arts team in the council has become less coherent.
- Hi-Arts ‘do not really have any relationship with’ the National Companies or the National Institutions whilst the National Organisations don’t really communicate with Hi-Arts. However some of the Central Belt theatre companies do engage with Hi-Arts e.g. TAG theatre company. Hi-Arts work is essentially with the promoters of events themselves.
- Hi-Arts highlighted the role of a project called Arts Play. The project involved 8 to 10 artists training child-care workers and working with children. Funding was obtained from HiE and Esmee Fairbairn Foundation. The project ended in March 2004 however many local child-care partnerships have put in bids and some have been successful. The local authority arts officer only have budgets of around £500 p.a. so Hi-Arts has to look externally for funding. Currently looking at mechanisms enabling projects to continue but the project highlights many of the issues affecting the sector despite the project being evaluated successfully.
Sandy Anderson and Duncan MacInnes, Promoters Art Network

- The Promoters Art Network is a steadily growing network consisting of 85 members, representing 100 venues, based mainly in the Highland Council area.
- Over 1,000 events are promoted p.a. with 70,000 tickets sold averaging 70 tickets per event which is a considerable turnout given the size of population.
- A wide range of events are supported with 33% of events being traditional music events. Events held are very much determined by what performers want to put on and what local communities wish to receive. Activity is not focussed on the tourist market.
- Voluntary promoters (56 of PAN’s 85 members) work an average of 380 hours per annum, drive 300 unclaimed miles, donate £92 of administration costs (phone calls, stationery) and provide a subsidy in total of £2,278 per annum. This results in a total hidden subsidy in the region of £100,000 per annum.
- Key issues of access to events in the Highlands due to a lack of transport, older people won’t go out at night etc. In general people will travel around 40 miles to see an event.
- PAN are considering employing Area Development Officers who would look to promote events / develop audiences in particular areas.
- There is a lack of linkage with Cultural Co-ordinators although some good links as a few were previously PAN members.
- A sense among PAN members of being overburdened with paper work when getting money from the Council or LEC. The sources of money have decreased but the paperwork associated with funding has increased resulting in disillusionment with the bureaucracy associated with obtaining small amounts of money.
- PAN are trying to get back to a position 10 years ago where Highland Council had a full-time Arts Officer and where the Council put resources where there was a gap in activity and where there was not activity being carried out voluntarily.
- At present arts activity is mainly conducted through schools but needs to be a recognition that the community and demand for arts activity is wider than that.
- The issue for the voluntary arts sector is not so much about building capacity as it is about a lack of time to meet existing demands.
- PAN members want information about key issues that will affect them but do not want a training course about an issue such as licensing but rather information or point of contact to tell what they need to do.
Rita Hunter, Feisean nan Gaidheal

- Feisean nan Gaidheal (FnG) has been going 25 years – consists of 9 FnG in the Highlands and quite a few in the Central Belt. FnG is focussed on young people but open to all. Aims are to foster lifelong learning, develop the Gaelic language and communities and foster career development.

- FnG became an independent organisation with a grant from Highland Council and reorganisation of local government did not really impact upon them. Council has always been very supportive / communicative. The Council gives FnG free rent in council facilities for activities which compares favourably with the practice of other local authorities in the Central Belt.

- FnG has started to work within formal education settings. FnG has got the contract for all music tuition in the Highlands within schools.

- Very difficult to target socially excluded children however FnG makes financial assistance available to families on low income and places on residential courses are 50% subsidised.

- Core funding for FnG comes from Highland Council, SAC and HiE.

- Funding for workers is provided over a 3 year period however it is a slog to get money with a considerable amount of paperwork required in order to get money.

- FnG recognise that they could be more commercial in their marketing of native products / talent e.g. arts, crafts. music etc and that there is considerable potential for marketing FnG products particularly to the tourist market. There is a lack of traditional Scottish products on sale in local shops compared to other countries.

- In 1993 FnG started the Ceilidh Trail initiative in which there are performances all Summer taking place in different parts of the country. Visitors love to see young people as musicians operating in their own locale. Project funding comes from HiE and the Lottery. These are the kind of initiatives which need to be developed and via which the young people can be drawn upon as cultural ambassadors.

- Needs to be a change in attitude towards traditional music as currently there is an ignorance or disdain for traditional music whereas Ireland says that ‘we’ve got traditional music and its great. Scotland says we’ve got traditional music and we hide it’. A question of raising the profile / education of attitudes towards traditional music.

Stephen Herbert
Senior Research Specialist
SPICe
Enterprise and Culture Committee

Meeting 2 November 2004

Arts in the Community Inquiry: Overview of Written Evidence

Purpose

The purpose of this report is to provide an overview of the written evidence received as part of the evidence gathering process for the Arts in the Community Inquiry, in order to assist the Committee in finalising the Committee’s Report. This paper does not provide a comprehensive overview of the evidence received but rather draws out broad themes evident from the written evidence received.

The Committee’s remit for the Inquiry is:

“To investigate the funding, organisation and policies relevant to community arts in the context of the overall strategy for the arts in Scotland”.

Underlying the remit are a series of questions and this paper structures the written evidence against these questions. These are:

1. What are community arts delivering now?
2. What are the benefits and potential benefits of community arts?
3. Who is involved in community arts? Including:
   - to what extent is support for the community arts sector derived from the private and voluntary sectors?
   - Are there some sectors / groups in society that have a greater degree of access to, or involvement, in community arts?
4. What actions are required to ensure that the benefits arising from community arts across a range of spheres (such as employability, community cohesion and the therapeutic benefits of arts in health and in particular mental health) are fully realised?
5. What barriers are there to securing full benefit for investment in community arts, and how can these be overcome?

In total 58 written submissions were received with the submissions received breaking down as follows:

- Arts Organisations – 27 (46.6%)
- Local Authorities (incl. umbrella bodies) – 7 (12.1%)
- Arts Umbrella Organisations – 5 (8.6%)
- Private Sector Organisations – 1 (1.6%)
- Individuals – 7 (12.1%)
- Other Organisations – 11 (19.0%)
A noticeable feature of the evidence received was the extent to which common themes were evident within the written evidence. The table below provides an overview of the evidence against the five questions outlined above.

**Recommendation**

Members are invited to consider the attached information with a view to identifying issues for inclusion in a draft report.

Stephen Herbert  
Senior Research Specialist  
SPICe
### What are Community Arts Delivering Now?

The range of responses from individual arts organisations detailing the activity which the organisations provide indicated the diversity of provision with regard to art in the community. Provision ranged from projects providing art in hospital, artistic provision for young people, people with disabilities, mental health problems, socially excluded groups etc. Alternatively evidence was received from groups targeting specific geographical areas purely in order to widen the range of artistic opportunities available or on communities, such as Gaelic.

Voluntary Arts Scotland highlighted research indicating that an estimated 2 million people in Scotland participate in the arts and crafts across 9,400 organisations with 263,400 volunteers providing support to these organisations. The research suggested that ‘52% of organisations are working in the Performing Arts field, 24% in Visual Arts, 20% in Craft and 12% in Literature and in Cross-Form. Grey Coast Theatre summed up the tenor of many submissions when commenting: ‘All art delivers joy, enlightenment, change. Whether organisations are professional, community based or strictly amateur, aspects of these three criteria are at work when any kind of artistic coming together takes place. .... More attention needs to be given to the actual arts producers, the communities they work in, the effect that they have on each other and the greater world than the implementation of some ‘development’ from either local or central government’.
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| What are the benefits and potential benefits of community arts? | Again an extensive range of benefits were detailed by respondents concerning the benefits of community art. Whilst some of the benefits cited were on occasion specific to the individual project concerned a considerable range of generic benefits were highlighted. Broadly these broke down into two categories: 1) benefits to the individual; 2) benefits to the wider community / society. The spread of benefits associated with community arts was reflected in evidence from Glasgow City Council who commented:  
‘There is perhaps a continuum of benefits to Community Arts. Beginning with the confidence and self esteem of the individual who recognises him or herself as a creative person, to the creative powerhouse of a truly cohesive group and on to the fact that members of a community can feel safer walking the streets’.  
However a few respondents did highlight that there was a lack of reliable and robust information concerning the benefits of community arts. For example, Arts in Health Activity commented on this issue in the following terms:  
‘There is not a lot of reliable evidence on the effects of arts and health projects on mental health, social exclusion and civic participation due to a failure to specify aims and expected outcomes of projects. The situation is exacerbated by a mismatch between the expectations of practitioners involved in projects and commissioners. In the worst case scenario, practitioners might see their role as quasi-political agitators, and providers might want a quick fix for community unrest. In order to make progress in the search for evidence, it is essential that all parties clarify their intentions, assumptions and requirements’. |
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| **Benefits to the Individual** | As noted above a considerable range of individual benefits were highlighted by respondents and whilst some of these were specific to the nature of individual projects there was a considerable degree of overlap in the type of benefits being attributed to artistic activity. The submission from SPARC Community Arts was typical of many of the responses received in terms of the benefits highlighted. These were as follows:  
  - Increased self-confidence  
  - Increased self belief  
  - Increased self expression  
  - Increased physical fitness  
  - Increased social interaction  
  - Increased intergenerational interaction  
  - Increased employability – transferable skills, multi-tasking etc  
  - Increased skills up-take  
  - Increased knowledge of other cultures and local cultures and heritage  
  - Fun and enjoyment  
Commenting on the experience of children participating in the arts at community level, Children’s Classic Concerts commented highlighted ‘exposure to new experiences, exposure to excellence, entertainment and education’ as key benefits for children. |
Wider Benefits

As with individual benefits, an extensive range of social or community benefits were highlighted by respondents. West Dunbartonshire Council were typical in highlighting the following:

- Enrich a community’s positive development
- Strengthen area’s cultural life
- Increase civic pride and active involvement in the community
- Capacity to make a positive contribution to health issues and to the social support of marginalised and vulnerable people
- Volunteer opportunities and opportunities to develop new skills and confidence
- Contribution to the physical regeneration of an area
- Community arts can touch people’s creative and transferable skills and human growth, as well as their social lives through friendships, involvement in the community and active participation
- Individual benefits translate into wider social impact by building the confidence of minority and marginalised groups, promoting contact and contributing to social cohesion

The Bank of Scotland noted that communities with a vibrant arts scene also tended to have higher levels of entrepreneurial activity. Highlands and Islands Enterprise emphasised the economic impact of cultural activity at community level particularly with regard to tourism. HIE also highlighted a range of wider benefits including:

- Fostering participation within communities – an essential element in the key objective of strengthening communities
- Creating or reinforcing cultural identity – providing diversity in an increasingly globalised or homogenous world
- Stimulating commercial development – through individuals and groups gaining experience and moving towards professional status in music, drama, visual art and other art forms, and new businesses and organisations that provide employment becoming established on a viable basis

Comunn Na Gaidhlic (CnG) indicated that there were benefits in terms of local governance arising from local provision of community art. CnG commented:

‘Community arts can create and strengthen practical working partnerships in arts and cultural matters. It promotes good practice and creates opportunities for artists and cultural organisations to make and present work within the community. Voluntary input provides leverage for public assistance without which the vast majority of community arts events would not be able to proceed’.
**Who is involved in community arts?**

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<td>Support from the Private / Voluntary Sector</td>
<td>The vast majority of respondents indicated that support for art in the community was derived primarily from the Scottish Arts Council, local authorities, lottery funding, and the voluntary sector. Evidence cited above from Voluntary Arts Scotland has detailed that voluntary support is key to the ability of the sector to deliver, in particular through the actions of volunteers providing unpaid, in-kind support. Respondents tended to suggest that private sector assistance tended to be limited, attached to specific projects and often one-off. For example, Aberdeen City Council commented: ‘Support for the community arts sector comes from a variety of sectors including private, voluntary and local authority. Private sector support tends to be one-off high profile project nature rather than infrastructure. Voluntary groups can struggle to achieve long-term settled funding, project-based funding is available but can lead to volatility’. Alternatively, the Tri-Partite Organisation commented: ‘The private sector is not really inclined to support the arts in the community, with the exception of a little financial support now and again when the company can get a little advertising out of it. More effort should be made to show the private sector the benefits that could be gained through supporting the arts’. Lastly the Bank of Scotland, as the only private sector respondent to provide written evidence, commented on their role as follows: ‘Bank of Scotland seeks to work with partners whose own values are aligned with those of our brand. This means working with organisations at a Scotland-wide level and those with the ability to reach out to the national community. Many of our peers in the financial services industry also support the arts in different ways. The range of organisations delivering community arts is wide and varied in all respects. As a national company we tend to partners operating on a similar basis but we are also aware of the work being carried out at regional and local levels in Scottish society. Our arts sponsorship offers us opportunities to engage key Bank of Scotland stakeholders including customers, colleagues and their families, Members of the Scottish and UK Parliaments and the media so they can see for themselves what our support is helping to deliver in the arts in Scotland’.</td>
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<td>Access / Involvement in Community Arts</td>
<td>There was a considerable degree of unanimity in terms of the groups highlighted as being likely to have least access to community art. Typically respondents mentioned young people, socially excluded groups and ethnic minorities. However many respondents highlighted projects specifically designed to attract groups such as young people resulting in such groups tending to have provision distinct from that of the whole community. In addition the difficulties experienced by people living in rural and remote areas was also highlighted by a number of respondents.</td>
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<td>Actions required to ensure that the benefits of activity are fully realised?</td>
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Again a wide variety of actions were highlighted by respondents as being required in order to ensure that the benefits of art in the community activity would be fully realised with a number of common themes being evident. Some of the most frequent actions proposed by respondents were:

- The need for sustainable, long term funding for organisations
- Greater recognition of the role and benefits arising from art in the community activity
- Promotion of skills development / of a career structure / professional qualifications
- The establishment of evaluation methods which reflect the nature of the work taking place rather than acting as a barrier to activity
- A greater degree of commitment from public sector agencies to local artistic provision
- A greater degree of integration of culture into other policy spheres such as education, health, social work etc
- Enabling projects to respond to local needs / context as opposed to having to change nature of projects in order to meet national priorities and thereby obtain funding

Voluntary Arts Scotland emphasised the need to build the capacity of national infrastructure bodies in the sector. West Lothian Voluntary Arts Sector (WLVAS) highlighted that outlined the result of research they had commissioned into activity in their area and the considerable scope to encourage collaborative working between groups and increased networking. WLVAS commented that: ‘Those who do come together do so mainly for performances and sharing premises and equipment. Small organisations are most likely to benefit from combining resources where appropriate, and greater collaborative working is likely to extend the horizons and capabilities of the participants’.

West Dunbartonshire Council suggested the ‘establishment of arts / cultural provision as a statutory obligation for local authorities reflecting both the ‘cultural rights’ of the individual and impact on other statutory requirements’.
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| **Actions required to ensure that the benefits of activity are fully realised? (cont)** | VOCAL outlined a series of actions which would ensure that cultural and leisure services make a positive contribution to local communities. These included:  
- Local government should be developing a clear policy framework for cultural and leisure services through Community Planning, Cultural Strategies and their Best Value Review programmes  
- Local authorities should be developing effective performance monitoring and evaluation for cultural and leisure services  
- Local authorities should consider the potential benefits of adopting an integrated approach to the delivery of cultural and leisure services  
There is sufficient evidence of a relative decline in investment in and status of cultural and leisure services to consider a formal review of such services |
What barriers are there to securing full benefit from investment in Community Arts?

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<td>Many of the barriers to securing full benefit from activity relate to the actions outlined above. Once again there was a considerable degree of unanimity amongst respondents regarding the barriers to effective activity. The two most commonly cited barriers were:</td>
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<td>1. A lack of financial investment and in particular a lack of longer-term investment and/or of funding which was not specific to a particular project</td>
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<td>2. A lack of recognition of the role of the sector/a perception that community art was seen as ‘a poor relation’/a lack of understanding of the contribution of the sector amongst other partners</td>
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<td>Other barriers were commonly cited included:</td>
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<td>• A lack of recognition of the in-kind contribution made by volunteers</td>
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<td>• A lack of decent facilities/venues</td>
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<td>• A tension between ‘user led creativity’ as opposed to directed work</td>
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<td>• Lack of strategic planning in relation to provision in the community art sector</td>
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<td>• Complex funding processes</td>
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<td>• Evaluation procedures which do not reflect the nature of the activity being undertaken</td>
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<td>• Lack of advice on financial management, fundraising, publicity etc</td>
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<td>VOCAL highlighted that cuts and rationalisation since local government reorganisation have had a detrimental impact on infrastructure. They state that: ‘This relative decline in the status and influence of cultural and leisure services (and reductions in revenue and capital budgets) clearly reduce the contribution which the services can make to the Community Planning process – to the detriment of both Community Planning and the quality of community life.’</td>
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Enterprise and Culture Committee

Meeting 2 November 2004

Arts in the Community Inquiry: Notes of Informal Meetings

Introduction

This paper provides members with short notes of three informal meetings held as part of the Arts in the Community Inquiry.

Recommendation

Members are invited to consider the notes with a view to identifying issues for inclusion in a draft report.

Alex Neil
Convener
Enterprise and Culture Committee
Arts in the Community Inquiry

Note of event held at Craigmillar Community Arts Centre, 14 September 2004

BACKGROUND

Members of the Enterprise and Culture Committee visited Craigmillar Community Arts Centre on 14 September 2004. Members saw and heard art works from local people and from people based at Wester Hailes Arts and Leisure for Education and North Edinburgh Arts. The purpose of the session was for members to meet people who participate in arts in their community, to find out how and why they had become involved, and the hear about the effects their participation had on their lives.

FINDINGS

Funding

- Funding is the problem
- annual struggle for funding
- more partnership working
- lack of awareness of funding
- too many too small funding opportunities
- lack of recognition from the centre as to the benefits of arts in the community (or at least lack of funding)
- lack of fit between public sector accountability and ability to be creative with funds/expression
- lack of secure funding affects ability to plan and develop
- lack of funding for locally-based and provided courses

Networking/infrastructure

- teaching support needed
- administrative support needed
- buildings very important focus for activity
- good links with local educational institutions lead to personal development opportunities, broadening horizons, raising aspirations
- good to employ professional artists to share experiences (also sometimes to help with funding)
- bringing the wider world into the community – festival provides opportunities for local people without finance/confidence to interact with professionals from other areas
- need to be aware of local government processes, agendas, politics
- need to ensure real community involvement and not endless reviews and lip-service ‘consultations’
essential to capture knowledge and experience of established participants/practitioners to share/pass it on to others (guidance and good practice)
facilities are needed where communities are – communities shouldn’t be directed to where faculties are
need recognition that community arts can often be the only provider of essential support services, particularly for women – essential that this is recognised and that other services can link in

Benefits

- Tranquillisers, no longer needed
- confidence
- small business ventures promoted
- links with public sector eg selling cards in local hospital, and private sector eg Christmas fair at local shopping centre
- quality of life enjoyed by those who lack resources, skills, knowledge, experience or confidence.
- developing a sense of community by mixing ages – community school allows young people and older people to mix in a way they wouldn’t necessarily do outside
- fulfilling ambitions (eg from childhood or school)
- structured learning in a friendly local setting
- transforming lives (former alcoholic now a nurse)
- healing past traumas
- sense of purpose
- opportunity to give back to others
- communication skills
- political awareness, community building
- specific benefit of improving health
- developing potential
- caring community environment
- making contact with other people – combating isolation
- Festival society acts as catalyst for local talent, leading to career opportunities eg cameraman for STV
- community arts had provided a whole host of benefits for the young of Craigmillar. In an area of high unemployment, low social facilities, poverty and deprivation community arts has provided a vital network for the development of young adults. It has helped with developing confidence and fostering talent. It has helped to provided a positive peer environment and also to develop communication and understanding between the generations.
- powerful potential for arts in the community to bridge gaps and reintegrate communities
Access

- 2-96 in one area
- welcoming atmosphere
- local media links
- relaxed and friendly atmosphere
- initially asked along to make tea ‘but before you know it you are on stage’
- lack of finance means lack of access to services
- particular benefit for women – single parents, carers etc – opportunities to explore issues eg domestic violence
- makes up for failure of schools to engage young people
- nurture community spirit, don’t crush it
- need to open up local government – perception of ‘set, secret agendas’ and lack of understanding of processes, lack of transparency, feeds political apathy
- Investigate the ‘Communiversity’ scheme as a model of development, learning and supports for community arts
Enterprise and Culture Committee

Arts in the Community Inquiry

Note of event held at Holyrood, 28 September 2004

BACKGROUND

Members of the Enterprise and Culture Committee met people involved in funding arts in the Community in Holyrood on 28 September 2004. Members and invitees participated in an informal, round-table discussion. The purpose of the session was for members to meet people who fund arts in the community, to hear about how funding links in practice, and how funding can effectively be maximised.

FINDINGS

Links

- potential to increase funding for arts in the community by, for example, focusing on existing donors to other types of arts projects
- need to better disseminate good practice in fundraising, and in creating strong projects which develop over time
- potential for sharing professional capacity, for example in marketing successes to lever in funding from the private sector
- recognition that there is huge demand for arts activities at the local level, although it is not a statutory duty on local authorities. Gives force to the argument for ensuring that arts are at the heart of community planning
- essential that publicly-funded facilities, eg schools, are accessible to the community (whilst recognising the balancing need for security)
- community governance and well-being is developing, and could provide a route for the promotion of arts and the impact of arts at a local level
- recognition of importance of voluntary sector in local areas, and need to develop effective links with the public and private sectors to create maximum benefit, and to develop shared communities

Barriers

- geographical barriers are important, particularly in rural areas (although also in areas of deprivation, where travel tends to be relatively limited)
- sense that public subsidy for arts has an impact on private giving – contrast with, for example, USA, where there is very little public subsidy but a long tradition of private giving
- lack of awareness (among decision-makers) of the wider benefits of arts, for example community safety. Potential to exploit some of these benefits to increase private sector funding/sponsorship
- difficulty of providing hard measures of success, and lack of development of suitable soft measures
- lack of professional expertise on, for example, marketing within the sector. Private sector funders are often looking for easy wins, and providing them with these will make funding more likely. There is a capacity gap in knowing how to exploit a project in such a way that a sponsor can engage in mutual benefit
- there are tensions between local authorities and national companies – there is a need for more dialogue
- need to overcome ‘departmentalism’ at local and national levels

**Funding**

- cultural activities should be better marketed as sponsorship opportunities, both for companies and private individuals (‘arts have real potential – no-one’s going to sponsor bin-collection, after all’). Could consider establishment of, for example, ‘National Endowment for Arts in the Community’
- although there are models of funding good practice, in general there is a lack of co-ordination
- strong sense that project funding needs to be balanced against stability, to avoid boom-bust cycles
- potential for establishment of fund to support professional capacity development (for example, to enable voluntary organisations to access professional marketing assistance)
Enterprise and Culture Committee
Arts in the Community Inquiry
Note of event held at Holyrood, 21 September 2004

BACKGROUND

Members of the Enterprise and Culture Committee met practitioners and facilitators of arts in the Community in Holyrood on 21 September 2004. Members and invitees participated in an informal, round-table discussion. The purpose of the session was for members to meet people who organise arts in their community, from the public, private and voluntary sectors, to hear about the issues they face in their work.

FINDINGS

Measuring and evaluating outputs

- need to find new ways of measuring ‘the smile on the faces’
- current system too bureaucratic and sometimes counter-productive (‘You feel like a bouncer, making people fill out forms!’)
- real need for qualitative measures of success
- need to recognise arts as a catalyst for success in a range of areas
- need to recognise that outcomes are unpredictable, and can be much wider than those originally intended
- essential that access to arts is access to excellent arts (‘people must be inspired by and aspire to the very best’), balanced by recognition that often, participation and the process provide very real benefits to individuals and the community

Network and infrastructure support

- potential for regional/local links, involving voluntary, public and private organisations. Real potential for benefit to voluntary sector in gaining access to professional expertise, and to public and private organisations in gaining access to established networks and dedicated participants in a huge range of arts activities in local areas.
- potential for sharing eg fundraising expertise between such regional or local partnerships
- recognition that support can be available from other people working in the arts as well as government agencies
- need for sharing and development of best practice – what works, what doesn’t (although also a recognition that there will never be a ‘one-size fits all’ approach)
- need for arts to be included ‘at the centre’; better recognition that a healthy arts sector is essential to healthy lives and communities. In particular, need to put arts at the heart of community planning.
Funding

- need for balance between flexibility to promote innovation and stability to enable longer-term development. Currently the balance is skewed towards small-scale, short-term project funding, which has detrimental effects on participant and practitioner motivation and morale.
- need to have exit/continuation/development strategies from an early stage in project development.
- project funding has to have better links to mainstream funding. Also a need for recognition that, if projects are successful, the mainstream will have to grow to accommodate success
- potential for community demand to better drive funding, rather than projects determined by the centre
- need for recognition that small amounts of arts funding can have major financial benefits for communities (for example, the establishment of a late-night club for young people in Lossiemouth led to a saving of £12,000 in vandalism repairs)
Enterprise and Culture Committee  
Meeting 2 November 2004  

Renewable Energy Inquiry: Delegated Authority Report

Introduction

Standing Orders Rule 12.4.3 states that:

*The committee shall arrange for the Parliamentary corporation to pay to persons whom it requires, and may arrange for the Parliamentary corporation to pay to persons whom it invites to attend its proceedings to give evidence or to produce any documents, such allowances and expenses as may be determined by the Parliament.*

Delegation of Authority

At its meeting on 3 February 2004 the Enterprise and Culture Committee delegated authority to the Convener of the Committee to consider and approve claims for witness expenses received by the Committee as part of the Renewable Energy inquiry.

Claims Received and Paid

As part of this inquiry the Committee held 8 oral evidence taking sessions between January and March 2004. During these sessions the Committee received oral evidence from a total of 50 witnesses.

As a result of these oral evidence sessions the Committee received 4 claims for expenses from witnesses under the Parliament’s witness expenses scheme.

All of these claims fell within the rules specified by the Parliament for the payment of witness expenses and, accordingly, these claims were authorised for payment by the Convener.

These claims came to a total of £911.69.

Stephen Imrie  
Clerk