

Response to the Draft Energy Strategy and Just Transition Plan – May 2023

Introduction

Colleges Scotland is the collective voice for the college sector in Scotland, representing its interests and ensuring that colleges are at the heart of a word class education sector that is recognised, valued and available to all. As the membership body, Colleges Scotland represents all 26 colleges, which deliver both further education and 24% of the provision of all higher education in Scotland.

The college sector is supportive of the Scottish Government's ambition within this Draft Energy Strategy and Just Transition Plan of becoming a net zero economy by 2045. However, it is concerning that colleges are only briefly mentioned within the whole document. If the net zero target is to be reached then it will be colleges who will deliver a significant proportion of the training, upskilling, and reskilling of the workforce required to get to that goal.

The college sector's <u>Statement of Ambition</u> commits the sector to being 'a key partner in delivering Scotland's inclusive and environmentally sustainable economic growth', with colleges across Scotland having also signed up to the United Nations Sustainable Development Goals. Since the launch of the Climate Commission for UK Higher and Further Education, Colleges Scotland has represented the college sector in Scotland in discussions and been involved in the development of an <u>action plan</u> by College Development Network in response to the climate emergency. Colleges across Scotland have also been involved in the development and delivery of the Skills Development Scotland Climate Emergency Skills Action Plan 2020-2025.

Separate to this work, Energy Skills Partnership (ESP), the college sector membership body for energy, engineering and construction, which is a collaboration of Scotland's colleges and industry partners, is acting as a key strategic body in increasing Scotland's capability and capacity to deliver the right skills for the construction, energy, engineering and STEM sectors to meet industry demand against emerging skills priorities stemming from the Climate Emergency, Just Transition and move to Net-Zero.

On behalf of the college sector in Scotland we welcome the opportunity to provide our views regarding the Scotlish Government's proposals for the Draft Energy Strategy and Just Transition Plan.

Keys Points on Specific Consultation Questions (using your numbering)

1. What are your views on the vision set out for 2030 and 2045? Are there any changes you think should be made?

Colleges support the vision to reach net zero by 2045 but there is concern that the target for 2030 is perhaps unrealistic with the current level of provision given to colleges. Colleges have the potential to reach net zero, however all will require additional investment in their infrastructure to undertake and deliver the low-carbon objectives contained within the Draft Energy Strategy.

Work undertaken by ESP highlights the continued efforts required by the college sector to enable a full range of the emerging green technology skills to be taught, with the associated financial provision needed by the colleges.

We would welcome further strategic dialogue with Scottish Government on how this could be addressed and delivered, building on previous engagement with the Minister for Green Skills, Circular Economy and Biodiversity, Lorna Slater MSP, in early 2023.

3. How can we ensure our approach to supporting community energy is inclusive and that the benefits flow to communities across Scotland?

Communities

The sector recognises the efforts to ensure benefits flow to communities, as established within the report, yet further engagement with colleges and recognition of the importance of their work is required. Acknowledgement of the vital work that colleges do within their regions and communities would enable further and substantial connection to local communities and their efforts to meet net zero.

Businesses

Colleges are uniquely placed to support businesses and in particular SMEs across Scotland in their approach to reaching their low-carbon targets. They can do this whilst driving regional economic development and maximising the opportunities for learners, as well as those in work, to develop their skills as part of these changes. Furthermore, colleges can create learner pathways for those from the most deprived areas of Scotland which can also contribute towards the Just Transition.

4. What barriers, if any, do you/your organisation experience in accessing finance to deliver net zero compatible investments?

College Sector Infrastructure

As public sector institutions, colleges are required to decarbonise by 2038 and be net zero emissions by 2045. Significant and sustained investment into the college sector is required to meet these future targets, and reshape and reduce the carbon footprint of institutions through refurbishments, reuse and collaborations across the education sector and business. The current state of public sector finances presents a major barrier to the ability of colleges to access funding to deliver on their net zero target.

Investment in college sector infrastructure from the Scottish Government will not only help deliver positive outcomes in terms of providing college estates suitable for the delivery of learning and teaching, but also bring wider benefits around upskilling and reskilling and assisting in achieving the outcomes of the National Performance Framework. This investment would also create further opportunities for the college sector to play its part in the Scottish Government's plan to transition to net zero emissions and environmental sustainability.

Green Skills Delivery

The sector welcomes the funding given to North East Scotland College as part of the Advanced Manufacturing Skills Hub. However, colleges across Scotland can help to develop and build upon existing knowledge, partnerships, and infrastructure to contribute significantly to creating a net zero economy. On that basis we would welcome the implementation of greater diversification of this funding to ensure delivery in the North East is matched across the rest of the country.

7. What more can be done to support the development of sustainable, high quality and local jobs opportunities across the breadth of Scotland as part of the energy transition?

Colleges are a key delivery partner for the workforce who construct and maintain infrastructure across Scotland, delivering high-quality technical education courses to provide workers with the skills that are required for them to hold successful careers in infrastructure related roles. There is a significant opportunity for the college sector to upskill and reskill the workforce to equip it with the future green skills necessary to reach net zero by 2045.

Under the title of 'Developing a multi-skilled green workforce...' there is no mention of colleges, or indeed any educational institution which would facilitate the reskilling required – this has to be remedied in future versions of the Energy Strategy and Just Transition Plan.

Colleges already work in partnership with the biggest companies in Scotland, furthermore they also engage with SMEs in their local areas – these are bilateral relationships which benefit both in different ways. These partnerships can be enriched through the lens of Just Transition, by embracing new green technologies and innovations that are developed through partnerships between colleges and businesses.

There is significant emphasis on developments in decarbonisation in the North East, which is understandable given its reliance on the oil and gas industry. However, the example given of Grangemouth and its similar aims to decarbonise make no mention of the links to Forth Valley College which have been an essential part of the regions ability to upskill and reskill the workforce which will be vital for accelerating the route to net zero.

8. What further advice or support is required to help individuals of all ages and, in particular, individuals who are currently under-represented in the industry enter into or progress in green energy jobs?

Through the development of the <u>Career Review</u>, Colleges Scotland has been consistent in advising the Scottish Government of the unique requirements and opportunities of the college sector to provide Careers Information Action and Guidance (CIAG) support for all learners, and not just young learners, as part of a wider lifelong learning approach. These opportunities are particularly crucial to signpost the future green energy workforce and maintain and develop the future skills pipeline.

By way of providing context, 39% of college students are aged between 16-24 and in 2019-20, one fifth (20.9%) of 18–19-year-olds in the Scottish population attended college full-time. Colleges deliver over 70 million hours of learning, of which 6% is for Under 16s and 63% for 16-24-year-olds, with college also being the most popular destination for those from the lowest socio-economic backgrounds with 37% of school leavers moving into further education. The provision of an enhanced CIAG offer in the college sector holds the potential of enabling these individuals, who may well be under-represented in the industry, to access and progress into green energy jobs.

Equity of access to quality CIAG provision for these learners is required, in addition to adult learners and those returning to education from the workforce to ensure we are not just focused on the target groups of students and young people as per the Career Review, and to further ensure accessible and recognised learner pathways into the industry are delivered.

It is vital that different types of CIAG provision are in place for the different learner audiences served by the college sector, over and above the support given to young people, including for groups such as returners from the existing workforce. To deliver this person-centred focus the key role of college staff with industry experience has to be considered, and in enabling them to use this experience inform, advise and guide learners on their learning journeys.

Chapter 3 – Energy Supply

For Scotland to be a renewable powerhouse and facilitate the sustainable delivery of energy supply in various forms, and as per the ambitions established in the consultation document, the Scottish Government has to be aware of the significant risk of potential missed investment and missed opportunities, with Scotland not maximising its economic potential in areas such as green technologies.

The information below starts to set out the scale of just some of the potential technology opportunities that would be missed if adequate investment in the college sector to allow provision of the required high level technical skilled workforce is not delivered by Scottish Government. Failure to do so will impact on the delivery of the future energy supply.

- Offshore wind industry projected investment requirements of £6.3bn per year between 2021 and 2035, totalling £95bn, is predicated on the requirement for 40,000 jobs over and above those for which there is current capacity. The majority of these roles would be supported by college programmes, and therefore without adequate investment in the college sector starting now, this investment potential is at significant risk, with huge losses to Scotland's economy and future potential in this work area. This is based on 30GW of output for offshore, with an additional 10GW planned for onshore wind generation.
- Hydrogen Scottish Government itself has projected that the hydrogen economy could support between 10,000 – 40,000 jobs by 2045, again with the majority at a skills level that would be supported through colleges.
- Transport infrastructure it is projected that £9bn investment by 2026 is planned in Scotland, requiring over 25,000 skilled workforce to replace those expected to retire or leave the industry in the next five years. The new workforce required will be on top of this amount.
- Energy Efficiency Low Carbon Heat £33bn investment retired across Scotland's homes to
 meet Net Zero by 2045. By 2030, it is estimated that overall, 28,000 jobs could be created by
 the shift towards low carbon heating, with net additional jobs of 16,400. In addition to the above,
 there are workforce requirements in carbon capture and storage, heat networks and Advanced
 Manufacture, as well as in existing job training requirements across energy, engineering and
 construction.

43. What, if any, additional action could be taken to deliver the vision and ensure Scotland captures maximum social, economic and environmental benefits from the transition?

Going forward colleges across Scotland will continue to help Scottish workers, and Scottish apprentices, to keep pace with technological, environmental and labour market changes, to increase workforce and business resilience to future disruption and deliver transitions to net-zero, low-carbon inclusive format in response to the Climate Emergency.

Colleges are ideally placed to support organisations across Scotland to rebuild businesses and their confidence and they can do this with the net zero targets in mind, whilst creating opportunities to develop resource efficient, inclusive, and sustainable economic approaches, which help address inequality and poverty.

Given the college sector's extensive networks and unique reach to SMEs, colleges have a key role to play in supporting net-zero related innovation activity in these businesses, whilst driving regional economic developments and recoveries focused around moving towards a net zero economy and simultaneously maximising the opportunities for workers to develop their skills as part of these changes.

46. Is there any further action that we, or other organisations (please specify), can take to protect those on lower incomes or at risk of fuel poverty from any negative cost impact as a result of the net zero transition?

Please see our response to question 47 below.

47. Is there further action we can take to ensure the strategy best supports the development of more opportunities for young people?

Colleges are uniquely placed to support those from the most deprived areas of Scotland by providing opportunities to enter the workforce. Colleges would welcome access to the Just Transition Fund to facilitate more inclusive action like this.

The college sector has the ability to drive and facilitate actions and interventions to create safe spaces and support learners. Colleges, working in partnership as part of multi-agency approaches, are actively mitigating the impact of poverty in all of its forms on students and communities and creating far reaching opportunities for students.

For young people, college is the most popular destination for those from the lowest socio-economic backgrounds – 38% of school leavers from SMID20 move into further education – compared to a figure of 28% of school leavers overall. There has to be a college place waiting for them when they make that choice. Colleges also provide that effective pathway for adults to give them a route to a brighter future out of poverty and to gain a green qualification which along with contributing towards the government's net zero aims, can in more immediate terms increase their household income.

Through supporting transitions for students and developing sustainable pathways for individuals out of poverty, colleges are delivering on the Scottish Government pledge to facilitate 'material improvements in the lives and wellbeing of families across Scotland'.

49. What are your views on the draft Just Transition outcomes for the Energy Strategy and Just Transition Plan?

The college sector welcomes the aims of the outcomes and the focus on more jobs and access to those jobs. The sector can also support the *Community and Places* aims, as they are able to support community empowerment and supporting regions and communities most at risk by reaching those in deprived areas across Scotland.

With that said, there needs to be a concerted effort from the Scottish Government to demonstrably recognise colleges, as custodians of skills in Scotland, as one of the most vital components of skills and workforce creation. As stated above, the sector welcomes funding that has gone to North East College to help with the reskilling and retraining of a region in transformation away from reliance on oil and gas, but further funding is required across the whole of the sector to realise the Just Transitions low carbon aims.

Colleges Scotland May 2023