

UK Government Funding in the College Sector – College Sector Response – April 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 world class education sector that is recognised, valued and available to all. Colleges Scotland, as the membership body, represents all 26 colleges in Scotland, which deliver both further education and around 26% of the provision of all higher education in Scotland.

The UK Government is using a Levelling Up Fund (LUF) and Shared Prosperity Fund (SPF) in Scotland and *‘investing more than £2.2 billion in projects that will empower local communities, drive innovation, improve economic dynamism and create opportunities.’* These funding streams, which are a replacement for European Union (EU) funding, have the potential to add much needed financial support to colleges and their surrounding regions.

Colleges Scotland asked the sector to respond and describe their involvement with these funds and how institutions found their experiences engaging with them.

Key Points

Involvement with Local Authorities

The majority of colleges work closely with their local authorities and many had initial meetings concerning the Shared Prosperity Fund. The focus of college interactions with these funds has been primarily through the SPF, with the ‘Multiply’ element being the biggest factor. Multiply focuses on numeracy skills, and these are being put in place across the next two and three academic years. Six colleges all stated that the Multiply was their biggest interaction with the SPF.

It is evident that there was engagement with most institutions, however three colleges all stated that they had no contact with local authorities or government concerning either SPF or LUF. Other colleges were concerned that although they were fully engaged with their local authorities regarding the funding streams they were unable to identify as to what capacity this was.

Concern was expressed that there was a lack of transparency over the rationale for selection of some projects over others.

College Sector Role in SPF Local Partnership Groups

Colleges work closely with their local authorities; being involved in their networks and partnerships and this seems to be reflected as part of the SPF. Most colleges state that they are involved in discussions surrounding this funding stream. One college explained that they were on key local partnership groups that determine SPF delivery including the Regional Economic Partnership, the Local Employability Forum, the Economic Development Group, the Strategic Community Planning groups, the Regional Enterprise Council and HE/FE Group for ESECRD.

There was concern that although they are involved in talks involving SPF, colleges lack the agency in informing and shaping the proposals from each area both strategically and operationally, despite most colleges being closely connected to their Local Employability Partnership.

College Engagement in Delivery of LUF Projects

There has been almost no engagement with colleges regarding the LUF, with the exception of one institution reporting delivery on numeracy of 19+ without a Level two numeracy qualification.

How the College Sector is Informed of SPF and LUF Developments

Most colleges have been informed of funding that is available through SPF and LUF, usually by means of their local authorities, but to varying degrees. Most can be said to be at arms-length from the funding, being informed about what is happening, but not participating in the decisions being made about allocation.

One college was very proactive by approaching local authorities and asking for meetings with lead staff on these opportunities. The college submitted some costed propositions to three different local authorities, although there have been no services of the college commissioned.

College Sector Response on Suggested Improvements to SPF and LUF

Below are observations and suggestions regarding improvements around the funding streams:

- Although usually unsuccessful as part of the Community Renewal Fund process, colleges were kept well informed of the process, whereas with the SPF and LUF they have seen significantly less collaboration from local authorities.
- It was a shared view amongst the respondents that the SPF and LUF are perfect vehicles for providing much needed funding for colleges however the processes involved in both are slightly confusing.
- The college sector is not being considered as a direct beneficiary of the SPF and LUF and will have to tender for an allocation of funding. Furthermore, there are concerns that there are other local authorities who did not previously have ESF funds now benefitting from this new funding.
- Concern that between the Just Transition funding, combined with SPF and LUF that the landscape is potentially confusing for stakeholders, therefore there is a need for clarity around communications and engagement around these funds and their accessibility.
- Available funds could be consolidated to a single process as small colleges are particularly disadvantaged due to the lack of capacity to undertake the work associated with scoping/writing/delivering and reporting on funding bids.

To further understand how colleges can best take advantage of the opportunities offered by both the Levelling Up Fund and Shared Prosperity Fund we would like to establish a dialogue between Colleges Scotland and both the Department for Levelling Up, Housing and Communities, and the Scotland Office.

Colleges Scotland
March 2023