

# **COLLEGES AS ENABLERS OF SUSTAINABLE, INCLUSIVE ECONOMIC GROWTH**

**INTENSIFYING THE EFFORT: DEEPENING AND  
BROADENING THE REACH OF THE ERG PROGRAMME**

**PHASE 2 REPORT OF THE  
ECONOMIC RECOVERY GROUP**

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# 1. PREFACE

I am delighted to preface Phase 2 of our remarkable journey which started nearly two years ago and which has expanded and broadened in a way I would have never expected.

There is a clear and compelling urgency to leverage the opportunities that greater collaboration can deliver to secure a sustainable economic transformation of Scotland's economy, given the seismic shocks of the 'three C's';

- the Covid pandemic,
- the Cost of Living Crisis,
- and The Climate Crisis

compounded by increasingly well recognised consequences of Brexit.

Collaboration (another C) is desperately required across Scotland's tertiary sector; this is no longer optional for our colleges – it has become both an operational and strategic necessity, if they are to achieve their full potential.

This has been the impetus for the latest phase of the Economic Recovery Group's (ERG) work in our CDN-sponsored programme, supporting colleges to become key drivers of regional economic development.

We were delighted to be commissioned by CDN to take our work to this next level, collaborating with college leaderships as they pivot their organisations, adapting to significant changes in their operating environments, to deliver the optimum outcome for each learner journey.

We found a growing realisation amongst college leaderships, and their Boards, of the need to collaborate more strategically, particularly where the regional economy extends across more than one college region.

Collaboration between college regions, and with universities, has the potential to deliver more strongly the skills agenda of Regional Economic Strategies (RES) and Regional Growth Deals.

A key focus of this phase of ERG's work was to assist regional college leaderships to develop inter-regional and cross tertiary collaborations to secure a more integrated tertiary offer, in the delivery of RES outcomes.

We worked with the grain of the ongoing shift of Scottish and UK Government economic policy towards regional economies, whilst ensuring alignment with the SFC Pathfinders, sharing our experience and knowledge.

We were also delighted to see that James Withers' Independent Review of the Skills Development Landscape, Ross Tuffey's Blueprint of the Entrepreneurial Campus and the Scottish Government's Purpose and Principles for Post 16 Learning all highlighted the importance of colleges as key collaborators within their regional economies and beyond.

The challenges our tertiary system faces are great and immediate; its future success will depend on deeper and more comprehensive collaboration, our learners deserve nothing less.

**Willie Mackie, Chair of the ERG**

## 2. KEY FINDINGS

- In addition to an appetite to engage in regional economic development there is a strong desire amongst – and between – colleges to collaborate.
- Creating the right environment to trigger reflective conversations across stakeholders has seen a fundamental shift in delivering a more cohesive series of action plans at a regional level.
- There is also emerging a range of approaches to cross-tertiary collaboration within our regional economies, and we highlight some exciting examples in our case studies.
- In reflecting on the policy framework of NSET, Scotland's colleges are cognisant of the need to encourage regional economic diversity, within a strengthening picture of national coherence.
- As anchor institutions, Scotland's regional colleges – both individually and grouped as appropriate – are also reflecting the core characteristics of their own regional economies.
- The recognition and further development of region specific characteristics are beginning to be seen by our colleges as opportunities to create *National Centres of Excellence*.
- There is a growing realisation, and urgency to deliver, a wider base of skills development through our colleges, operating within each of Scotland's regional economies.



# 3. INTRODUCTION

From the start of the work of the Economic Recovery Group (ERG) our key premise has been that Scotland's colleges can and should be at the heart of regional economic transformation.

We are in no doubt, they have to be at the top table as anchor institutions for a number of obvious reasons;

- they are major drivers of meeting the country's skills needs
- they are embedded in communities – enablers of wealth building
- they help ensure higher productivity
- they promote enterprise and entrepreneurship
- they often curate the strongest collaborations between the public and private sectors in their regional economies

and in doing all of this they contribute significantly to tackling poverty and deprivation, this Scottish Government's core policy purpose.

They are also key agents for delivering a well-being economy, driving equality of opportunity, and developing a just transition to Net Zero. For all these reasons we are in no doubt that colleges must be seen as active partners and key collaborators in the delivery of each of Scotland's Regional Economic Strategies (RESs).

What we have sought to do in this latest phase of our programme is to work with several college regions:

- assisting them as they have navigated a course through the distinctive ecosystems of their regional economies;
- supporting them in developing opportunities for collaboration with other colleges, universities and a range of other partners in pursuit of achieving inclusive, sustainable economic transformation;
- enabling them to compare and contrast their respective journeys, and how to tackle the inevitable challenges along the way.

In particular, we have focussed on how colleges are developing a variety of collaborations, working with their leaderships and boards to assist as they deepen their understanding of their operating environments, enabling them to be more effective, impactful partners.

At the same time we have augmented our work with colleges by setting out the relevance of ongoing national policy developments to how they can best develop their roles as key collaborators within their regional economic ecosystems. Of particular relevance here has been the Withers review of the skills landscape, work on the blueprint of the entrepreneurial campus and the Scottish Government's Purpose and Principles for post 16 Learning (see more on this in Section 4).

The core of this report records how we undertook this work. It references case studies identifying how colleges have taken up the opportunities and taken on the challenges presented by partnership development. It highlights how they can take full advantage of their role as key anchor institutions in emerging Regional Economic Partnerships (REPs).

**In what follows:**

- We set out in the rest of this section:
  - how this phase of our programme builds on the conclusions and findings of the first phase of our CDN-sponsored work;
  - our focus, purpose and intended outcomes for continuing the work;
  - a summary of our methodology.
- In Section 4 we provide an overview of the dynamic and multifaceted policy context against which colleges have to operate as they continue to build partnerships and collaborations in support of regional economic transformation.
- In Section 5 we describe the three approaches to collaboration which we have examined working alongside the college regions, which are the subjects of the four case studies, before moving on to report on their diverse approaches to collaboration. In doing so we highlight the distinctive focus of each initiative, the desired impact, challenges encountered, and solutions which have been adopted.
- In Section 6 we bring together our findings, conclusions and suggested next steps.

### 3.1 Building on Phase 1 of the work of the ERG

The first phase of our CDN-sponsored work:

#### **‘Scotland’s Colleges: Enablers of Sustainable, Inclusive Economic Growth’**

concluded in September 2022 that college regions:

- share a commitment and ambition to be anchor institutions for driving regional inclusive economic recovery and renewal;
- are heavily engaged at a variety of levels with a wide range of regional and local partnerships

and groups (and associated fragmented funding streams) all working to support economic renewal;

- are concerned about the dissipation of effort due to scarce resources being stretched across a multitude of initiatives and collaborations;
- are reviewing and revising how they position themselves as key drivers in response to the needs and impacts of the pandemic, climate crisis, and poverty, and the challenges of poor productivity, competitiveness, inward investment, and skills needs, gaps and alignment;
- are subsequently recognising the need to refresh the alignment of their aims, objectives, outcomes and curriculums with those of their respective RESs, REPs, growth deals, and the public, private and third sectors;
- are exploring ways in which they can collaborate across regional boundaries with other college regions and with universities to mutual benefit;
- are needing to develop innovative region-based (and inter-region) approaches to responding to increasing pressures on funding by growing and diversifying income streams;
- are recognising that all the above have significant consequences for how they take forward the practical implementation of the recommendations of the SFC’s review of the tertiary sector, and how they position themselves to proactively influence the review of the Scottish Government’s medium term spending plans.

We arrived at these findings through the application of our programme methodology in meetings, seminars and planning sessions with college leaders – both non-exec and exec – all across the country.

It was evident to us as we completed our work in the summer of 2022 that there was considerable demand to deepen and intensify the ERG

Programme's support for college leaders, as they sought to heighten the role of their colleges as drivers of regional economic renewal.

All of this was happening as colleges responded as effectively as they could to the ongoing changes to their operating environments, the impact of these changes on their functional economic geographies, and the evolving national policy environment.

We concluded that there was an even more pressing need to ensure that colleges were fully aware of the regional, and inter-regional, consequences of the changing national policy environment, and that they must be properly equipped to take full advantage of these changes, ultimately to the benefit of their students.

We noted that there was growing realisation amongst a number of colleges of the imperative of working more closely together across administrative boundaries at a strategic level in those parts of the country where the functioning economic geography extends across two or more college region areas. In particular, we recognised that working more collaboratively across boundaries presented opportunities for generating additionality to the delivery of the inter-regional skills agenda.

As we progressed our initial programme it also became apparent that such an inter-regional perspective also lent itself to the consideration of establishing recognised national centres of excellence across the college family, and the opportunity this might present for more effective use of resources, and the development of more cross-tertiary research and innovation.

It was on this basis that we proposed to CDN the benefits of delivering a further phase of the ERG programme with a singular focus on colleges as collaborators in pursuit of regional economic transformation.

## 3.2 Programme Purpose and Focus

We concentrated our efforts during this phase of the programme principally on those functional regional economies that included college regions with whom we had developed close working relations during the first phase of our work.

We also wanted to ensure that the functional regions we selected were representative of the economic typologies we had adopted for the previous phase. These were:

- **South of Scotland/Borderlands – Rural**  
Colleges: Borders College and Dumfries and Galloway College
- **Ayrshire – Polycentric**  
Colleges: Ayrshire College
- **Tay Cities – Urban/Rural**  
Colleges: Dundee and Angus, Perth UHI, Fife College
- **Metropolitan Glasgow/West Central Scotland – City Region**  
Colleges: GCRB (City of Glasgow, Clyde, Kelvin), New College Lanarkshire, South Lanarkshire, West College Scotland

Our intention was to identify and develop opportunities for inter-regional and cross tertiary collaboration with these college regions, with the intention of presenting to regional partners and stakeholders a more integrated and co-ordinated tertiary offer with an emphasis on the additionality it brought to delivering the priorities of the relevant RES.

By facilitating co-ordinated and tailored inter college region engagement with their larger functioning economic geographies our aim was to enable the effective positioning of colleges at the heart of the development of their respective RESs and, thereafter, help ensure that they were playing a full collaborative role in driving their delivery.

In doing so it was essential for us to set our engagement with college regions against the context of evolving Scottish and UK policies for economic development, and learning & skills (see Section 4) demonstrating to their leaders, boards and strategic partners how they are integral to the successful delivery of these reviews and strategies.

Although most of our efforts were devoted to working alongside the colleges operating in the four functional regional economies identified above, we also facilitated sessions with the senior leaders and board of West Lothian College as they explored ways of engaging more effectively with the development of the Capital City Region's economy.

### 3.3 Intended Outcome and Outputs

This phase of the ERG programme has sought to enable the college regions it has worked with to achieve the following **Outcome**:

➤ **“College regions are leading enablers of regional economic transformation with a proven track record in driving cross sectoral and inter-regional collaborative delivery of skills and training in support of inclusive and sustainable growth.”**

In undertaking this work, we conducted a range of activities with college leaders, their boards, and in some cases their key partners, with the purpose of exploring opportunities to deliver inter-regional propositions for the tertiary sector.

In so doing, we sought to promote the benefits of co-designing and co-delivering priorities for training and skills development aligned with each RES and, as appropriate, its regional growth deal.

Specifically, we tailored our engagement in response to the diverse needs of each region to deliver a range of outputs:

- Facilitated sessions promoting inter-regional college collaboration to enable regional economic transformation.
- Facilitated dialogues on developing cross tertiary inter-regional co-operation to support regional economic transformation.
- Facilitated tertiary-sector led multi-agency, cross-sectoral summits to promote the sector's co-ordinated delivery of the regional skills agenda, and the additionality it will bring.



In each case we devoted time to detailed preparation with college principals and senior leaders (and where invited, with key partners) applying the diagnostic approach, summarised in Section 3.4, to identify the key opportunities and challenges we wanted to explore with them during these facilitated sessions.

This enabled us to co-design the session in ways that were responsive to the distinct characteristics of the ecosystem of each regional economy, and to generate practical approaches to collaboration to help meet its specific priorities and needs.

After each facilitated session we prepared a draft report of what we heard from the participants in response to the semi-structured discussion, including their consideration of practical next steps.

Our approach was never about leading the participants to a set of preconceived solutions, rather the sessions enabled them to define solutions and next steps for themselves. As such, we were intent on ensuring that the participants co-owned the outcomes of the sessions and the process of arriving at them.

Given the nature of our engagement, we did not rigidly, nor sequentially, follow the three types of approach listed above. In some cases, we conducted two of them simultaneously and in others, we pursued multi-agency cross-sectoral sessions. Our approach was always conditioned by the needs of the participating colleges, whilst adapting to changing circumstances.

### 3.4 Method – building the ‘diagnostic approach’

We adapted the proven diagnostic approach adopted in Phase 1 to prompt honest, self-reflective discussions in each of the three types of facilitated activity specified above; with college leaders, boards and their partners.

We grouped our lines of inquiry under three headings and explored a range of issues under each heading including:

#### 1 **Inter-college co-operation:**

With a focus on exploring the current forms of collaboration; any alignment they have with the relevant regional priorities for economic transformation; what more could be done to deepen collaboration between colleges; and what are the barriers and challenges to doing so and how might they be overcome.

#### 2 **Cross-tertiary collaboration:**

What form does collaboration take between the college(s) and university partner(s) and, where it exists, is it informed by and aligned to regional economic priorities? Does the college's cooperation with other colleges include joint collaboration with any universities operating in the functioning regional economy?

#### 3 **Tertiary sector as a driver of inclusive, sustainable economic growth:**

Is the tertiary sector currently represented in the relevant REP and/or city–region growth deal? Do colleges and universities work together in their functioning economic region to promote the tertiary sector as a driver of economic development?

**Annex 1** provides more detail on the lines of inquiry we used when conducting the workshops, summits and ‘gatherings’.

**Underpinning our approach, however we engaged with colleges and their partners, was the imperative to set out the relevance to their role as collaborator and partner in enabling regional economic transformation of the national policy context.**

We turn to this in the following section.

## 4. POLICY CONTEXT AT THE OUTSET OF PHASE 2 AND SUBSEQUENT DEVELOPMENTS

### 4.1 Major policy developments at the start of Phase 2

When we began Phase 2 of our programme the policy ‘baseline’ was already setting a new and broadly supportive context for Scotland’s Colleges as drivers of regional economic transformation.

Significant developments back then were:

- **The National Strategy for Economic Transformation<sup>1</sup>** with its key emphasis on need for step change in meeting skills needs and gaps delivered by more effective regional partnerships.
- **2022-23 Scottish Budget** represented a real-term cut in college core funding, and training, resulting in need for the sector to make significant savings and to pursue the diversification of income streams.
- **Scottish Government’s Review of Regional Economic Policy<sup>2</sup>** which we understood would highlight the important role that colleges could play as a key player in regional economic partnerships (and indeed did in its published reports).
- **Audit Scotland’s critical review of skills provision<sup>3</sup>** evidently prompted a serious rethink by the Scottish Government on its role and that of the SFC and SDS in the planning for and delivery of skills needs.
- **Scottish Government’s response to Phase 3 of the SFC’s Tertiary Review<sup>4</sup>** welcomed it, accepting the bulk of its recommendations and urged early action on them. While recognising it had to set out its own vision for post-16 learning, it also highlighted the need for regional collaboration across the tertiary sector.
- **Commission on the College of the Future report on College-University Collaboration: Going Further and Higher<sup>5</sup>** had emphasised the need for much closer collaboration between colleges and universities in developing learning pathways linked to skills needs and curriculum design with focus on knowledge sharing, innovation, research and development.
- **CDN research reports on colleges and ‘Pathways from Poverty’<sup>6</sup>** highlighted multiple ways colleges can tackle both the causes and consequences of poverty.

1 <https://www.gov.scot/publications/scotlands-national-strategy-economic-transformation/>

2 <https://www.gov.scot/publications/regional-economic-policy-review-paper-4-summary-recommendations/>

3 <https://www.audit-scotland.gov.uk/news/urgent-action-needed-on-workforce-skills-planning>

4 <https://www.gov.scot/publications/scottish-governments-response-scottish-funding-councils-review-tertiary-education-research-scotland/>

5 <https://collegecommission.co.uk/going-further-and-higher>

6 <https://www.cdn.ac.uk/pathways-poverty-current-challenges-role-colleges/>

## 4.2 Key Developments since the start of Phase 2

All of these developments, especially the work of NSET, presaged a number of major reviews, reports and strategies which have wide-ranging consequences for the role of our colleges as principal actors in our regional economies, presenting challenges and opportunities which lend themselves to the sector's unique strengths.

They also directly impacted on how we delivered our programme, providing a dynamic backdrop to our exploration with colleges of how they can strengthen their role as major collaborators within and beyond their functional regional geographies. Of most relevance to the work of ERG were:

**'Equality, Opportunity, Community: New Leadership – A Fresh Start'**<sup>7</sup>, and the related Medium Term Financial Strategy and Interim Budget, which refocused the priorities of the new First Minister's administration with a heightened emphasis on the need to eradicate poverty and the development of a well-being economy. All Scottish Government portfolios have been re-orientated to enable this strategic shift. For colleges this has meant a continuation of financial constraints within existing operating envelopes.

**The Withers Independent Review of the Skills Delivery Landscape**<sup>8</sup> had as its core the necessity for skills planning and delivery to be coordinated at the regional level, and for it to be aligned with Regional Economic Strategies, and their Regional Economic Partnerships. Colleges were viewed by Withers as principal regional partners, operating at the heart of their skills ecosystems.

**The Blueprint of the Entrepreneurial Campus**<sup>9</sup> also urged for the active engagement of colleges as integral collaborators in the development of a coherent and impactful entrepreneurial culture across Scotland's tertiary system.

7 <https://www.gov.scot/publications/equality-opportunity-community-new-leadership-fresh-start/>

8 <https://www.gov.scot/groups/skills-delivery-landscape-independent-review/>

9 <https://www.gov.scot/publications/entrepreneurial-campus-higher-education-sector-driving-force-entrepreneurial-ecosystem/>

**The National Innovation Strategy**<sup>10</sup>, although focused principally on the role of the country's universities as academic drivers of innovation did emphasise the involvement of colleges in the delivery of an effective innovation and entrepreneurial ecosystem

**The Hayward Review**<sup>11</sup> engaged comprehensively with colleges and viewed them as essential co-designers and co-delivers of new senior phase qualifications (in particular the Scottish Diploma of Achievement) building on their close partnerships with schools and the need to embed parity of esteem of vocational learning. The linkages between enhancing a seamless and integrated learner journey from school to college for 16-18 year olds and meeting the country's skills needs was a central thread of the review.

**Purpose and Principles for Post 16 Learning**<sup>12</sup> published by the Scottish Government in June 2023 set the strategic stage for how it intends to help shape a tertiary sector that generates beneficial outcomes for country's economy, society and environment, promoting to this end much greater collaboration between colleges and universities and improved responsiveness to regional skills needs.

In practically every engagement with college leaders and boards during this latest phase of our work, within this changing policy context, there was a clear view that there will remain a continuing and pressing need for the sector's leadership to be kept up to speed with this rapidly evolving environment.

This, we believe, will be essential if they are to ensure that their institutions are as well-placed as they possibly can be to play an effective role as collaborator and partner in their functioning regional economies, and that they can take full advantage of related programmes and funding streams that already exist, or may emerge in the future.

**We return to this Key Finding in Section 6.**

10 <https://www.gov.scot/publications/scotlands-national-innovation-strategy/>

11 <https://www.gov.scot/groups/independent-review-of-qualifications-and-assessment/>

12 <https://www.gov.scot/publications/post-school-education-research-skills-purpose-principles/>

# 5. THREE APPROACHES: FOUR CASE STUDIES

Given the diverse nature, form and function of Scotland's '8 and a bit' regional economies, and the varying structures of tertiary sector provision within them, it was essential not to use a template, one-size fits all approach.

Instead, by building upon the operational knowledge of relationships we had gained through Phase 1 of our work programme, and factoring in what we knew about the strategic intent of the government, as expressed through NSET, we adopted three complementary approaches.

## 5.1 Our Three Approaches

As outlined in Section 3 we tailored our engagement with participating colleges and their partners by exploring with them the current state of play with the following three levels of collaboration before identifying opportunities for deeper and more comprehensive approaches:

- Inter-regional college collaboration
- Inter-tertiary regional collaboration
- Tertiary-led multi-agency cross sectoral collaboration

## 5.2 Our Four Case Studies

### 1 The Borderlands/South of Scotland – a Rural Typology

➤ Colleges: Borders College and Dumfries & Galloway (D&G) College

#### What was the focus?

To assist college leaders with building comprehensive collaboration between themselves and with other tertiary education providers operating in the South of Scotland – to ensure more effective alignment of post 16 education with priorities of the Borderlands regional economy and the 'RES'<sup>13</sup> for the South of Scotland.

#### How did we work with the colleges?

We facilitated joint senior leadership sessions promoting inter-regional college collaboration to enable regional economic transformation closely aligning this with the SFC *Pathfinder*. Facilitated dialogue on developing cross tertiary inter-regional co-operation to support regional economic transformation.

<sup>13</sup> it should be noted that the RES in its current form is a 'sub-regional' strategy, as it covers the South of Scotland part of The Borderlands, and not yet its English neighbours.

## A Brief Description of ERG Engagement

- Jointly facilitated a board strategy day on the role of each college as an anchor institution in the regional economy.
- Worked with both Colleges to consider next steps in developing improved strategic engagement with key regional partners, including South of Scotland Enterprise and SDS .
- Workshops with college SLT on its role as an anchor institution in the regional economy.
- Following this workshop, the Borders College chair invited us to run a workshop with his board on the role of the college in the regional economy.
- Facilitated joint Borders and D&G Colleges senior leadership workshops to explore practical collaboration to deliver regional green skills needs in line with the priorities of the RES.

## Challenges and Responses

A key challenge was to assist the building of strong working relations between D&G and Borders Colleges and between them and their key partners with a particular focus, at this stage, on SoSE and SDS. We established with the colleges that they wanted to deepen their meaningful involvement in key strategic decision making on implementing the SoS RES with a particular focus on supplying skills needs and meeting employer and learner demands.

It was also important to build a strong and trusting rapport with the leaders and boards of both colleges which enabled us to co-develop and go on to co-facilitate joint leadership workshops with a focus on exploring practical opportunities for collaborative action to deliver on shared priorities for meeting skills needs for the region.

Our involvement with the colleges was always understood to be closely associated with the

ongoing delivery of the SFC-backed Regional Pathfinders and our continuing liaison with the SFC at a number of levels has sought to highlight the synergy between this programme and our own.

We have also explored with both colleges what opportunities there may be for developing stronger cross- border, inter-college and tertiary collaboration beyond the South of Scotland paying particular attention on accessing the investment opportunities of the Borderlands Inclusive Growth Deal ('the BIG Deal') and the Edinburgh and South East Scotland City Region Growth Deal ('Capital City Region Deal').

## What was the Impact?

By working with the leaders and boards of both colleges we have seen a deepening appreciation of the opportunities for building tertiary collaboration in support of regional economic development in SoS and more widely across the Borderlands.

We have assisted both institutions as they have shifted towards jointly adopting a more proactive role as a key anchor institutions in the delivery of the RES for the South of Scotland with a particular focus on developing a more coherent and integrated approach to meeting green skills needs.

## Moving Forward/Next Steps

We have curated a solid platform for developing a deeper and broader strategic relationship. Senior leaders from both institutions, with supportive backing from their respective chairs and boards and the assistance of the ERG, are taking practical steps towards delivering a shared agenda that respects the distinctive profiles of each college at the same time as identifying opportunities for impactful region-wide collaboration.

Building on these promising developments it would seem entirely appropriate for the colleges to establish a strategic understanding, which;

- promotes the pooling of resources and teaching talent
- develops joint teaching, training and learning programmes
- delivers other areas of mutual benefit activity, e.g. shared services
- adds value to student outcomes and staff development programmes
- demonstrates alignment of tertiary provision with the priorities of the South of Scotland RES and Borderlands Inclusive Growth Deal

Such a collaborative approach – either in person or more likely through digital connectivity – could better place both institutions to jointly promote investment opportunities to both the emerging Regional Economic Partnership, aligned through the RES, and to elements of the BIG Deal programme.

In a similar vein, both colleges are well placed to develop enhanced cross-border relationships with colleges operating within the three English local authorities covered by the BIG Deal. Since the functioning economic geography straddles the border there are likely to be mutual benefits to Colleges across the Borderlands.

Progress already achieved by D&G College and UWS under the auspices of the SFC Pathfinder in developing a broader place-based collaboration could also be explored by Borders College with both SRUC and Heriot Watt University, building on their pre-existing bi-lateral subject and curriculum-based arrangements.

As with inter-college region collaboration, cross tertiary strategic partnerships would add weight to the sectors' collective influence over the delivery of regional economic priorities, in addition to the benefits to the learner journey.

We are also aware of efforts being made to build closer collaborative working between the colleges operating within the Capital City Region. Borders College, although on the southern margins of the Deal area, is nevertheless impacted by it. It seems evident to us that it is in the College's interest (for students and staff alike) to play an active role in deepening inter-college collaboration ensuring it brings its distinctive contribution to the cross-tertiary offer and benefits from additional investment in it.



2

## Ayrshire – a Polycentric Typology



College: Ayrshire College

### What was the focus?

The focus of the ERG Team's engagement with the college and its regional economy continued to build on a well-established platform. We further developed our close working relationship with the college leadership with a particular focus on its involvement in the development and delivery of the Ayrshire RES.

Operating in this way, we were able to deepen our involvement, working alongside the college, in the building of a multi-sectoral delivery focussed alliance by the chair of the Ayrshire Regional Strategy Working Group and in doing so contribute to placing the college as a key player and anchor institution in securing the region's economic transformation.

### How did we work with the college?

We progressed our work with the college by applying and adapting a two-stage approach adopted for phase 2:

- Work with the college's key partners, including the three Ayrshire councils, to promote the crucial role of tertiary learning to design and deliver of the RES.
- Deliver a facilitated tertiary-sector led multi-agency, cross-sectoral summit to promote the sector's co-ordinated delivery of the regional skills agenda, and the additionality it will bring to RES outcomes.

### Brief Description of ERG involvement

Further to preliminary discussions with college leaders, in which we explored how best to progress our work with the college, we moved on to liaise closely with Alastair Dobson, chair of the Regional Strategy Working Group.

These discussions were undertaken with the college principal and senior officers from the three Ayrshire councils as part of a more collaborative approach to ensuring the successful delivery of the RES.

Throughout the process we have striven to help place the college at the centre of developments and worked with it to demonstrate the significant contribution of the tertiary sector to regional economic transformation.

The culmination of our involvement was securing the agreement amongst the CEOs of the three Ayrshire local authorities, in conjunction with the college, to hold a multi-agency session on the delivery of the Ayrshire RES (*'The Gathering'*, hosted at the college's impressive Kilmarnock Campus).

The ERG was invited by the chair of the Regional Strategy Working Group to facilitate this event and prepare a report for the participants on the semi-structured self-reflective workshops. This included proposed next steps for the delivery of the RES, which have subsequently been firmed-up into a set of early actions agreed to by the 3 local authority CEOs.

### Challenges and Responses

Having renewed our relationship with Ayrshire College through early meetings with the then recently appointed principal, and vice-principals, it became apparent that completion and delivery of the RES appeared to be hindered by a lack of clarity on how it was to be adopted by the multi-sector partnership which would have to implement it and we noted that this could jeopardise the effectiveness of the college's role in delivering the RES's key priorities.

With the finalising of the RES in May 2023, attention turned to ensuring a strong partnership was in place to enable its delivery and that this was accompanied by clear leadership, effective governance and joint ownership of the outcomes and actions. The college and ourselves appreciated that effective delivery of the RES would give added impetus to the development of deeper, more comprehensive cross-tertiary collaboration between the college and the universities operating in the region.

Although historically pan-Ayrshire collaboration on regional economic development had been problematic, the shared agenda of the RES now presents a platform for building a meaningful and impact-focused multi-sector partnership. Together with the college principal and members of her leadership team we have established a very constructive and action-orientated relationship with the chair of the Regional Strategy Working Group (RSWG), and through him, with senior council officials charged by their authorities with establishing the basis for the delivery of the RES.

All of the key players now view the college as being a key regional body with a widely respected trans-regional remit, and as such it is very well placed to be an 'honest broker', providing a neutral space for focussed discussion between the LAs, public bodies and businesses on what is needed to ensure effective delivery of the RES.

With the support of the college, ERG went on to assist the chair of the RSWG, working with key local authority officials, with the design of 'The Gathering'.

The purpose of this particular session was to establish firm operational foundations for delivering the RES, thereby enabling a close alignment between it and the priorities of the Ayrshire Growth Deal (AGD), both of which need to be overseen by effective leadership and governance.

Throughout the process we were committed to ensuring that the college would remain a key driver of delivery and consequently secure benefits for its students and the communities it serves. We also took the view that by establishing itself as a valued and trusted partner, the college would be even better placed to build advantageous strategic partnerships with universities operating in the region.

### **What was the impact?**

By engaging with the principal of Ayrshire College and continuing to develop excellent working relations with the chair of the RSWG, together with key local authority officials, we helped deliver a successful multi-sector session on making the impacts of the RES reality.

As co-facilitators we used this session as an opportunity to promote the crucial contribution of the region's tertiary providers to Ayrshire's economic transformation. The event has been acknowledged by its participants, most notably the CEOs of the three Ayrshire councils and the chair of the RSWG, as being a significant milestone in enabling a genuinely Ayrshire-wide approach to economic transformation through the delivery of the RES and the realignment of the priorities of the AGD.

### **Moving Forward Next Steps**

As well as preparing the report on 'The Gathering' we have been asked by the chair of the RSWG to continue to assist him with taking forward key early next steps, in conjunction with the three Ayrshire local authorities, in establishing a framework for delivering the RES.

We will of course continue to ensure that the college's interests are promoted in its rightful role as an anchor institution in its regional economy.



3

### Tay Cities – An Urban/ Rural Typology



Colleges: Dundee & Angus,  
with Perth UHI and Fife College

#### What was the focus?

Our focus has been to assist the principal to position Dundee & Angus College as the key enabler of cross tertiary collaboration in the Tay Cities regional economy. This has been pursued with the support of his board and executive team, continuing to build action-focussed alliances with key stakeholders to deliver core elements of the region's skills agenda.

#### How have we been working with the college?

We adopted the following approach in the Tay Cities region:

- Facilitated a joint College board and leadership session promoting inter-regional college collaboration to enable regional economic transformation.
- Provided advice to the college principal as he developed collaborative initiatives across the Tay Cities region on the delivery of economic development priorities.
- Enabled the principal to 'compare and contrast' the role of Dundee & Angus College with others operating in their own regional economies, often facing similar challenges, but in their own operating contexts

#### Brief Description of ERG involvement

We have continued to develop a strong working relationship with the college's principal and, at his request, have been providing advice on how best to take forward a partnership with Dundee and St Andrews Universities on developing an integrated approach to delivering skills for the green economy for the Tay Cities Region and beyond via existing networks like the Tay Cities Deal FE/HE Forum and via the newly proposed Skills and Training Working Group.

We have highlighted the importance of involving UHI Perth and Fife College in any co-design and co-delivery to build a genuinely cross tertiary inter-regional approach building on the strengths of all institutions operating within the regional economy. We have also emphasised the importance of enlisting the support of local authorities and the Growth Deal together with key business partners.

We also continue to liaise with the principal as he takes forward with SDS and the local authorities the delivery of a Skills and Training Working Group for Tay Cities, in the context of the Independent Review of the Skills Landscape.

In addition, following a request from the principal, we co-facilitated a workshop for his board on 5 May on the work of ERG, with specific reference to progress made by the college and promoting discussion on opportunities for deeper and more comprehensive collaboration across the region's tertiary sector.

## Challenges and Responses

The principal of Dundee & Angus College continues to engage the ERG team on how best to take forward the work of the multi-agency Skills and Training Working Group. A key focus is on closer alignment of business needs, City Deal priorities and provision of learning and training, with co-design and co-delivery of joint curriculums of particular interest.

More recently the principal has sought our advice and guidance on the college's positioning on the development and promotion of a multi-agency, City Region Deal-sponsored, skills capital and resource investment project.

## What was the impact?

We continue to be consulted by the college principal as he positions the college with even more effective engagement with City Region partners in building more coherent collaborative relations. Following the recent college board workshop we have also generated greater interest amongst its members in developing comprehensive tertiary and multi-agency collaboration across the region in support of economic development.

## Moving Forward/Next Steps

In working with Dundee & Angus College we would propose building inter college region co-operation along with cross tertiary collaboration in support of regional economic transformation. We are working with the principal in holding tailored events to this end with a focus on project delivery, which will also involve other public and private sector partners. We are also continuing to support the Principal in delivering the Regional Economic Growth Action Plan developed by the college with assistance from ERG.



4

## Greater Glasgow City Region – a City Region Typology



Colleges: GCRB (City of Glasgow, Clyde & Kelvin), New College Lanarkshire, South Lanarkshire, West College Scotland

### What was the focus?

Working closely with chair and director of GCRB as principal facilitators of inter-college collaboration across the greater Glasgow economic region (i.e. three assigned colleges of GCRB, Lanarkshire College Region and West College Scotland) we jointly promoted the region's colleges as key drivers of economic transformation and enablers of cross-tertiary partnerships.

### How have we been working with the college?

Through effective board and leadership engagement we have worked with GCRB to establish the basis for comprehensive and focused inter-college and cross-tertiary collaboration in support of the delivery of the Glasgow City Region RES and the Glasgow City Region Deal.

### Brief Description of ERG involvement

Further to meetings with the chair and director of GCRB, and a presentation to its board, we worked with them to finalise the programme for an inter-college region summit to involve the six colleges operating within the greater Glasgow region along with GCRB.

We co-facilitated the session, attended by principals and chairs from all six colleges – a landmark moment. The session had the following aims:

- establish basis for closer more comprehensive collaboration;
- agree next steps on:

- 1) the six colleges and GCRB exploring practical opportunities for inter-college collaboration;
- 2) establish potential for co-hosting a multi-agency summit on post 16 education as key driver of regional economic transformation as part of the delivery to the RES and the Growth Deal.

### Challenges and Solutions

Greater Glasgow's city region represents a unique challenge for tertiary collaboration, with 8 local authorities, 6 individual colleges in 3 college regions and also 4 universities.

The protracted review of the status of GCRB (which has still not reached a conclusion at time of writing) has not assisted with forward planning, even amongst its 3 city based assigned colleges. Nevertheless, against the challenging background of post pandemic recovery, the costs of living crisis and real terms reduction in college funding there was a growing appreciation amongst the group that it was worth exploring a more comprehensive and strategic approach to collaborative working.

It was also important to demonstrate to West College Scotland, New College Lanarkshire and South Lanarkshire College that there were benefits for all in considering opportunities for collaborative working between themselves, GCRB and its three assigned colleges.

It has been of significant assistance that the chair of GCRB has taken such a keen interest in leading for the wider region on promoting inter-college and cross-tertiary collaboration in support of regional economic transformation.

It is also helpful that the board of GCRB signed up to a strategic commitment to continue to engage with ERG following our facilitated discussion with it. It is also worth noting that the director of GCRB has been developing close working relations with the RES programme office and has been promoting through his involvement in the City Region Anchor Network

the holding of a multi-agency regional summit. We were involved in preliminary discussions about the summit and offered assistance with the planning and delivery.

### **What was the impact?**

The six-college/GCRB workshop on 17 April was intended to provoke an honest conversation amongst the college leaders about the necessity for inter-college collaboration in pursuit of a coherent tertiary sector engagement with the delivery of the Glasgow City Region RES. We understand that this was the first occasion when the six came together with this purpose.

A wide range of views were expressed on the opportunities, obstacles and practicalities of fostering more comprehensive collaboration. Of particular note was the recognition that the colleges were holders of valuable business intelligence which, if shared more effectively could be utilised as a powerful means of exercising influence over the targeted delivery of city region investment programmes. It was also suggested that there could be advantages in the city region's colleges developing a shared identity to enhance the projection of the sector as prime mover of regional economic transformation.

The session concluded with an agreement that the executive leaders of the six colleges and GCRB should convene a meeting to explore in more detail opportunities for joint working in support of the region's economic development. This was held on 5 May at New College Lanarkshire and chaired by the principal of Glasgow Kelvin College at which broad agreement was reached on holding further discussions on several themes of common interest:

- Strategic asset review and leveraging capital investment
- Operational decarbonisation – the shared journey to net zero
- Tackling poverty – the role of colleges
- Corporate support and staff development

It should also be noted that in its latest strategy the board of GCRB has incorporated specific reference to the need to take forward an ERG-inspired agenda for colleges as drivers of economic transformation and as initiators of more comprehensive inter-college and cross-tertiary collaboration.

### **Moving Forward/Next Steps**

Now that the six colleges within the greater Glasgow metropolitan city region have joined this GCRB- initiated collaboration, an ongoing dialogue considering opportunities for greater engagement will consider how best to marshal collective resources to engage as a sector in the ongoing delivery of the RES and associated City Region Deal.

The six colleges and GCRB have agreed that this should be an executive-led initiative which develops over time, providing the organisations the space to come together to explore opportunities and develop shared approaches wherever appropriate.

Taking a thematic approach along the lines already adopted by the colleges themselves (see above) and aligned with the priorities of the RES would seem to be the most appropriate path to take. The City Region Anchor Network would appear to be the forum on which the sector should be represented. It would seem sensible for the colleges and GCRB to agree how they collectively should engage with the Network.

Much fruitful bi-lateral cooperation already exists between individual colleges and universities operating in the City Region streamlining pathways and facilitating articulation. But just as the region's colleges have started a journey to explore opportunities for more coherent and comprehensive collaboration amongst themselves this could serve as a platform for developing the same with the region's university sector.

# 6. KEY FINDINGS AND CONCLUSIONS

## 6.1 Key Findings

- In each of the case studies it is apparent that the development and delivery of RESs has not involved the colleges operating within the regions as comprehensively as might have been expected. This has meant that the colleges have often had to ‘play catch-up’ to ensure that decisions on and around each RES take proper account of their crucial role.
- From working with the colleges covered by our case studies, along with their partners, it is evident that they are valued as key contributors to inclusive, sustainable regional economic transformation. However, it is apparent that effort still has to be made by the colleges to demonstrate to their partners the depth and breadth of this contribution.
- Individually, each college we have worked with in Phase 2 has been able to demonstrate how they strive to build partnerships with other agencies and sectors within their regions. However, what was less evident in a number of cases at the start of this phase of our work was the existence of meaningful and comprehensive collaboration between college regions despite the existence of RESs and growth deals whose boundaries in a number of cases incorporated two or more college regions.
- We noted the existence of a healthy number of bi-lateral arrangements between colleges and universities across all of our case studies. These were almost entirely subject or curriculum based with a focus on streamlining pathways, progression and articulation, and heavily dependent on the commitment and hard work of individual members of staff. Although we saw examples of early moves towards more comprehensive collaborative working it was not entirely clear if these were informed by any shared understanding of how such a collaboration could bring added value to the tertiary sector’s contribution to regional economic transformation.
- It was clear to us that in each of the case studies that individual colleges were not making much headway, if any, in securing revenue or capital investment from growth deals and were in danger of missing out entirely from much needed additional funding. However, in a number of cases proposals were being developed for such funding by partnerships with colleges at their heart, if not always in the lead.
- The current funding system for colleges and the associated performance regime was often cited as an inhibitor of regionally responsive priority setting and, in turn, a constraint on developing comprehensive collaboration between colleges since it limited operational flexibility and the setting – and pursuit – of regionally meaningful performance measures.

- In each of the case studies there was no doubting the ambition of college leaders to engage more proactively in developing strategic collaboration with other colleges and universities, However it was evident to us, and acknowledged by a number of the leaders themselves, that there was limited capacity and capability amongst their own staff to deliver such collaboration. It was apparent to us that in a number of situations senior leaders were having to carry the additional responsibility for developing collaborations along with doing the 'day job'.
- It is clearly the case that universities are better placed to deploy sufficient resource to developing strategic partnerships compared to colleges and as such those colleges could be at a disadvantage when it comes to optimising the benefits of the partnership for them and their students.
- While working closely with college principals and senior leaders on exploring the opportunities for developing collaborations it was important to ensure that their boards were fully engaged with these initiatives. It was clear to us through our discussions with boards that there is a strong appetite amongst members to better understand how their college can be a more proactive and influential partner and collaborator. In particular there is a desire amongst many non-execs we worked with to learn how they can play their part in securing beneficial collaborations for their college and the communities they serve.
- There is clearly a demand from college leaders and their boards for ongoing awareness-raising of the relevance of national policy development and reviews for the role of their institutions as key collaborators in the transformation of their regional economies.

## 6.2 Conclusions

Drawing on the case studies and the key findings we offer the following conclusions:

- There is a pressing need for colleges to be recognised as key partners in the co-design and co-delivery of RESs and as members of REPs.
- They have a foundational role as major anchor institutions in their own right and should be embraced as such by Enterprise Agencies, local authorities and other key agencies who assume responsibility for developing and overseeing the delivery of RESs.
- In those RES areas in which two or more colleges operate this should prompt the need for collaboration between them to ensure impactful representation by the sector. Opportunities for coalescing on particular themes and priorities of the RES that lend themselves to the demonstrable strengths of the colleges would appear to us to be a fruitful way to begin building more comprehensive collaboration. The principles of distributive leadership should also be applied to RES delivery in ways which offer colleges a role in leading the delivery of relevant themes and priorities.
- There is still a knowledge gap between what colleges actually do and what their partners think they do. In those functioning economic geographies where two or more colleges operate there is an excellent opportunity for them to develop a strong collaborative promotion of the crucial role of the sector as deliverers of regional economic transformation. Such an approach should be an early action to demonstrate the added value of inter-college collaboration. It should also be more effectively undertaken by the sector at a national level.

- There is evidently a need for guidance and support for college leaders and their boards as they seek to develop comprehensive strategic collaborations between themselves and other colleges, with universities and with other partners. Support for knowledge exchange and the building of capability amongst leaders and non-execs should be a priority for the sector and for the Scottish Government and the SFC. The same approach should be applied to the university sector.
  - Means should also be developed for incentivising colleges (and universities) to actively pursue inter-college and cross tertiary collaboration either through a revised performance system which rewards innovation and initiative or through financial support to build capacity and capability or a combination of both. Particular emphasis should be placed on enabling those collaborations that can demonstrate how they will generate additionality for regional economic transformation and as such are aligned with the relevant RES.
  - College leaders and their boards need to be regularly updated on the impact of ongoing development of Scottish and UK Government policies for economic development with a particular focus on the role of their institutions as key anchor institutions within their functioning regional economic geographies and as partners in the delivery of their RESs.
- Colleges should be key partners in relevant projects and programmes which are eligible for Growth Deal revenue and capital funding, but their status restricts their ability to access such funding. Those organisations that are able bid for this investment, e.g. universities or businesses, should be expected to collaborate with colleges where there is a clear rationale and business case for doing so. Equally, colleges should be more proactive in building partnerships with those that are better placed to bid for funding and ways should be developed to incentivise this. Evidence of good practice should also be shared across the sector.
  - It will be worth establishing the extent to which colleges have ambitions to develop collaboration with other colleges on the basis of shared areas of expertise and specialism as opposed to geographic proximity. Such collaborations could create a critical mass for securing additional investment. Scottish universities already have well developed collaborations at the national and international level, particularly in R&D often linked to Innovation Centres. These have ensured the leveraging of investment from both the public and private sectors. What opportunities might there be for colleges to join such alliances themselves?



## 7. ACKNOWLEDGEMENTS AND THANKS

The cast of those who have engaged with the work of the ERG programme has grown to such an extent that it is not possible to mention every one individually, but we do wish to record our thanks to all for their input, and in particular to recognize the contributions from the following;

1. All college board chairs and their members who have participated and helped shape our sessions around the country
2. All principals who have demonstrated such strong leadership in driving this programme forward through the lens of their own regional economy

3. Key players from Scottish Government, National Agencies, including SDS, SE and SFC, who have helped maintain the national coherence to this regionally diverse programme
4. Our local authority CEOs and their teams for their enthusiastic, insightful and imaginative participation

We are especially grateful to our Programme Officer, Jennifer Lewis and her invaluable organisational skills. We have also very much appreciated the guidance and wise counsel of Vicky Underwood at CDN over the duration of both phases of the work of ERG and more recently of her colleague Gordon Hunt.





# ANNEX 1

## ERG Phase 2 Diagnostic

### Inter-College co-operation

- How would you describe the current level of co-operation between your college and other colleges operating within the same functioning economic region? Can you point to the impact and benefits of this co-operation? (The functioning economic region may be defined by the relevant Regional Economic Strategy (RES) or City-Region/ Growth Deal – see list below)
- Where inter-college co-operation does occur is it informed by the identified priorities for delivering inclusive and sustainable regional economic development? If so, in what ways? (Priorities may be those of the relevant RES and/or of the Growth Deal.) Has this co-operation been an integral feature of the development of the RES/ Growth Deal?
- What are the opportunities for further developing co-operation between your college and other colleges operating within the same functioning economic region? And what do think would be the benefits of doing so, e.g. shaping the current/ future iteration of your RES/ participation in your REP?
- To what extent do you co-operate with other colleges outwith the functioning economic region in which you operate and if so, in what ways?
- Does your college face any barriers or constraints to developing co-operation with other colleges? If so, what are they and how might these be overcome?

### Cross-tertiary collaboration

- At what level does your college collaborate with the Universities located within the same functioning economic region?

- Does your collaboration with universities contribute to the delivery of the identified priorities for achieving inclusive sustainable economic development across the region, and how does this impact upon your college's provision?
- Does your co-operation with other colleges include joint collaboration with Universities located within the same functioning economic region?
- What are the opportunities for developing closer collaboration between colleges and universities in support of inclusive, sustainable regional economic development? What do you think would be the benefits of doing so?
- Does you college collaborate with any university operating outwith the functioning economic geography in which you operate, and if so, in what ways?

### Tertiary sector as a driver of inclusive, sustainable economic growth

- How is the tertiary sector currently represented in the relevant Regional Economic Partnership and/or City–region Growth deal?
- Do colleges and universities work together in your area to promote to partners and stakeholders a collaborative, co-ordinated perspective on how the tertiary sector drives inclusive sustainable regional economic development, and how it drives the institutions programmes?
- What should colleges and universities be doing to highlight the additional benefits of tertiary sector collaboration to other partners and stakeholders leading regional economic development?

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