

F/T: 0300 244 4000
E: dfmcse@gov.scot

Shona Struthers (cc Ken Milroy)
Colleges Scotland
tom.hall@collegesscotland.ac.uk

12 February 2021

Dear Shona and Ken

Thank you for your letter of 29 January welcoming the draft budget. I would also like to thank you for your thoughtful and considered submissions to the budget process.

My Ministerial colleagues and I have worked incredibly hard to reach the position we have for colleges. I acknowledge the budget settlement does not cover your total ask, however, this has been an extremely difficult budget in an unprecedented time.

Colleges will receive 24.4% (£33.7 million) of the total uplift available to my portfolio. The overall net increase in the college sector budget of £33.7 million is the largest cash uplift since the 2018-19 budget and will support sustainability of the sector and help mitigate against the effects of the pandemic including recognising the disruption to learning and teaching due to COVID-19. It also includes an allocation towards student support.

You have asked for colleges to benefit from the additional £500 million of Covid-19 consequential funding. You may be aware an additional £23.4 million of Education and Skills Covid-19 allocations is being prioritised to further support colleges. In addition, up to £10 million Young Person's Guarantee funding will also flow to the college sector to continue the provision of shorter, industry-focused courses. Combined with the uplift in the Budget itself, this comes to a potential total increase of £67.1 million.

The £23.4 million of Education and Skills portfolio Covid allocations is prioritised to support the continuation of Foundation Apprenticeships and support our colleges' mental health programmes and in recognition of the importance of college estate IT infrastructure, digital learning. .

I also acknowledge the net college capital has decreased by £2 million to £33.7 million which is a 5.6% decrease in cash terms compared to 2020-21. This allocation includes investment in the Dunfermline Learning Campus.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

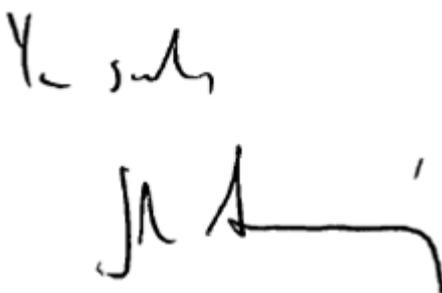
On 4 February we published both the Capital Spending Review and the Infrastructure Investment Plan. [Investing for Jobs: The Capital Spending Review 2021-22 to 2025-26](#) and [A National Mission with Local Impact, our Infrastructure Investment Plan for Scotland 2021-22 to 2025-26](#) confirms our prioritised investment of up to £90 million in the Dunfermline Learning Campus as well as our commitment to maintain and, in the later years, enhance our support for capital expenditure within the college sector. Over the course of the five year Spending Review, colleges will receive £250.3 million investment.

We will hear from the UK Government on 4th March how it intends to use its budget. This may include additional consequential for Scotland and this will be known before stage three of the Draft Budget is concluded and so there may yet be movement in relation to the settlement for each portfolio.

As you are aware, the Minister for Further Education, Higher Education and Science has created a short life Taskforce which will aim to provide solutions to maximise completion of student learner journeys. The taskforce is focused on students being able to complete their courses as a priority. Officials are working at pace to quantify the additional demand, and we expect to set out our forward approach in the coming weeks. It will however require imaginative and flexible approaches by all partners.

I would like to thank Colleges Scotland for attending the first Task Force meeting and for your very positive and constructive contributions. We are facing a critical time for our FE and HE learners and we all need to work together, through a learner centred approach, rapidly, flexibly and creatively to maximise the numbers of learners who can complete their qualifications this academic year and move forward into further study or employment.

I recognise regular and continued dialogue on these issues is important. The Minister for Further Education, Higher Education and Science will continue to meet regularly with the sector through the Task Force and Ministerial Leadership Group, however, further meetings can be arranged as and when necessary.



JOHN SWINNEY

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.gov.scot



INVESTORS
IN PEOPLE

Accredited
Until 2020

