**Consultation on Future of Regional Strategic Body – The Lanarkshire Board**

Introduction

**1.Historical Background and Context**

**1.1**The Lanarkshire Board was established by the Lanarkshire Colleges Order 2014 and this Order defines the membership of the Lanarkshire Board, which came into being on the 1st October 2014. Distinct from New College Lanarkshire (NCL) and having a separate Board of Management, the Principal of South Lanarkshire College (SLC), the Chair of SLC, two SLC staff members and the SLC Student President are members of the Lanarkshire Board through the Lanarkshire Colleges Order 2014. SLC is an assigned College to NCL, NCL being the Regional College and the Regional Strategic Body (RSB) i.e. The Lanarkshire Board.

**1.2** It is the duty of a Regional Strategic Body (RSB) to exercise its functions with ***a view to securing the coherent provision of a high quality of fundable further and higher education in the localities of its Colleges. In doing so, the Regional Strategic Body must have regard to any fundable further education and fundable higher education provided by any other post-16 education bodies in the localities of its Colleges.*** Inter-alia, the Board must monitor the performance of its Colleges in accordance with the Further and Higher Education Scotland Act 2005. The Board may give such directions to its Colleges, or to any of them, as it considers appropriate, in accordance with the 2005 Act.

**1.3** In the case of the dissolution of the RSB (the Lanarkshire Board), there will still be a requirement to ensure coherent provision through what will be two independent colleges within the one region, whose status is yet to be clarified. (i.e. can we have two regional Colleges in the one region?). Furthermore, the Lanarkshire Region to date has also included East Dunbartonshire and NCL has had a campus at Kirkintilloch. Clarification will be required on the proposed successor arrangements as soon as possible. The RSB will be keen to contribute to the discussions on the development of effective arrangements for the future and has offered some initial thoughts in Section 6 below

**2. Regional Benefits – Delivering Coherent Provision**

**2.1** The Lanarkshire Board recognised from its inception that there were benefits to be gained from regionalisation. The concept of a Lanarkshire Regional Board -a Regional Strategic Body (RSB) – had the potential to align the two Colleges with the overall regional dimensions of the two major Lanarkshire Local Authorities, the NHS Lanarkshire Health Board and the Lanarkshire Economic Forum and to present one entity at a regional level for collaborative partnerships. The Lanarkshire Board was charged with regional responsibilities in the 2013 Further and Higher Education Act and the 2014 Lanarkshire Order. There was, however, no definition of the regional benefits expected from the RSB or indeed the Glasgow Board and UHI.

**2.2** In the period following the establishment of the RSB, there have been many noteworthy **achievements by the Lanarkshire Board and in the event of dissolution of the Board these may act as a guide for future beneficial activities** at the regional level. Examples of collaboration are:

* The creation and development of an agreed Regional Strategy;
* The creation and development of a Memorandum of Understanding between the RSB and SLC
* The annual discussion and agreement on and delivery of one joint Regional Outcome Agreement. This included agreement on the allocation of funds to each college within the funding envelope from SFC;
* The establishment of a Regional Risk Strategy and Register;
* Joint procurement in areas such as waste management as part of a regional

 Value for Money policy;

* Joint curriculum development in specific curricular areas;
* Collaboration around student recruitment to help ensure that places are not blocked as a result of an offer from one Lanarkshire College being replicated by the other;
* As appropriate, the transfer of Credits across Lanarkshire enabling full benefit of the allocation to the Region and its learners.

**2.3** There were also two particularly valuable interventions by the RSB to support the assigned college SLC over the 10 years of the Lanarkshire Board arrangements;

* Specific financial support (c£850k) from the RSB to SLC to relieve a cash flow crisis at the assigned College in 2016
* The involvement of the RSB in providing a basis for addressing governance issues at SLC in 2020, following a breakdown in relationships between the Chair of SLC, the Principal and the Board Secretary.

**2.4** A Draft Regional Collaboration Plan was agreed in principle by the RSB at its meeting on the 7th October 2019 and that plan set out examples of existing shared good practice which included the following: Health and Safety Procedures; Student Associations’ Engagement; FED online Tool – data sharing; two way sharing of IT Systems and approaches; Internal verification approaches; Student recruitment collaboration with regard to the Application and Acceptance Policy; Credits and other transfers as appropriate; mutual exchange of financial information; regular joint Senior Finance staff meetings; joint approach on Government Banking and Brexit arrangements; joint working towards each Colleges BSL Action Plan; curriculum progression routes in Hospitality and Sport; joint submission ESF Skills template to SFC.

**2.5** The draft plan also stated that exploring further possible developments in the alignment of systems and processes for mutual and regional benefit were actively under consideration. This included the identification and application of operational strengths in each College which could be shared. There was also scope for greater integration and collaborative value aimed at providing improvement and overall regional excellence for learners, staff and stakeholders alike. A number of opportunities were identified in the draft plan in the following areas: Curriculum, Stakeholder Benefit, Organisational Infrastructure and Finance. Commitment to some of these areas of collaboration has been variable over the past few years but remains a reasonable goal.

**3. Barriers and the Move to Dissolution**

**3.1** In order to go forward it is often best to understand and hopefully learn from what has happened in the past. NCL is designated as both the Regional College and the RSB i.e. the Lanarkshire Board has a dual role as the Board of NCL and as the RSB. South Lanarkshire College (SLC) is assigned to the Lanarkshire Board but it has its own autonomous Board within this structure and the SLC Board and College have their own aspirations in reflection of this autonomy. This model for the Lanarkshire Board relies, as partnerships do, on an alignment of the willing and separate aspirations can affect the effective delivery of partnership working. Historically, this was always an issue following the inception of the RSB in Lanarkshire.

**3.2** It is worth noting that the Lanarkshire Board and UHI are Regional Strategic Bodies whereas the Glasgow Colleges Regional Board is a Regional Board. They are each different in how they are set up and in how they work and, therefore, there may have been different barriers to achieving regional benefit in the respective regions. Therefore, there is not a “one size fits all” solution for such fundamentally different arrangements.

**3.3** The Chair of the Lanarkshire Board initiated a review of the regional structure following his appointment in August 2019 with the agreement of the Lanarkshire Board and in collaboration with the Chair of SLC. This review along with a review by an SFC funded consultant in August/September 2019 and a subsequent SFC evaluation of the Lanarkshire Board in October 2019, which was part of a review of all the RSB’s, identified barriers to regionalisation including issues around the current structure and highlighted potential areas for improvement.

**3.4** In the SFC Report, that followed the evaluation of the Lanarkshire Board (as part of a wider review of all RSBs) dated 20th October 2020 it was stated that following SFC’s review it was their assessment that considering **the regional structure, the RSB (the Lanarkshire Board) was meeting the core statutory requirements.** However, it had not yet been able to evidence full impact and delivery on the additional benefits anticipated as a result of regionalisation. The recommendation in the report was as follows:

*“**We recommend that the RSB should be dissolved and both Colleges manage themselves as separate regional entities, forming a direct relationship with SFC. For clarity, we also encourage both Colleges to continue to be part of appropriate education, skills and economic recovery regional planning, and to build useful collaborations together or with other partners, and to foster strong economic planning partnerships at a Lanarkshire and wider Glasgow level.”*

**3.4** A key issueis that there was **no definition of the regional benefits** that were expected beyond the delivery of the core statutory requirements. Regional benefits were delivered as set out above at Section 2. There should be clarity on what is required post dissolution for regional planning and who has responsibility for what if there are two “separate regional entities” in one region. NCL, in the meantime, has forged collaborative partnerships at a Lanarkshire and Glasgow level. Examples of this are the undergraduate school which is a collaboration with the University of the West of Scotland and NCL and the Smart Hub which is a partnership with NCL, and North Lanarkshire Council and the University of Strathclyde. NCL is very active in seeking collaboration with local partners in the public and private sector and with partners in Glasgow and beyond.

**4. Transition to Dissolution by the Lanarkshire Board**

**4.1** The SFC in its review of the RSB’s on the 20th October 2020 recommended, as noted at 3.3 above, that the RSB should be dissolved and both Colleges manage themselves as separate regional entities, with each forming a direct relationship with SFC.An informal working group entitled the Lanarkshire Transition Group (LTG) was set up and a Transition Plan was subsequently produced.The key action in the Transition Plan for the RSB to undertake was to move to having NCL only Committees by January 2021 with SLC members no longer required to attend the Lanarkshire Board Committees. SLC reports from its Committees would now be made directly to the Board along with the SLC Board report. This was agreed with the SFC and with SLC and approved by the Lanarkshire Board at its meeting on the 14th December 2020. The external auditors were fully informed of this process. This meant that for the period August to December 2020 SLC Board Members attended the Lanarkshire Board Committees but for the period from January 2021 to October 2021 SLC reported solely through the Lanarkshire Board.

**4.2** However, during the course of 2021, the Transition Plan timetable with key actions from the SFC and the Scottish Government was reprioritised and currently a revised dissolution date has not been finalised. As dissolution has not progressed as originally planned on 31st July 2021, the Lanarkshire Board retains its status and responsibilities as a Regional Strategic Body. Following the governance failures at SLC in 2021, the Lanarkshire Board reviewed its governance structure to ensure it could maintain effective oversight as an RSB during 2021/22 and it reinstated SLC Board members attendance at its Committees, with additional attendance by the Chair of the Audit and Risk attending the SLC ARC and the Chairs of the respective Finance Committees at each other’s Committees. This approach ensures that the RSB oversight of the assigned college as required in the 2013 Act continues to be undertaken.

**5. Scottish Government Consultation**

**5.1** On 16 May 2024, the Minister for Higher and Further Education announced in the Scottish Parliament that he wished to reform the RSBs for Glasgow and Lanarkshire college regions with his preferred option being to dissolve both. A consultation was subsequently launched in June 2024 with responses to the consultation due by 20th September 2024.

The consultation questions for the Lanarkshire Region are set out below. The questions for the Glasgow Board are the same. At the present time, the LRSB does not consider it appropriate to make any comment on the Glasgow situation.

**6.The Lanarkshire Board Response to the Consultation**

**Q1. Should the Lanarkshire RSB be dissolved (1 a) and both Lanarkshire colleges become regional colleges (1b)?**

This is effectively two questions in one.

The answer to the first question 1(a), given the current position of key stakeholders, is yes.

The answer to the second is more qualified given the clear issues that may arise if there are two regional colleges within one region. The SFC, as noted in para 3.4 above, recommended that the RSB should be dissolved and both Colleges manage themselves as “separate regional entities”, forming a direct relationship with SFC. There may be merit in the concept of a regional college and a community college given the scope and geographical concentration of the activities of each college (see the answer to question 3 below)

**Q2. Please explain your views.**

1a. At paragraph 3.1 above it is noted that NCL is designated as both the Regional College and the RSB i.e. the Lanarkshire Board has a dual role as the Board of NCL and as the RSB. South Lanarkshire College (SLC) is assigned to the Lanarkshire Board but it has its own autonomous Board within this structure and the SLC Board and College have their own aspirations in reflection of this autonomy. This model for the Lanarkshire Board relies, as partnerships do, on an alignment of the willing and separate aspirations can affect the effective delivery of partnership working. Therefore, aspects of the arrangements for regional administration in Lanarkshire have created the potential for tension between the two colleges. The dissolution will allow both colleges to spend more time focusing on the key issues assailing their respective positions, adapt to the new funding environment and hopefully endow each of them with increased agility in the marketplace.

1b. The issue of the legal status and definition as a Regional College must be carefully considered (see 1.3 above). Furthermore, given past discussions with SFC, there may now be two regional colleges in one region. This could potentially lead to friction and conflict, regardless of how well meaning the respective Boards and senior management teams may be at this point. The current legislation sets out regional planning responsibilities for regional colleges. But if we have two in one region, both will presumably have the same responsibility. Therefore, who will be legally responsible for regional planning and for what part? Once again, urgent clarification is required.

It is also important not to replace something that has its flaws and recognised weaknesses with something that doesn’t represent obvious improvements and potentially can result in even more flaws. The aim is still to secure the coherent provision of a high quality of fundable further and higher education. Following a dissolution of the RSB, this would now have to be done in a less structured environment without a regional legal framework and with inevitably a requirement for more direct input from the SFC. The RSB would no longer be the fundable body with powers to act in the SFC’s stead. What now encourages and enables partnership working and ensures that there isn’t actually unhealthy direct competition between the two colleges within the one region? Previously, the issue of a “reluctant partner” made it difficult to deliver within a formal legal structure so if there is still resistance over some issues how will moving to an informal structure make it easier to deliver regional benefit? How do you prevent unhealthy competition or predatory behaviour over credit allocations? The SFC could be in the middle of a very difficult position with two regional colleges in the one region both with direct access to the SFC.

The original purpose of the regional legislation was to ensure regional delivery and provide a basis for collaboration and joint working in circumstances where there was more than one college in an operational area. However, the present regional arrangements are perceived to have been of limited benefit in each of the three regional areas affected by the legislation. Therefore. with the changes proposed in the current consultation, there is an opportunity to revisit the whole issue of what constitutes a region and whether this is still a relevant term in the light of emerging digital and remote delivery capabilities.

**Q3. Do you think there is a need for South Lanarkshire College and New College Lanarkshire to enter into formal collaborative arrangements?**

Not initially at least. Why would the colleges enter into formal agreements when a legal formal framework has just been set aside through the dissolution of the RSB? Having dismantled the RSB the instinct is to have as little formality as possible and to use other existing mechanisms to deliver agreed regional planning such as the ROA. Other formal agreements should be put in place if needed and there is unregulated competition that undermines the provision of coherent educational provision. Both colleges need to know and understand who they are in the new arrangements before moving into a new formal structure.

There are, however, a number of issues to be addressed as follows:

* The legislation refers to Lanarkshire as the region, not any subdivision by the Local Authority areas of North and South Lanarkshire. Clarification on what actually constitutes a “region” is essential (see note above), especially since much Scottish Government policy direction appears to consider delivery through regional mechanisms.
* How do you ensure that credits don’t leach out of the region? It was possible to transfer credits with the RSB. This may be handled solely through the ROA which presumably now has to be facilitated by the SFC and the regional planning becomes the ROA. Who convenes regional meeting in a pares inter pares arrangement – the SFC? The SFC is now stepping back into the role that was the RSB’s. The Financial Memorandum that the SFC had with the RSB made the RSB its proxy in Lanarkshire and, therefore, monies due to the region came through the RSB and the RSB had regional planning and disbursement responsibilities.
* A two regional college concept doesn’t work by simply defining by North and South Council boundaries and assuming that each college will operate solely within one local authority area. There are demographic, geographic and transport issues in Lanarkshire which will affect the capability of the Colleges to deliver region-wide – e.g. students in Lanark are much more likely to go to Motherwell or Glasgow with direct rail and bus links available, than to East Kilbride, which traditionally affiliates directly to Glasgow. NCL has always had a good number of students residing in South Lanarkshire postcodes but this is not the case, the other way around for SLC which does not usually service students from North Lanarkshire post codes. For example, in 2023/24, there were 3422 learners at NCL who lived in South Lanarkshire. The departments with most enrolments from South Lanarkshire with over 2000 credits are Construction; Dental, Health and Social Care; Lanarkshire Institute of Science and Technology; Music Industries and Performing Arts. You, therefore, have one regional college that operates across the whole region and one other college that operates chiefly in the East Kilbride area acting effectively as a Community College for the town and its immediate environs. This also clearly will have implications for the potential for unregulated competition between the two Colleges. It would be hugely disruptive and disadvantageous to learners and students for NCL to have to withdraw from delivering courses to areas out-with North Lanarkshire post codes.
* NCL continues to deliver courses to students with complex and additional needs and for students who come from areas of deprivation who need more support. These courses are more expensive to run and this puts financial pressure on NCL who are doing significantly more of this than SLC. This is an issue in terms of regional planning. This was recognised by the SFC who gave additional ringfenced funds to support learning for those from deprived postcodes and NCL because of its activities in these areas was successful in bidding for additional funding. These funds were subsequently rolled up by the SFC into the overall regional allocation losing their ringfencing as a separate fund.
* Presumably, post dissolution, The SFC will need to take a role in ensuring coherent provision as the funding body and this could be through the Regional Outcome Agreement (ROA) process. The ROA, which may now be two separate ROA’s with one for each college, will now have to be facilitated by the SFC who would also have to co-ordinate the ROA process in what would now be a pares inter pares arrangement. The SFC will therefore need to step back into the role that was carried out by the RSB. The Financial Memorandum that the SFC had with the RSB made the RSB a fundable body and, therefore, monies due to the region came through the RSB and the RSB had associated regional planning responsibilities.
* It is presently unclear what role the SFC will perform post dissolution and this is something that needs to be addressed urgently. Does the SFC now intend to adjudicate in any dispute resolution? Does there now need to be guidance on the role of the SFC and of the regional bodies. Under the current consultation for the Post School Education and Skill Reform, the potential for a new funding model for the FE sector is likely to involve significant changes to the roles and responsibilities of the SFC, SDS, and SAAS. This lack of clarity presents further complications in driving forward improvements to regional skills planning and delivery.

**Q4. If yes, please describe how you would see collaborative arrangements working for each of the Lanarkshire colleges and who should be involved.**

In the absence of a clear vision for the future of FE in Scotland, it is difficult to speculate on what future collaborations should look like. As noted above at Q 3 the instincts are to have as little formality as possible and to use other existing mechanisms to deliver agreed regional planning such as the ROA. However, we have some thoughts on what we would expect to introduce in Lanarkshire as a minimum, to support joint planning and working;

* Liaison at Operational Level. Currently, collaboration at senior management level is better than it has ever been, largely down to personalities and attitude of those involved. There are well established and effective working arrangements between respective academicleads and Heads of Department. These should continue on a regular basis to strengthen working links on matters such as; student recruitment, local curriculum development etc.
* We propose an annual summit between both institutions and other stakeholders each year to review the effectiveness of present arrangements and discuss and consider mutually beneficial opportunities and important matter of shared interest.
* Arrangements for ad hoc meetings to respond quickly to changing circumstances and opportunities such as Inward Investment projects, new funding streams.
* While our current position is that the formality of any new arrangements should be minimal, we recognise that the starting point for planning and delivering effectively will need to utilise the ROA for each college, as a key building block in the process. The present obligation to prepare ROA’s applies to both colleges and is a requirement under the present arrangements with the SFC. Each ROA involves the presentation of key information in a transparent format and is likely to be the best basis for structured discussions on how Lanarkshire’s needs can be best addressed.
* The issue of shared resources and harmonised systems and practices is much wider than simply Lanarkshire interests, but scope exists to have much closer cooperation on the purchasing, use and development of systems used by both colleges. This should be kept constantly under review to help reduce costs and increase effectiveness for joint delivery in Lanarkshire. A standing Working Party on this between both colleges and relevant stakeholders would be an important first step.

**Q5. If no, please describe how you think the colleges could ensure that they fulfil their duties (to plan and provide education and skills curriculum for the benefit of the learner, regional economy and community.**

This could be done through a revised ROA process. There should be urgent clarification of proposed future arrangements from the SG and SFC.

**Q11. Do you think the implementation of the proposal delivers benefits in the Lanarkshire college region?**

Yes – for both the learner and the regional economy.

Yes – for learners but not for the regional economy.

Yes – for the regional economy but not for learners.

Once again this is a qualified yes, depending on what arrangements are ultimately put in place.

This will depend on what happens post dissolution and in any case those benefits will have to be defined. The RSB’s and the Glasgow Board were set up to bring overview, cohesion and planning at a regional level. Disaggregation of the regional model into component parts will bring different challenges to ensure a regional planning delivery.

 There is clearly an appetite for close collaboration and joint working from both NCL and SLC at present. What remains to be defined and agreed is the framework within which the Scottish Government and SFC will expect the colleges to operate and more importantly, what role the SFC as regulator will play in facilitating and funding the ambitions of both institutions. It is important to learn the lessons from the past and clearly articulate from the outset, what benefits are expected from any new arrangements.

**Q12. Please explain your answer.**

The RSB did achieve some benefits and collaboration (itemised in part 2.2 above). To establish any progress and improvements, it will be necessary to have a thorough evaluation after a year or so of any new arrangements and to retain an open mind on making changes to address any issues that arise.

**Q13. What impact, if any, will the proposals have on your own organisation, and your service users, staff and potential employees? Please particularly consider any implications for people who are socio-economically disadvantaged or from the protected equality groups.**

It is difficult to assess what detailed changes may arise from proposals which are yet to be defined in any meaningful detail. However, it would be anticipated that removing the administrative burdens and obligations from NCL would enable an increased focus on the College’s own strategy and lead to improved operational agility. The current proposals should not be viewed as an end in themselves but as a first stage in a longer-term evolution of changes for the sector to support improved effectiveness across a range of outputs and outcomes. In this regard, it is important to measure and evaluate progress at an early stage to drive tweaks and modifications to the requirements for colleges and the FE sector in general.

It is unlikely that there will be any adverse effect on the staff or service users at NCL from the current proposals, although it is difficult to anticipate how there will be any obvious benefit to those who are socially disadvantaged or from protected equality groups.