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# NEW BRITAIN: OLD POLITICS
# DEVOLVED POST-16 EDUCATION AND TRAINING

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## Editor's Foreword

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**Introduction: All Change**

In 1999 the Westminster Labour Government delivered its 1997 general election promise of UK constitutional reform, establishing the Scottish Parliament and Welsh Assembly. With primary as opposed to secondary legislative powers, it is the Scottish Parliament that has most power of the two new institutions of government. The legislation creating the Scottish Parliament at Holyrood had a number of aims, including bringing democratic accountability to the already extensive administrative devolution that Scotland enjoyed, extending devolution to new areas with new powers, initiating a more proportional electoral system and ushering in new and more modern forms of politics and government based on accessibility, participation and consultation.

Governance is now shared between Edinburgh and London. Westminster retains responsibility for defence, foreign affairs, immigration, social security and central economic policy, including main taxation. These reserved powers encompass state benefits, including pensions, and employment. Holyrood has control over most other areas of government, also assuming many of the responsibilities of what was, in 1997, the Scottish Office. These areas include health, transport, law, environmental and rural affairs, social services, local government, national economic development, policing, sport, and culture and the arts. It also includes almost everything significant in education and training: pre-school and school education, careers advice and guidance, training policy and lifelong learning, and further and higher education for example.[1] Devolution of these areas gives the Scottish Parliament more legislative power than many states in federative countries, including the German Lander.[2] As a consequence, there is a clear belief, reiterated recently by the Equal Opportunities Commission, that 'responsibility for education and training is devolved to the Scottish Executive and Parliament'.[3]

It should be remembered however, that many of the areas, including most of education, were already controlled by Scotland in 1999 as a result of agreements arising from the Act of Union in 1707 between England and Scotland. As a consequence, a range of administrative state apparatus existed in Scotland. Scotland subsequently pioneered a range of educational initiatives, including the first

compulsory primary education system and an enlightened university system that became a world leader in the 'age of empire' over the nineteenth century. Education also came to be regarded as a key mechanism to more equally redistribute opportunity. Scotland's education remained distinctive within the UK prior to devolution.[4] Indeed, one of the reasons for the growing unpopularity of the Conservative Party during the Thatcher-Major years was the perception that a UK Government wanted to tamper with, or even undermine, this area of Scottish autonomy. As a consequence, distinct philosophies, policies and practices were already in place by 1999 from which further divergence was possible.

In addition to the existing diffused patterns of control by 1999, it was perceived that Scotland was a country with a different political culture. Meliorism or the belief that improvements are possible through human intervention is strong in Scotland; Scots do not appear to equate individualism with consumerism and are much more in favour than the English of wealth redistribution.[5] Scotland then seems to lean more to the political left than the rest of the UK. Some poll data bears out this perception according to Brown and her colleagues. Scotland is significantly different, these authors conclude, 'being more socialist, more liberal and less British nationalistic'.[6] Moreover, the same polling indicates that there is relatively little variation across Scotland in this political culture. By 1999, therefore, the institutional environment was seemingly set for potential major change with the establishment of the Scottish Parliament. The agents of that change only needed to be put into place.

The first two elections to Holyrood, in 1999 and 2003, confirmed center-left hegemony. A Labour-led coalition with the Liberal Democrats governs, the Scottish National Party (SNP) is the main opposition (offering itself as 'old Labour' in the Central Belt area between Glasgow and Edinburgh) and, from 2003, the Green Party and the Scottish Socialist Party each now have a handful of Members of the Scottish Parliament (MSPs). It is unlikely that the Conservative Party will ever lead a government in Scotland – only having any MSPs as an outcome of a proportional electoral system that the party opposed.

Although the first cohort of MSPs was demographically similar in type to Westminster MPs[7], it soon became clear that many lacked experience of big picture

politics. Some high profile MSPs, such as the second and so far most prominent Minister for Enterprise and Lifelong Learning Wendy Alexander, had never even held elected office before Holyrood. Passing laws on street dog dirt and the spiralling costs of the parliament building did little to change media hack minds about (in)competence or stir the public out of its indifference. The Parliament was quickly derided as nothing more than a 'big toon cooncil' full of 'numpties'.[8] (It should be of little surprise that its most effective ministers should be previously high ranking local government politicians.)

Nevertheless the Scottish Labour Party knew that it needed fresh ideas and policies to put distance between it and London Labour. Providing 'Scottish solutions to Scottish problems' quickly became the mantra and purpose. Moreover, most of the political parties were keen to demonstrate the Parliament as adding value rather than a cost to Scotland. The Parliament had to be more than a 'Westminster of the North'. One potential scenario, outlined by Hassan and Warhurst, was that, drawing on the political culture of Scotland, the Parliament would herald a radical democratisation, making 'a defining break with the centralisation of the British state … leading to a re-engineered, progressive United Kingdom and, in Scotland … a new, more mature and progressive politics'.[9] For some commentators south of the border this possibility was already realised with devolution, as journalist David Aaronovitch epitomised when he stated boldly that 'Scotland was a new and confident country, flexing its autonomous muscles.'[10]

Since devolution the Scottish Executive, the government in all but name, has initiated a vast number of parliamentary consultations and taskforces on a range of issues, including post-16 education and training. The number of laws enacted relating to Scottish affairs could never have been enabled without devolution. Many of the issues and problems that are apparent in Scotland resonate with those in England and Wales; a desire to expand higher education particularly and improve the supply-side of the labour market generally whilst yet grappling with weak employer demand for higher skills, the patchy provision of training, and ambiguities in the purpose and measurement of vocational education and training (VET). Moreover and also as in the rest of the UK, serious and sometimes uncomfortable questions are beginning to be

raised about the role of those most interested in education and training: the state, employers, employees and training providers.

In Scotland, the result has been the publication of a raft of documents and a range of initiatives, some of which simply replicate wider opinion and actions beyond Scotland, some of which mark a clear departure from practice in England and Wales but which are becoming mainstreamed in UK policy debates, and yet others that mark potential divergence and distinction in the orientation and delivery of post-16 education and training in Scotland. This chapter outlines the key post-16 education and training related policies and initiatives in Scotland since devolution. These developments also shed light on UK devolution in practice.

**One, But Not the Same**

Scotland's post-devolution economic strategy – named *A Smart, Successful Scotland* - is a variant on the knowledge economy promoted by the Westminster government.[11] The correspondence is not surprising as the main policy levers of Scotland's economy, such as taxation, are controlled by Westminster and, in addition, Scotland's economy is not greatly different from the rest of the UK. Employment growth too is common in Scotland and the rest of the UK. There are however slight differences in this employment. Employment is higher in Scotland in the primary sector (agriculture, fishing, mining and quarrying etc.) than for the UK as a whole. Scotland also has more employment in hotels and construction. There is less employment in Scotland relative to the UK in financial and business services. Public sector employment is higher in Scotland. The leading employers are health and social work, retailing, education, and local and central government.[12] As across the UK, there has been a marked shift over recent years from manufacturing to services. One in ten Scots now work in a shop. New business birth-rate is low in Scotland compared to the rest of the UK and is a persistent and long-standing problem, Peat and Boyle state.[13] The Central Belt area of Scotland between Glasgow and Edinburgh is the most populous and it has been suggested that it has an 'employment culture' rather than 'entrepreneurial culture', with dependency on others to provide jobs. Consequently, Scotland has more employees and less self-employment than the rest of the UK. Moreover, those employing firms tend to invest less in research and development. As a consequence,

they are less innovative and have lower skill jobs. Likewise, on measures such as the number of firms acquiring Investors in People, Scotland trails the rest of the UK.[14]

Employers are not all to blame. The performance of schools in Scotland is poor as measured against other countries in the world. Scotland, although slightly better than England, trails in the bottom half of international league tables. Receipt of higher education though is more pervasive in Scotland. The UK Government has a target of 50 per cent of all young people under the age of 30 being in higher education by 2010. The UK average is currently 35.5 per cent. Within this average, Scotland has already reached the 50 per cent target. Ironically, therefore, Scotland has a more highly qualified labour force than the rest of the UK. Unfortunately, these more qualified individuals tend to leave the country. Nevertheless, targets have been set to raise further the number of qualifications held by Scots. The consensus across policy-makers in Scotland is that the country must do better in its education and training. It wants more and better qualified workers.

Historically, the most uniformly British parts of the education system were vocational training, for both the employed and unemployed. Work-based training was less distinctive than other aspects of Scottish education and training[15] but there were changes during the 1990s. In 1990, two powerful quangos - Scottish Enterprise (SE) and Highlands and Islands Enterprise (HIE) were established. These quangos were, and still are, the national economic development agencies of Scotland. SE and HIE were intended to provide a business-led approach to economic development and training, and they took over the responsibilities of the previous development agencies and the Training Agency (TA). The reform brought the business community into public policy; allowed more local approaches to evolve and attempted to move away from the much-criticised one size fits all approach of the TA. It also sought to achieve a better link between training and economic development. In 1993, responsibility for training policy was devolved to the then Scottish Office. Significantly, this responsibility was still to be exercised within the framework of a UK strategy and in partnership with Britain-wide institutions.

Further education (FE) and higher education (HE) were different. Further education colleges provide VET but have been a key element in the distinctive Scottish

educational system. During the Thatcher years, 47 of the 49 FE colleges were incorporated and then had to compete with each other, particularly in the urban areas. Attempts were made by these colleges however to co-operate both with schools and HE. This interface between higher and further education is distinctive and is widely believed to have been important in the more rapid expansion of and widened access to HE in Scotland. A large part of the increased access to HE is students undertaking HE courses in FE colleges. Following the Further and Higher Education (Scotland) Act 1992, part-time students and women returners in Scotland seem to prefer accessing HE via FE. Since devolution the Scottish Executive has further encouraged collaboration between FE colleges as well as between FE and HE. This collaboration has been consolidated recently by the merging of the separate funding councils – of which more below.

With devolution, affecting the labour market through education and training is regarded as a key lever for improving Scotland's economy, as well as the country's social fabric. There are three pressing issues for the Scottish labour market: demographic changes, high unemployment and skills development. The population of Scotland has been broadly static compared to the rest of the UK. Estimates suggest that the population in Scotland will decline to under 5 million by 2031. Its population is shrinking – partly due to the 'brain drain' - and ageing. Older workers need to be retained and (re)trained in Scotland. In addition, although New Labour in London wants to be seen to be tough on inward migrant labour, the Scottish Executive is more desirous, launching the Fresh Talent initiative to encourage foreign students to remain in Scotland for an extra two years after graduating. Home Office plans to raise the price of student visas and abolish the Right of Appeal for visa rejections may hamper this initiative. Indeed, the target number of 8000 visa extensions in Scotland has been revised downward significantly recently.[16]

Much effort is also being made to lever the long-term unemployed back into work as well as other currently non-economically active people, of which there are relatively many, especially in Glasgow.[17] As with the UK generally, unemployment is falling in Scotland. However, there are pockets of high residual unemployment. Worst unemployment occurs in Glasgow, and creates other social problems, often some of the worst in Western Europe, such as poverty, poor health and social exclusion - and

political disengagement if the very low electoral turnouts in 2001 and 2003 are indicative.[18]

The lack of investment in training by firms and the weaknesses of government-led VET provision affect unemployment in Scotland: 'The message is clear: the higher the skill level, the less likely people are to be long-term unemployed' argue Peat and Boyle.[19] Creating a high wage, high skill Scottish economy requires firms to be innovative and to develop the learning and knowledge of all employees at all occupational levels and in all industries. According to second First Minister Henry McLeish, the Scottish Executive was committed to developing 'a culture of lifelong learning' and the provision of training that 'delivers the skills that match the job needs of the future', 'these skills being updated while [individuals] participat[e] in the labour market'.[20] Because Scottish employers have a tendency for lower investment in employee training and development, it is not surprising that education and training has become a key focus of the Labour-dominated Scottish Executive in its attempt to improve the quality of existing and potential employees.[21]

**Daring to Be Different?**

Post-16 education and training in Scotland is divided into three areas; training, further education and higher education, although there is overlap between the three areas. The Executive department that is responsible for most post-16 education and training, and for funding the relevant institutions, is the Enterprise and Lifelong Learning Department (ELLD), which did not exist prior to devolution. The aim of the Department is to create a high skill, high wage economy. It had an operational budget of more than £2.bn in 2003-04. Almost three-quarters of this budget was allocated to FE and HE (including student support), with the local Enterprise Networks - part of SE and HIE - receiving around a fifth, of which around one third was for training.

With devolution, SE and HIE were retained by the Executive, though they were changed. They were put under the central direction of the Minister for ELL. SE and HIE are still required to work through a network of 22 Local Enterprise Companies (LECs). More centralised control was also exercised over the agencies network of regional agencies, and attempts were made to broaden the LECs' boards of

management. SE and HIE were given the lead role in implementing the Executives development strategy. In 2003-04 the budget for SE was £438m, while £78m was allocated to HIE.

The Executive's economic development strategy since devolution, with its post-16 education and training implications, was altered, albeit only, incrementally over the first parliament. Initially, the ELLD set out to implement *Opportunity Scotland*, with its emphasis on post-16 education and training. The key objectives were to raise awareness, improve access, extend participation, encourage progress and ensure quality in lifelong learning. The Executive added three new themes intended to improve policy and delivery: stimulating demand; improving the range and quality of information and guidance; and enhancing skill levels.

With the arrival of the new strategy, *Smart Successful Scotland,* the core objective became training for employability, bringing Scotland into line with international thinking (although critics argued that the strategy was based on weak concepts of employability). The strategy meant new priorities for the enterprise networks, namely:

- improving the operation of the labour market to better match supply and demand
- providing the best start for young people by equipping them with skills to take advantage of lifelong learning opportunities
- narrowing the gap in unemployment between local areas across Scotland
- improving demand for high-quality in-work training.[22]

Little changed in the 2004 *Smart, Successful Scotland* refresher document. The need for a high skill economy was re-emphasised, as was the need to enhance employability and the stock of human capital, lower unemployment particularly amongst the economic inactive and the creation of a prosperous, entrepreneurial and competitive economy.

The Scottish Parliament however also has a powerful cross-party Committee for Enterprise and Lifelong Learning (CELL). Unlike Westminster, some committees of the Scottish Parliament can both review Executive policies and can undertake research

and initiate legislation. This initiation does occur, and successfully, in the Parliament. By convention, the CELL convenor is a member of the SNP. The first two convenors were leading politicians of that party - John Swinney and Alex Neil. The CELL is widely regarded as one of the more effective and consensual of the parliamentary committees, and has taken on some of the big cross-cutting issues.

In 2001, CELL initiated a wide-ranging enquiry into post-school lifelong learning in Scotland. The CELL heard a wide range of evidence much of it critical, pointing to major flaws, such as funding arrangements that were hard to understand and that seemed to skew resources away from those most in need, institutional and policy fragmentation, and waste and duplication.[23]

The CELL's report in late 2002 was radical. It argued that a single lifelong strategy did not exist and that coherence should be created. The aim would be to open up lifelong learning to everyone, to enhance individuals and the country's well-being. CELL argued that the strategy should be based on quota entitlement, empowering individual learners and reducing control by producer interests. It also argued for new patterns of learning with horizontal as well as vertical movement throughout the system. Altogether 79 recommendations were made that would have resulted in a major shake-up of education and training in Scotland. The fact that it was cross-party, and involved consultations throughout Scotland created powerful pressures for change. However, there were also powerful counter pressures on the Executive to avoid radical change, principally pressures from the British political parties – most significantly UK Labour - and through pressure groups.

Following the CELL's inquiry, the Scottish Executive released *Life Through Learning: Learning Through Life* in 2003. This document set out the lifelong learning strategy through education and work for Scotland for the following five years. It is an instrumental strategy, aiming to create the best possible match between the learning opportunities open to people and the skills knowledge, attitudes and behaviours which will strengthen Scotland's economy and society.[24] Despite the suggestion of the CELL, the three main sectors have not been integrated. One of the reasons must be intra-party politics. On his election to leader of the Scottish Labour Party, it was expected that Jack McConnell would demote his perceived competitor, the Minister

for ELL and Brownite Wendy Alexander. Instead he greatly expanded her portfolio. The media quickly dubbed her the 'Minister for Everything' and her capacity to range effectively over her portfolio became difficult. The situation did not change when she resigned, cited the need for space to think, and Iain Gray became minister, to be quickly followed after the 2003 Scottish parliament elections by Jim Wallace, leader of the Scottish Liberal Democrats. Neither minister made drastic changes to the general thrust of existing policy, nor is change foreseen with the resignation of Wallace and his replacement in 2005. Another reason is that the Executive, despite devolution, still does not control all aspects of education and training in Scotland.

*The Business of Training*

Prior to devolution, training provision in Scotland was fragmented and lacking coherence, another symptom of the wider 'institutional clutter' of Scotland. The ELLD now controls training and whilst there has been some innovation in Scotland since devolution, it could also be argued that Scottish institutions continue in the main to implement or imitate policies that are common across Britain.

There are initiatives that are simply variations on the UK theme. The Labour Governments University for Industry (UfI) was established to develop links to extend lifelong learning and form partnerships for example between the public and private sectors. The Scottish University for Industry Advisory Group recommended that UfI should be established as a separate organisation in Scotland to reflect the different education, training and business developments. The Scottish University for Industry (SUfI) was established in 2000 and provides the Learndirect Scotland services. It works with the enterprise networks, Careers Scotland (see below) and Futureskills Scotland to ensure learner access to information needed to allow informed choices about learning opportunities. Its learning centres utilise a range of different learning providers, many being outside the normal traditional community-based and local authority run providers.

Some initiatives are an extension of UK politics. Much training – principally that for the unemployed and those excluded from the labour market – is not funded or determined by Scotland but London. In fact, the New Deal represents a

recentralisation of a policy area that appeared to be devolved to Scotland. Support in Scotland was strong generally for the New Deal. Nevertheless, the Scottish Affairs Committee at Westminster was critical of the compulsory aspect of the New Deal that reflected New Labour's attitude to welfare reforms and the Scottish Trades Union Congress warned against the recentralisation of training policy and the bypassing of Scottish institutions. The New Deal is currently within the remit of the Department for Work and Pensions at Westminster and a reserved power of the UK Government. As a consequence, the Scottish Executive does not have the power to amend the rules of UK-wide programmes for the unemployed. Moreover, the Executive is not the source-funder of the New Deal as it is a welfare programme (a reserved matter) and there is resistance from the private sector to any significant divergence. Support was ultimately forthcoming for the New Deal however because it was a Labour policy after 18 years of Conservative rule and because it promised new resources and it heralded a return to active labour market intervention.[25] Although not able to determine its *purpose*, some distinct Scottish aspects do exist in the *delivery* of the New Deal. Whilst the Employment Service remains the lead agency for the New Deal, delivery is based on the LEC areas. There is also greater need for public sector employer involvement given the employment patterning in Scotland.[26]

Scotland has also been incorporated in the British-wide Sector Skills Councils (SSC) initiative, with Scottish regional offices and additional funding from the Scottish Executive.[27] The Scottish Executive's 2003 lifelong learning strategy was keen to encourage employers to undertake workforce training. The new network of employer-led SSCs replaced the National Training Organisations. In Scotland as elsewhere, SSCs offer employers the opportunity to take the lead in and articulate demand for skills formation. Interestingly, trade unions were initially excluded from participating in the SSCs, a practice unusual in Scottish political culture. Unlike London Labour, the Scottish Labour Party is more inclined to directly involve trade unions in economic development matters. An example of more co-operative relations between London Labour and trade unions that sits more comfortably with Scottish political culture has been the Union Learning Fund (ULF), which also has a Scottish variant funded directly by the Scottish Executive. Basic skills have emerged as a key issue in the UK along with the need to shift to an adult-orientated lifelong learning culture. The ULF and the Scottish ULF are intended to encourage non-traditional learners

already in the workplace to participate in vocational and non-vocational training and education through their unions. As with its non-Scottish counterpart, after a review of its performance in promoting and helping implement government policy on learning and skills, the SULF is to be extended with a new round of funding.

Work-based training is also to receive a boost in Scotland with the re-launch of Individual Learning Accounts (ILAs). ILAs were first introduced by New Labour in 2000 for those workers already in employment rather than the unemployed, but who had traditionally not continued with education into adult life. The aim was for government to fund individual workers work-based training. However ILAs were quickly suspended in 2001 following alleged financial irregularities with some training providers. Despite calls for their return, the UK Government has decided not to introduce a successor scheme. Scotland has launched a successor, branded as 'ILA Scotland' to underline the fact that it does not 'piggy-back' the scheme south of the border. It was launched in late 2004 for residents of Scotland with personal incomes of less than £15,000 and who can now access up to £200 per year towards learning. In 2005 the scheme was modified to encompass basic and ICT skills and qualifications.[28]

There are some distinctive Scottish initiatives in the *form* of training related to the New Deal. Firstly and unique to Scotland is the New Futures Fund Initiative that was launched in 1998. The scheme is aimed at pre-New Deal clients and targets 16-34 year olds who suffer serious disadvantages and exclusion from work with the view to help them access mainstream welfare-to-work opportunities and eventually move onto New Deal programmes.[29] It is led and managed by SE with an original budget of £14m in the first phase over four years. The fund was extended to 2005 with a key theme of the second phase being employability as a means of combating exclusion. Secondly, there is still a high number of unemployed in Glasgow and Edinburgh who face multiple barriers to employment.[30] To tackle this problem in Edinburgh, the City Council, a New Deal employer, participated in the 'Deal Me In' pilot. This pilot received acclaim and greatly improved the profile of the New Deal at a local level. In Glasgow, a social enterprise and charity, the Wise Group developed intermediate labour market initiatives for the long-term unemployed that, early in its formation, influenced the New Deal at UK level. Thirdy, Skillseekers is a work based training programme available for 16-24 year olds, which evolved from anti-unemployment

initiatives and is an intervention in private sector VET. Training provision for young people with additional support needs was recently designed and the new model 'Get Ready for Work' was introduced in 2002. Modern Apprenticeships (MAs), launched by the UK Conservative Government in the mid-1990s were incorporated into Skillseekers in Scotland. In addition, MAs in Scotland are delivered through LECs rather than Local Learning and Skills Councils so that the Enterprise Networks in Scotland rather than employers have an input, with a subsequent emphasis on economic regeneration meant to contribute to *A Smart, Successful Scotland*.[31] Finally, another programmne, aimed at unemployed adults aged 25 and over, is Training for Work (TfW). Training is delivered by private training companies, voluntary sector organisations, local authorities, further education colleges and employers. Again, it is described as a devolved programme but which has been revamped with the introduction of the New Deal.[32]

A new institution, arising from devolution to Scotland and created by the Executive, is Careers Scotland. In its lifelong learning strategy the Executive argued that individuals needed to make properly informed choices about their employment. The Executive proposed a unified, all-age guidance service that assumes the responsibilities of the Careers Service companies, Adult Guidance Networks, Education Business Partnerships and Local Learning Partnerships and tasked it with taking account of future learning and employment needs. This initiative merged 80 organisations into one and which is now aligned to the Enterprise Networks.[33] The provision of advice to young people and adults is one area in which devolution has enabled divergence. In both Scotland and Wales there is thus a move towards all-age guidance service. In contrast, career services in England target the 12-19 age group.[34] Consequently, it terms of instructional reconfiguration, it can be argued that Scottish and Welsh reform marks a more radical transformation than current English proposals, certainly for anyone aged 19 or over.

*The Review of Further and Higher Education*

The same radicalism is apparent with other institutional arrangements. The first Scottish Executive created new institutions where it saw policy gaps or a need for modernisation. This approach reflected a desire to modernise policy and practice, and

rationalise the previous system of quangos. An example of the former was the then new Further Education Funding Council (FEFC), though its creation caused some surprise amongst those who thought that this function would be better integrated with a Scottish Higher Education Funding Council (SHEFC)

The FE sector has a key role to play in fostering inclusiveness in education as part of the lifelong learning strategy. The widening of access to FE is an important issue and the Beattie Committee recommended that all colleges should implement inclusiveness policies.[35] There is also the need to reduce the financial barriers that prevent young people from lower income families continuing post-16 education. Effective partnerships are expected to be developed between other education institutions and also businesses in Scotland to improve the fit between FE provision and employer skill demands. Strong partnerships also need to be developed with Communities Scotland – specifically through local authorities and the voluntary sector. Close links are intended to tackle the literacy and numeracy problems and provide opportunities for the wider community to access and progress into further learning.

Another example, and also intended to take forward lifelong learning, this time for all NHS employees, was the creation of NHS Education for Scotland (NES). The NES was set up in 2002 and is unique in the UK. Its initial remit was to bring together the post-graduate professional and vocational education previously overseen by three separate bodies for doctors, dentists, pharmacists, nurses and midwives. It was set up as a fairly small body mostly concerned with commissioning education and related research. In 2002 the then Health Minister also tasked the new body with trying to bring other NHS staff into lifelong learning, further expanding its remit. In 2005 new arrangements for the funding of education for doctors and dentists saw NES begin to become involved in under-graduate education. There is no counterpart to NES elsewhere in the UK, or in any other major part of the public sector in Scotland. NES's initial role made it very important to the large medical schools and the centres for pharmacy and nursing education in HE. The task of bringing lifelong learning to the wider NHS workforce makes NES potentially important to every post-16 institution. In both the NHS and local government, the Executive has given encouragement to workforce planning, which is seen to be important in a tight labour market.

Higher education has long had a distinctive under-graduate degree structure in Scotland and its own funding council (SHEFC), set up in 1993, and which was one of Scotland's larger quangos. As elsewhere in the UK, HE is intended to lay a crucial role in delivering the much vaunted 'knowledge economy'. Creating this economy is the centrepiece of the Executive's key economic strategy document, *A Smart, Successful Scotland*. The assumption is that having more graduates in the labour market both drives the development of this economy and is a measurement of it. Moreover, HE is being encouraged to develop links with industry to create leading edge innovation in commercial products and processes in so-called 'knowledge intensive industries' such as biotechnology and pharmaceuticals. These twin initiatives are common across the OECD countries as part of their prescribed regional development strategies.[36] The consequence, as was noted earlier, has been an expansion of HE in Scotland, with more institutions delivering it and more students participating in it but which has raised questions about its financing.

One of the early successes claimed by the Scottish Executive, and one that grabbed much popular, media and political attention (the latter also south of the border) was the implementation of a new system of student support, initially for higher education. The abolition of student fees was a major conflict between the coalition partners. In 1998, UK Labour abolished student grants and introduced a £1000 means-tested fee. In Scotland, such action was seen as Labour betraying a Scottish principle of free education. A key policy in the Liberal Democrats' Scottish Parliament election manifesto in 1999 was the abolition of fees.

In an attempt to resolve this difference of opinion, the Cubie Committee was set up in 1999 to conduct a comprehensive review of tuition fees and the finances of Scottish students. Cubie's recommendations were that tuition fees were to be replaced with a Scottish Graduate Endowment Scheme. This scheme meant that the Executive would pay the fees but students would be required to pay £3,000 of it back once their earnings reached £25,000 a year. Scottish students from low-income families, single parents and mature students would be entitled to a bursary, similar to the old maintenance grant. Cubie's recommendations quickly gained consensus in the Parliament and amongst the populace.[37]

The Executive's response was a partial acceptance of Cubie. It agreed to abolish up-front tuition fees for those students with established residency in Scotland attending a Scottish institution. However the endowment contributions were set at £2,000 and to start at the lower earning figure of £10,000.[38] The Executive agreed to introduce bursaries but suggested a more generous bursary would be provided for lone parents in non-advanced further education courses. The resentment of English students who still have to pay upfront fees prompted the then Westminster Secretary of State for Education and Employment to lower the means-tested threshold. This move exempted a further 50,000 students from paying the fees.[39] After the 2003 Scottish Parliament elections, modifications to the Graduate Endowment scheme were agreed between the coalition partners so that the earning threshold was raised to £15,000. Charles Kennedy, leader of the UK Liberal Democrats famously or infamously theatrically demonstrated the difference during the 2005 UK General Election campaign during a television election broadcast on behalf of his party when he jumped across a huge map of the UK from England to Scotland, declaring student tuition fees abolished where Liberal Democrats were involved in government! Cubie has certainly created problems for London Labour, appearing to disadvantage students based at English and Welsh universities and student bodies south of the border clamoured for harmonisation but without success. Although Cubie's recommendations were diluted in implementation they still remain a benchmark within the UK.

More recently, the Scottish Executive has finally responded to calls for the merging of the FE and HE funding councils to create the Scottish Further and Higher Education Funding Council (SFHEFC), an initiative formalised in 2005. Funding learning and teaching, research and other related activities in Scotland's 65 colleges and higher education institutes, this council is a major public body with a budget of nearly £1.5bn. As noted before, there was some surprise that the merger did not come sooner as part of the delivery of the lifelong learning strategy outlined in *Life through Learning: Learning through Life*. The aim of the merger now is a 'more coherent and relevant' system of FE and HE in Scotland. The intention is to ensure that better planning is enabled to provide students with the skills and qualifications most needed by employers, that greater transparency and linkages are made between FE and HE, and that the new funding council is more closely integrated with the Enterprise

Networks. Outwith Scotland the FE and HE funding councils remain separate, with collaborative relationships evolving voluntarily, although the Higher Education Funding Council for England and the Learning and Skills Council have announced plans to pilot Lifelong Learning Networks to improve links between FE and HE institutions.[40]

**Concluding Remarks: Scotland the Brave?**

Lifelong learning is central to the Scottish Executive's aim of creating a successful economy and a more inclusive society. Post-16 training and education are central to the strategy. In order to remain competitive, Scottish businesses need to have and make use of an appropriately skilled workforce. Employees, current and potential, need opportunities to acquire the skills to access and maintain employment. Employability and skills underline much of the Executive's policies over the past few years, with new initiatives to support the training of the employed and unemployed as well as the widening of access into further and higher education.[41] In this respect, policy aims in Scotland are not hugely different from those south of the border. Some differences in practice already existed prior to devolution; others have been enabled by devolution. The efficacy of all of these 'Scottish solutions' will take many years to determine.

So far, however, the analysis has focused on the institutions, with some suggestion that Scotland has been able to go some way to fulfilling its radical promise, although much of what has occurred merely extended existing, historically differing practice north and south of the border. However, what is missing in the analysis are the personalities. As first First Minister in 1999, Donald Dewar was acknowledged to have provided excellent service; a steady hand on the tiller steering through the establishing legislation for the Scottish Parliament and thereafter providing a safe pair of post-devolution hands in Edinburgh for Tony Blair. With Dewar's untimely death in 2000, Henry McLeish wanted what works. But he became Scotland's 'Accidental First Minister' according to leading Scottish political commentator Iain Macwhirter - falling into office, falling into scandal and ultimately falling onto his sword. Where Henry couldn't get a grip, current First Minister Jack McConnell wants his cabinet

colleagues to do less but better. The emphasis shifted away from constitutional to bread and butter issues such as health, education and crime, with which McConnell believed Scottish Labour should and could make a difference to life in Scotland. In this respect, he has proved to be a very able party manager and fixer, surrounding himself with loyal lieutenants and winning over or at least subduing the media. The more dynamic ideas-driven personalities amongst the other ministers, notably Wendy Alexander, have been sidelined though, castigated as lippy women.[42] Personalities are 'lite', or at least noticeable for their absence, not least amongst the Liberal Democrat junior coalition partners. Potentially more radical as a party, the consequence is that pressure for more progressive Scottish solutions is weakened. The abolition of tuition fees could have been a starting point rather than a high point in Liberal Democrat agenda-setting within the Scottish Executive.

The ghost in the institutional machine however is Dunfirmline East MP Gordon Brown. In practice, it is not just the Holyrood-based Minister for Enterprise and Lifelong Learning who determines post-16 training and education in Scotland through the further and higher education portfolios. With more vocational and related training now delivered through the New Deal, government in Westminster too has a huge influence; with the purse strings held by Gordon Brown as UK Chancellor of the Exchequer. With Scottish politics sometimes perceived as his personal fiefdom, he still manages to influence developments from London - though not always to his satisfaction, as the election of Jack McConnell to leader of Scottish Labour demonstrates. The abolition of Scottish Skillseekers in favour of the UK Treasury controlled Modern Apprenticeships – despite problems with the latter[43] - indicates that Brown is far from losing control in Scotland. His 2003 push for a review of the Scottish economy without the Scottish Executive is further evidence, if it is needed. Nonetheless, it is not just that brown has the capacity to influence if not determine a large and increasing slice of post-16 education and training in Scotland, Holyrood often willing cedes power to Westminster. Much devolved decision-making is shifted back from Holyrood to Westminster through the Sewel Convention that allows Westminster to lead and initiate legislation on devolved matters if so desired by Holyrood. Sewel motions were intended to be used sparingly but have become almost a matter of routine, with complaints from the Scottish Tories and the SNP about its frequent use.[44]

This ‘overlap’ between London and Holyrood exemplifies one of three possible points of tension. Firstly, although Labour controls the Scottish Executive, that control is not assured in perpetuity. The possibility of an SNP-led coalition within three or four lifetimes of the Parliament is a real possibility, although opinion poll and electoral support has flat-lined with the vacillation of its leaders since 2003. If post-16 training is the most ‘British’ part of the Scottish education system and so a lever of harmonisation (read re-appropriation by London of devolved matters) between Scotland and the rest of the UK, it is also the most obvious point of attack for that reason by the SNP. Relatedly, the second point of tension with regard to post-16 education and training generally potentially exists in the relationship between the Scottish Department and Committee for ELL. Relations between the committee’s first convenor, moderniser John Swinney, and then first Minister for ELL, Henry McLeish, were cordial. The subsequent convenor was Alex Neil, who is ex-Labour, forming a breakaway party in the 1970s, and is a fundamentalist nationalist. Under Neil’s convenorship, and following the thorough review of lifelong learning, the committee’s suggestion of comprehensive entitlement to post-16 education and training was radical. It accorded with the belief in Scotland of education as a lever for progressing social equality. The proposal was rejected however by the Scottish Executive because of its cost, with Gordon Brown, of course, being the ultimate purse-holder. Finally, there is the tension between London Labour and the Scottish Labour Party. On one level this tension is about personalities. Jack McConnell was not Brown’s anointed successor to McLeish as leader of the party in Scotland. His preferred candidate, Wendy Alexander messily failed to stand, damaging her and the Brownites’ credibility in the process. More broadly, it is a tension between the desire for difference and the pragmatics of conformity within the UK. Assuming that self-determination, no matter how limited, is a feature of devolution, there is little point in having the former through the latter if it is not exercised. Poll evidence consistently indicates that although the electorate is dissatisfied with the Scottish Parliament, this dissatisfaction is because of its failings to deliver – a point now acknowledged by McConnell - with the electorate wanting it to do more and make a difference.

Acknowledging this desire, in 2005 McConnell returned to constitutional issues by ordering a review of the powers of the Scottish Parliament. It was claimed that he had

become frustrated, amongst other things, by the Home Office rebuff of his Fresh Talent initiative. It was also apparent though that McConnell was exercising his political acumen: sensing the need to put renewed vigour into a stagnating Scottish politics, rekindling his own (previously very public[45]) home rule leanings and responding to debates within all of the other parties, including his coalition partners the Liberal Democrats, for a rethink of Scottish devolution with the intent of extending Scottish powers. A similar exercise was initiated by the Labour First Minister, Rhodri Morgan, in relation to the Welsh Assembly - although in Scotland legitimatory reference could be made to Dewar's remarks at the establish of the Scottish Parliament that devolution is a 'process not an event'. Significantly, however, it was again made clear that although more powers might be sought, in doing so, there would be no challenge to Gordon Brown. It was expected, Jason Allardyce commented, that McConnell would 'avoid risking a bruising confrontation with Gordon Brown, the chancellor, by stopping short of demanding greater fiscal powers for Holyrood'.[46]

The first two New Labour Westminster Parliaments were an opportunity. The Party demonstrated able economic management and more money was been pumped into areas such as health and education, north and south of the border, that could help alleviate many of the social ills of the UK and Scotland. There were grounds for optimism that a political renewal was also possible. Much was expected of devolution: that New Labour would create a New Britain; taking up that opportunity, that Scotland might lead a progressive charge into the twenty-first century, so that not just the framework but also the politics of the UK would be refashioned. The reality has been different. Much power and influence has been retained by Westminster, even extended. In this respect, analysis of post-16 education and training provides insights into not just the possibilities of devolution but also its practice. That practice is the old-fashioned politics with a shiny new face according to Hassan. He suggests that one account of devolution regards it as an historical event restarting Scottish politics after disestablishment in 1707. A more informed account accepts that devolution has been less epochal, with more continuity than change: 'There has been change in the establishment of a Parliament and Executive, and the articulation of a voice where once there was merely a void, but the voice that has spoken has been one entrenched in the politics of … caution.'[47]

Much effort has been made to create Scottish solutions to the issues and problems of post-16 education and training in Scotland. Unfortunately, this effort has been directed mostly to institutional re-organisation rather than the championing of progressive ideas. As a consequence, devolutionary capacity for accentuating diversity *within the UK* or spearheading broader change *of the UK* has been weakened. It might even be that existing divergence and distinction is challenged as Gordon Brown's star continues to rise potentially over New Britain.

## Endnotes

[1] For discussions about the establishment and early operation of the Scottish Parliament see Hassan, G. (ed.) (1999) *A Guide to the Scottish Parliament*, The Stationery Office; Hassan, G. and Warhurst, C. (eds) (2000) *The New Scottish Politics*, The Stationery Office.
[2] Hazel, R. (2000) 'Introduction: The First Year of Devolution' in R. Hazel (ed.) *The State and the Nations*, Imprint Academic.
[3] Equal Opportunities Commission (2004) *Occupational Segregation, Gender Equality and the Modern Apprenticeships scheme in Scotland*, Glasgow: EOC, p.8.
[4] For discussions of Scottish education see: Herman, A. (2003) *The Scottish Enlightenment*, Fourth Estate; Fairley, J. and Paterson, L. (2000) 'Scottish Education and Social Justice', Education and Social Justice, 2:3, 39-50; Humes, W. and Bryce, T. (2003) 'The Distinctiveness of Scottish Education' in T. Bryce and Humes (eds) *Scottish Education*, Edinburgh University Press; Paterson, L (1994) *The Anatomy of the Modern Scotland*, Edinburgh: Edinburgh University Press.
[5] In Scotland 60% favour the redistribution of wealth towards ordinary working people. The figure for England is 38 per cent (Fairley and Paterson, 2000: 45).
[6] Brown, A., McCrone, D., Paterson, L. and Surridge, P. (1999) *The Scottish Electorate*, Macmillan (p.76).
[7] Despite some high profile thirtysomethings in the SNP and in the first Labour-led Executive. See Hassan, G. and Warhurst, C. (2001) 'New Scotland? Policies, Parties and Institutions', *Political Quarterly*, 72:2, 213-226.
[8] A term of derision implying stupidity. See Macwhirter, I. (2002) 'The New Scottish Political Classes' in G. Hassan and C. Warhurst (eds) *Anatomy of the New Scotland*, Edinburgh: Mainstream. A criticism repeated recently by the political commentator Iain Macwhirter, though he acknowledges that parliamentary debate, at least, is improving in the second parliament: Macwhirter, I. (2005) 'McLetchie pressed opponents to be open about expenses … now he should take his own advice', *Sunday Herald*, 19 June, 2.
[9] Hassan and Warhurst (2001: 214).
[10] Aaronovitch, D. (2000:10) *Paddling to Jerusalem*, Fourth Estate.
[11] Cf. Scottish Executive (2001, and refreshed in 2004) *A Smart, Successful Scotland*, Edinburgh: The Stationery Office and DTI (Department for Trade and Industry) (1998) *Our Competitive Future*, London: HMSO.
[12] Futureskills Scotland (2003) *The Scottish Labour Market* 2003, Glasgow: Scottish Enterprise/Highlands & Islands Enterprise.
[13] Peat, J. and Boyle, S. (1999:74) *An illustrated guide to the Scottish economy*, Duckworth.
[14] Warhurst, C. and Lockyer, C. (2001) Understanding the Labour Market, Future Skills Scotland, Scottish Enterprise/Highlands & Islands Enterprise, www.scotent.co.uk.
[15] Fairley, J. and Raffe, D. (2000) 'Work-based training programmes in Scotland', paper to the ESRC seminar *Home Internationals: Comparisons of Work-based Training Programmes*, University of Edinburgh.
[16] Fields, J. (2005) 'Home Office and Executive cross swords over cost of foreign visas', *Sunday Herald*, Business section, 19 June, 1; Gordon, T. (2005) 'Fresh Talent key target is dropped', *Herald*, 22 June, 2.
[17] See for example the research reported in Dutton, E., Warhurst, C., Nickson, D. and Lockyer, C. (2005) 'Lone Parents, the New Deal and the Opportunities and Barriers to Retail Employment', *Policy Studies*, 26:1, 85-101.
[18] For discussion of these problems see Mitchell, R. and Dorling, D. (2002) 'Poverty, Inequality and Social Exclusion in the New Scotland' in G. Hassan and C. Warhurst (eds) *Tomorrow's Scotland*, Lawrence & Wishart. Electoral turnout was below 30 per cent in some Glasgow constituencies.
[19] Peat and Boyle (1999: 108).
[20] McLeish, H. (1999:1) 'Foreword' in *Developing Skills and Employability*, Edinburgh: Scottish Executive.
[21] See Layard R. (1997) *What Labour Can Do*, London: Warner for an outline of this approach.
[22] See Scottish Executive (2001).

[23] Blake Stevenson Ltd (2001) 'Mapping of Lifelong Learning Provision in Scotland', commissioned by the Committee for Enterprise and Lifelong Learning of the Scottish Parliament for its lifelong learning review.
[24] Scottish Executive (2003: 7) *Life Through Learning; Learning Through Life. The Lifelong Learning Strategy for Scotland*, Scottish Executive.
[25] Fairley and Paterson (2000); Fairley and Raffe, (2000).
[26] Fairley, J. (1998) 'Labour's New Deal in Scotland', *Scottish Affairs*, 25, 90-109; Fairley and Paterson (2000).
[27] Symon, K. (2005) 'Training network aims to eliminate skills gap', *Sunday Herald*, business section, 19 June, 3.
[28] Times Educational Supplement (Scotland) (2004) 'Scotland reopens learning accounts', 30 January, p.9; http://www.ilascotland.org.uk. It should also be remembered that ILAs continued in the UK within the NHS.
[29] Boyer, D. (1999) 'Scottish and Welsh proposals on lifelong learning', *Working Brief 106,* Unemployment Unit & Youthaid, www.cesi.org.uk.
[30] McIntyre, L. and Galloway, J. (2002) 'Edinburgh City's Deal Me In', *Working Brief 135*, Centre for Economic and Social Inclusion, www.cesi.org.uk; Nickson, D., Warhurst, C., Cullen, A.M. and Watt, A. (2003) 'Bringing in the Excluded? Aesthetic Labour, Skills and Training in the New Economy', *Journal of Education and Work*, 16:2, 85-203.
[31] Thomson, E., McKay, A. and Gillespie, M. (2004) 'Modern Apprenticeships and Gender Based Occupational Segregation in Scotland: A Position Paper', Department of Economics and Enterprise, Glasgow Caledonian University.
[32] Fairley, J. (2003) 'The Enterprise and Lifelong Learning Department (ELLD) and the Scottish Parliament' in T. Bryce and Humes (eds) *Scottish Education*, Edinburgh University Press.
[33] Boyer, D. (2001) 'Scotland careers ahead', *Working Brief 121*, Centre for Economic and Social Inclusion, www.cesi.org.uk.
[34] Chatrik, B. (2000) 'Youth support arrangements for Scotland', *Working Brief 110*, Unemployment Unit & Youthaid, www.cesi.org.uk.
[35] Chatrik, B. (2000) 'Youth support arrangements for Scotland', *Working Brief 110*, Unemployment Unit & Youthaid, www.cesi.org.uk.
[36] Mako, C., Illessy, M. Szepvolgyi, A. and Tamasi, P. (2003) *TEDIP Regional Integration Report*, project funded by the EU 5th Framework, Brussels.
[37] Fairley and Paterson, ibid.
[38] These thresholds are to be improved in the second parliament if the 2003 Scottish Labour Party election manifesto is implemented.
[39] Dobson, A (2000) 'The Cubie Report explained', *Guardian,* 28 January, 9.
[40] HM Treasury, (2004) *Skills in the global economy*, Norwich: HMSO.
[41] Mills, V. (2002) 'Employability, globalization and lifelong learning – a Scottish perspective', *International Journal of Lifelong Education*, 21:4, 347-356.
[42] Macwhirter, I. (2000) 'Three Big Macs Still Beefing Away With Relish', *Sunday Herald*, 9 July, 8. In a private but published letter Wendy Alexander also claimed that her Executive colleagues were more interested in ministerial Mondeo's than ideas. See Nicoll, A. (2002) 'Clueless', *Scottish Sun*, 30 September, 1-3.
[43] See, for example, Lea, R. (2002) *Education and Training: A Business Blueprint for Reform*, London: Institute of Directors.
[44] This slide back from Holyrood to Westminster is already not uncommon. Although meant to be used sparingly, Sewel motions were used 34 times in the first three and a half years of devolution. Holyrood passed 38 laws during this period. See Hassan, G. (2003) 'Taking about devolution', *Renewal*, 11:1, 46-53. The Procedures Committee of Holyrood decided in 2005 to re-named Sewel motions as 'legislative consent motions'. During its deliberations Lord Sewel also told the committee that their use exceeded his intention, see *Herald* (2005) 'New name "sweeps Sewel under the carpet"', 22 June, 8.
[45] In 1988, McConnell, with others, set up a group within the Labour Party - Scottish Labour Action - to press for home rule.
[46] Allardyce, J. (2005) 'McConnell eyes more powerful Holyrood', *Sunday Times*, 24 July, 5. See also Allardyce, J. and Nutt, K. (2005) 'To devolution and beyond', *Sunday Times*, 24 July, 14.
[47] Hassan (2003, 51 & 49).