Argyll College

Overcoming Barriers to Learning in Rural & Island Areas

Final Report

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Private and Confidential

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Contents

Appendices

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For their support and participation, alongside DTZ and Argyll College participants, in the Overcoming Barriers to Learning in Rural & Island Areas Workshop held at SFEU, in September 2006:

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Executive Summary

DTZ was commissioned by Argyll College, with Highlands and Islands Partnership Programme (HIPP) support, to review current market demand for learning within the Argyll and Islands market. This study sought to explore some of the learner views and preferences in relation to the College's very particular teaching and learning delivery methods, as a response to the particular geographic and economic context within which it operates, and its unique business model.

The study was designed to help the College and its partners tackle some of the future planning, marketing, operations, learning delivery and funding challenges. In summary, the objectives of the study were as follows:

i. To provide evidence on the current demand for learning in Argyll and the Islands, identifying key trends, gaps and opportunities in relation to overall supply;

ii. To review current teaching and learning delivery methods of Argyll College in relation to demand and taking into account academic best practice in delivering learning in a rural context;

iii. To review Argyll College's delivery and funding in the context of its wider stakeholder partnerships;

iv. To assess the broad impacts of Argyll College and UHI on economic development in Argyll and the Islands; and

v. To consider how the lessons form this study might be disseminated to other tertiary level providers, funders and stakeholders in Scotland.

The particular focus of the study was weighted towards addressing objectives i and ii, but informing development of iii and understanding of iv. The study involved desk analysis of secondary data, a literature review, qualitative research incorporating three focus groups, a telephone survey of Argyll college learners, culminating in a best practice workshop of rural FE/HE providers.

It is for Argyll College to reflect on the study's findings and address how best this information might be disseminated to interested parties.

Background

Argyll College from its inception has been a very different College to any other in Scotland. Its origins grew out of a recognition that the area was inadequately served by existing colleges located outwith the area, by historic low levels of FE participation, by high levels of rural deprivation and by arguably the most challenging geography for service delivery in Scotland.

The advent of the UHI created the impetus to develop a new type of non-incorporated 'enabling college'. This would have a board and a small executive team operating with a network of small learning centres. Its main teaching programmes were delivered either directly or in partnership with other colleges within the UHI partnership.

Over the development period the College had grown considerably. However, up until 4 years ago, Argyll did not receive any formula funding from SFC, but since then the College has received SFC support through ring fenced recurrent funding (SUMS) awarded by the Funding Council - through North Highland College - Argyll College's incorporated principal college partner.

The model originally conceived was for Argyll College to focus on marketing, admissions, learning support and learning facilities and for partner colleges to deliver teaching – either face to face, by e-learning or by blended methods. As the College has developed it has required to take on an increasing range of the teaching responsibilities directly from partner colleges. As such, the College began to move away from the pure enabling business model to a position where all teaching is now delivered by the College. This has been the approach taken since SUMs funding was agreed 4 years ago.

Participation Context

The topographical challenges faced in delivery of FE and HE in rural communities, as exemplified by the Argyll and Islands Enterprise area, are very significant indeed and despite progress there are still areas with moderate populations for whom access is far from simple. The topography has, in the past, constituted a major barrier to development of college provision in the region.

In 2004/05, there were some 4,408 individuals studying at non-advanced level who resided in the AIE area and **headcount participation had increased from 18% below average in 2000/01 to 9% above average in 2004/05**, swelled by numbers funded on a full-cost basis through the Digital Communities initiative covering North Argyll and the Islands, who undertook short courses in basic IT skills. A further 285 people living in the AIE area were studying at non-UHI partner colleges at advanced level.

SFC Infact data on non-advanced participation indicate that, while a number of areas are still relatively disadvantaged, the **key driver for those areas with the lowest participation appears to be supply**, and specifically the lack of a well established non-incorporated or incorporated college.

As of 2004/05, the **AIE area has the sixth lowest participation rate of the 22 LEC areas** in Scotland, as measured by WSUMs per capita of working age population, at 12% below the median for Scotland and is around **4,200 WSUMs lower than would be expected** for a working age population of 40,300;

It is worth noting that as of 2000/01, prior to Argyll College developing provision, Argyll & Islands Enterprise area had a rate at 68% of the Scotland Median value, but by 2004/05 the gap had narrowed and the area had a rate at 88% of the median (i.e. 12% below compared with 32% below just 4 years previously). **Investment by AIE, Millennium Commission and SFC itself has borne fruit in the significantly improved participation rate against the Scotland benchmark**. However, further progress can still be made.

Participation within the Helensburgh / Lomond area of Argyll & Bute (part of SE Dunbartonshire's area) has fallen dramatically over the same period (2000/01 to 2004/05) from 24% above median to 72% below median. It is not clear why this decline has occurred, albeit we would suggest this merits further investigation by Argyll College, with an **opportunity** to address demand in this area, either unilaterally or in partnership with colleges already operating in Dunbartonshire.

As of 2004/05, on the same measure, the former SALE area (47% below the median) and HIE Lochaber area (36% below median) had the lowest participation in Scotland by LEC area. We estimate that the new HIE Skye & Wester Ross area would have had participation at around 48% below median at that time and **this provides an excellent opportunity for Argyll College to work collaboratively with local providers**.

By contrast, the HIE Innse Gall area (formerly Western Isles Enterprise) was 34% above median and the CASE and Orkney Islands Enterprise areas (now HIE Caithness and Sutherland and HIE Orkney Islands) were both 17% **above** median, indicating that **remoteness need not equate to low participation**, where investment in provision is made.

Participation by Mode of Study

Other **distance learning and directed private study** is more than three times as prominent in the AIE area (30 per thousand) as it is nationally (9 per thousand). Full-time and block release are both relatively more significant for residents of Argyll, possibly because for some subjects it is not possible to study the subject locally, and full-time study outside the area is perhaps the only feasible option.

Part-time day release participation is relatively high, while other part-time day modes are relatively underused at only two-thirds of the level found across Scotland. Part-time evening and weekend courses are at a similar level to that found across Scotland, but **work-based learning is relatively under-developed**.

Participation by Study Aim

Participation in the AIE area that is not concerned with receiving a recognised qualification, or for receipt of a qualification that is recognised but perhaps below NC level, at 73.3 per thousand of the working age population, is far above the average of 57.8 per thousand for Scotland. Participation rates are otherwise broadly comparable, with the notable exception of **low rates at SVQ level 2 or equivalent, which is of concern**. This too is perhaps a reflection of the significant numbers enrolling on basic IT programmes, as part of the Digital Communities initiative.

Participation by Subject Area

In the four most popular areas by programme group, Computing, Construction, Health, Special Programmes and Food Technology & Catering, the AIE area has participation that is broadly comparable with that for Scotland and indeed in Computing it is above average. In addition to Computing, participation is high in Personal Development, Printing and Social Work.

However, for a **number of subject areas popular at a national level, participation is well below expected levels**, including Engineering, Art & Design, Sport & Recreation, Business & Management and Agriculture & Horticulture.

The overall gap has narrowed from 32% below the Scotland mean, to 18% below the Scotland mean over the period since 2000/01, largely though not exclusively as a consequence of growth in WSUMs allocated to Argyll College. Growth in Health, Social Work, Construction, Computing, Business & Management, Printing, Personal Development and Special Programmes participation have driven this and these subjects are of clear relevance to growth sectors in the local economy, such as health, social work, construction and computing and we conclude **that investment by SFC in the College is having a positive impact on the supply of skills for business**.

Barriers to Participation

A number of key factors are thought to restrict participation in remote and highly rural areas:

i. **travel difficulties** – lack of public transport, aggregate travel times, poor roads and cost of transport all present a far more significant constraint that in urban Scotland or accessible rural areas

ii. **seasonal factors** – the seasonal pattern of employment in a rural economy with high dependency on agriculture, forestry, tourism and fisheries means that attendance by employees at peak periods, such as harvest time, can be a problem. Moreover, concerns over safety of learners attending evening classes at the height of Winter can be a constraint

iii. **cost of learning** – in a low wage economy, with high levels of individuals having more than one occupation, individuals may be both cash poor and time poor, while childcare and transport costs may be relatively high in the context of household incomes

iv. **SME engagement** – probably a disproportionate problem in releasing workers to learn via day-time modes

v. **caring responsibilities** – the provision of new nursery provision at Dunstaffnage by Argyll College is a recognition of this need and will also provide training opportunities to grow provision in Argyll

SFEU Literature Review

A Literature review undertaken on Argyll College's behalf by SFEU concludes that what seems clear in the case of Argyll, **distance education or flexible delivery cannot be a side-issue or an 'extra'**, but is in itself mainstream. SFEU note that the literature also re-emphasises, time and again, the futility of seeking one-size fits all models and solutions. SFEU conclude that Argyll College will have to build its **own model of delivery for its area**, based on a firm understanding of local features – in effect DTZ interpret this as an endorsement of the approach taken and the evolving model that Argyll has adopted.

Qualitative Analysis of Barriers to Leaning

A number of focus groups were held in Argyll to address three specific objectives: to understand reasons for low participation among young men; the impact of mode of learning options on overcoming barriers to learning (actual or perceived); and to consult with local careers, social inclusion and learning professionals to identify priorities for action and possible actions that might impact upon participation in Argyll.

Qualitative work undertaken through the three focus groups indicates that **Argyll College is perceived as having significantly improved opportunities for continuous learning among the adult population** generally and has met specific learning needs in areas such as adult literacy and numeracy and women returners. Nevertheless, **there remains a degree of unmet need** and particular disappointment when low registration numbers force courses to be cancelled.

Provision of apprenticeships would attract more young male learners to the College and would help address shortages in the labour market.

There is a low level of awareness among many learners of the range of courses and modes of delivery available at the College. In addition, insufficient communication from the College creates confusion among both learners and professionals about course cancellations and what is really on offer.

Learners prefer a degree of face-to-face teaching, although they appreciate that the geography of the region necessitates a degree of open learning and this is reflected by the college having taken the conscious decision to develop 'blended learning'. Efforts by the college to set up informal study groups could make open learning more attractive.

The view of consultees was that the **quality of the teaching at the College is high**. The **quality of facilities is also seen as high**, although facilities located in towns are inherently more accessible than those that are not.

Careers guidance professionals, aside from stating that social care, childcare and construction are areas of key demand for skills, cited areas such as sport / leisure management, and hairdressing/beauty therapy as potential growth opportunities. Courses in English as a second language for migrant workers and training aimed at boosting confidence among women returners were also recommended, while access to Highers or access to HE courses for mature learners is an issue highlighted by the group.

Quantitative Analysis

A key element of the study was the quantitative research conducted among those with experience of learning through Argyll College, to obtain their views on: barriers to learning, the mode and subject preferences of the learners, the significance of subject and mode choice to the decision to study, the factors influencing mode preference, views as to the performance of Argyll College, and the potential for repeat custom.

Some 394 valid responses were received during the telephone survey programme. Overall, this **sample represented an estimated 17.0% of the 2,323 enrolments** recorded in 2004/05, and an estimated **21.9% of the headcount number of learners** believed to have enrolled in 2004/05. 'Response rates' varied from 12.9% in Lamlash (Arran) to 29.6% for the small centre at Tobermory, Mull.

Barriers to learning: Just 10.6% of respondents stated that they were unconstrained, although a further 33% declined to answer or could not recall whether they considered themselves to be constrained prior to enrolling.

Some 44% of those who felt constrained (i.e. 29.6% of the sample) were concerned about **balancing studies with home or work pressures**. Over 26% of those able to answer (17.6% of the sample) stated that **cost** (either direct costs of tuition or costs associated with taking a course) was a concern, while 25% of those responding (16.9% of the sample) felt constrained by their ability to **finish** the course.

Surprisingly, perhaps, a total of just 6.9% of the sample, or 10% of those giving a response, were constrained by **travel** difficulties or location, albeit it must be remembered that the sample had attended college and therefore their responses cannot be held to represent the views of those prevented from accessing learning through transport difficulties.

Reasons for enrolling in learning: majority (55% or 217 of the 396 valid responses), **personal interest** was the main consideration and this was particularly the case for those studying part-time during the day or in the evenings and was cited by just 11% of full-time students. A total of 27% of respondents undertook their course to improve their **employment prospects**, with this percentage varying from 11% for part-time evening mode to 43% for open and distance learning students, while 67% of full-time students (39% of whom were unemployed prior to enrolling) cited employment prospects as being an important driver. Rebuilding **self-esteem and confidence** was most significant among those studying part-time during the day or part-time weekend modes.

Subject availability: While 55% of learners do believe **subject availability** is adequate, 20% believe it is inadequate, while the remaining 25% were unable or unwilling to state a response. While a significant minority believe that there are limitations to the range of subjects available, some 96% were able to take their first preference of courses **among those that were made available** by the College.

Satisfaction with mode of study: Some 95% of learners stated that they were either **very satisfied (64%) or satisfied (32%)** with the mode of study they chose, with just 4% stating some level of dissatisfaction. This is a very positive finding. Among Open and distance learning students (145 respondents or 37% of the sample), just 50% were very satisfied, with a further 42% being satisfied, giving 92% overall and 8% were dissatisfied. The key finding here is that open and distance learning appears to generate a broad, but not as acutely felt satisfaction as, say, part-time day or evening provision.

Mode as a factor in choosing a course: The mode of study was a significant factor in influencing the choice of course with some 89% of learners. Among those studying through part-time weekend mode, the mode was a significant factor for 100% of respondents. Open and distance learning and part-time evening modes have relatively strong results for those for whom it was a **very significant factor**, at 54% and 53%, respectively, and this varies significantly from the figure for part-time day mode users (39%).

Some 48% cited that their choice of mode was determined by a desire to have a **better fit with work**, with 32% stated a desire to ensure a **better fit with family life**. Just 27% stated that their choice was influenced by a belief that their mode was a better way to learn than other modes and 8% cited social benefits as a factor.

Our analysis indicates that non-traditional learning, such as open and distance learning, does not appear to be the preserve of those that are repelled by previous experience of traditional classroom based delivery while at school.

Impact on employment prospects: when asked to state the importance of relevance of the course to their current or future employment, some 41.6% of respondents stated that this was either very important (21%) or important (20%).

However, more (50%) stated it was unimportant. However, some 64% of respondents (i.e. 254 of 397) responded that they had **not received any career advice**, either formally, from careers professionals, or informally from friends or family.

Progression of learners: Given the need to develop lifelong learning, it is disappointing that some **30% were not provided with any information on progression opportunities**, while 45% in total were provided with information on learning opportunities at Argyll College (presumably including UHI network opportunities available through Argyll sites) and a total of just under 9% were given information on progression opportunities elsewhere. However, despite this, 45% of all respondents stated that they do intend to take another course through the College, and further 43% considered it as being possible that they would do so.

Respondents rate teaching quality, tutorial support, course content and the standard of accommodation very highly. Only college marketing was cited by a significant number as being unsatisfactory or very poor (67, or 24%, of the 280 expressing an opinion).

Training & Learning Delivery Workshop Feedback

A Training and Learning Delivery workshop in Stirling was attended by a number of leading rural and distance learning practitioners from the college sector, LEC representatives from both HIE Skye and Wester Ross and Argyll and Islands Enterprise and SFEU. The rationale of this exercise was to play back some of the key findings arising from the secondary data analysis and qualitative and quantitative market research and to explore with practitioners and stakeholders their views on a number of themes set out below:

Barriers to Learning / Completion of Studies: Physical access to a well-equipped learning centre is a critical issue. Participants noted concern regarding SFC being generally viewed as not having a favourable view of such centres' contribution. For some subjects, such as Construction, learners have to study entirely on the mainland or spend a proportion of their course in Inverness. One of the key barriers to participation, by consensus, is the available supply of courses/programmes and, for practically based courses, such as construction, available facilities and/or placement opportunities.

Low-wage economies, low aspiration cultures and second jobs may be very time-intensive and, thus, limit learners' opportunities to study during conventional college hours or extensive travel becomes unfeasible before or after working all helps to depress participation. Public transport is typically woeful in rural areas, compounding other problems.

Challenging Economics of Remote / Rural Learning Delivery: By far the greatest emphasis in the discussions centred on the particular challenges faced in delivering learning in rural areas, in a cost effective manner. Island and Very Remote Rural areas face a higher variable cost base, but more limited scope to grow learner numbers and resource utilisation to increase a contribution towards fixed costs. As a consequence, the colleges in rural catchments have to be more innovative to find ways of delivering within a thin market, more cost-effectively.

Without non-SFC income provision in rural centres would not be viable. Many learners using the Benbecula centre operated by Lews Castle College are from outside the Islands and this is the only means by which the centre is made to operate in a viable way. Islands areas and very remote locations, even where participation rates are high, may be lucky to generate 5 or more learners per course group/module, whereas a comparable course in less rural or in urban areas might have 25 or more learners.

Given that the minimum efficient scale of delivery might vary between 10 and 12, given the quantum of SFC funding per WSUM, this places considerable pressure to form merged courses and to limit the range of provision in an area, except where specialist provision is demonstrably filling a national or regional niche and can attract larger class sizes from a far wider catchment.

Demand is typically regarded as being very "lumpy" with funding not reflecting this. This creates difficulties in undershooting and overshooting target. If a college was funded on a three year planning cycle, the college itself could smooth out the income and expenditure over the three years to ensure that courses did not have to be cancelled, with loss of staff, only then to be resurrected with no guarantee of finding staff and having to bear the cost of recruitment / management associated with re-establishing the provision. Even in areas such as the Borders there is pressure to limit the breadth of courses, with a degree of dependence on cross-subsidy from courses with higher numbers, such as social care or health, to lower volume subjects.

Providers questioned whether it would not be better to reflect the high cost in the price to the end user, and the value of the course, with financial support to those that cannot pay, rather than see the provision disappear altogether? Clearly, **there is not a level playing field with large colleges able to charge less**. A clear view was formed that the price or quantum of funding needs to be seriously examined as part of the current national review of funding.

The Product Mix (Curriculum Range) & Learning Methods: Colleges and providers are risk averse in relation to courses with a high cost of entry, which limits investment in sectors like renewables, construction, or engineering. In Skye and Lochalsh, the SLLCN cannot afford to take risks and a bottom-up approach is essential with courses only being run where demand is evidenced.

One of the biggest problems providers face is that provision that is in demand from learners is not necessarily most closely aligned to the needs of the economy, whereas subjects where there is additional support from the centre, such as in engineering, are difficult to recruit to. In those circumstances, a degree of underwriting of new programmes, broadening geographical coverage of existing programmes or pump-priming the initial investment in capital intensive courses is critical, e.g. renewable energy.

SQA frameworks for quality/assessment may decree that courses such as HNC Administration and HNC Business should no longer be co-taught, but rather be separate. This does not reflect the financial realities for rural delivery, but urban colleges will be insulated from this problem due to having economies of scale. Access to qualified staff as lecturers and/or tutors is a problem in the most remote areas

Mode: It was felt, by all, that there is a need to develop a more sophisticated approach to open learning systems and to identify what is best practice. Work-based learning is thought to be a popular option with learners and work placements, although rationed by the supply of employers willing to offer them, are highly popular and typically involve 3 days within the workplace and 2 on site at the college centre/campus.

Marketing of Learning to Remote/Rural Communities: Marketing can very much depend on the strengths and personality of local learning centre managers. Perversely, a danger exists if marketing is too effective, as learners may have to be turned away where facilities or WSUMs can not cope with demand, or, more likely, as the economics stack-up in such a way as to generate a loss per WSUM. Colleges always have to strike a balance between those areas of the curriculum that make a loss and those that make a net contribution, to maximise provision while maintaining financial stability, but the problem is more acute in rural areas.

Success Factors / **Good Practice in Delivery**: Argyll College has found that internal cost controls are absolutely critical to ensuring that they can offer programmes with class sizes that are small. Essentially this focuses efforts on cost control in relation to the two largest components of costs – teaching staff and property costs: in Argyll they achieve approximately 3.2 WSUMs per m2 in comparison with 1.0 WSUM per m2 in another college they are aware of. Effectively, Argyll uses courses with high throughput to control costs and subsidise those with low volume.

Small centres are used, but they are very well used; and in respect of teaching costs, the College uses technology to deliver courses in its blended approach. Argyll has adopted a bespoke contractual basis for employing staff and up to 36 student contact hours might be achieved per staff member per week, compared with just 24 hours of student contact time per staff member in traditional contracts.

Working with local employers to utilise their facilities and specialist equipment for delivery of learning, rather than invest in this directly, has enabled North Highland to control costs to a reasonable level in areas such as construction and engineering and was cited as good practice. Moreover, partnership working is vital to ensure viable provision with partners sharing the cost of strategically vital courses and, therefore, sharing the risk.

Policy and / or Funding Implications: The LEC role could evolve to play a role in ensuring gap funding of low volume, economically critical courses and ensuring provision is local and more responsive to the area's needs. As long as the course is eligible for WSUMs, then the LEC/other partner can provide gap-funding to ensure the course is viable, despite the low volume. At the moment, colleges default to easy wins, because they have to.

Recommendations

As stated earlier, it is for Argyll College to reflect on the study's findings and address how best this information might be disseminated to interested parties and resources will determine the extent to which the following might be achieved. However, we recommend that Argyll College considers the following:

i. opening a dialogue, with the support of HIE and AIE, with SFC regarding the continuing gap in funded supply, as indicated by the WSUMs per capita participation figures identified, also highlighting the aspirational case to potentially exceed the Scotland average;

ii. continue to work closely with others in the West Highlands to examine strategic options for growth in infrastructure (capital funding) and scale of operations (recurrent funding) in the region, with HIE, SFC and HIPP as appropriate;

iii. verify and disseminate the findings of the study in respect of the difference the College's partnership with North Highland College has made to participation rates by subject/programme group locally;

iv. with North Highland College, or other partners as appropriate, evaluate the potential for growth in other subjects identified as having abnormally low participation, (see Section 3), building upon the evolving 'blended learning approach developed for the local market';

v. explore opportunities within the Mid-Argyll area, with employers, AIE and Careers Scotland, to develop construction apprenticeships with local employers, with a view that if successful this might be expanded to cover other areas of the region;

vi. with North Highland College, or other partners, liase with SFC and FEDD regarding any potential impacts in the south of the AIE area arising from the financial crisis at James Watt College;

vii. lobby SQA regarding potential for changes in the framework for quality assessment to prevent courses being co-taught to maximise class sizes and control costs, to make them aware of the potential damage this may cause in remote and island areas;

viii. capitalise upon the goodwill demonstrated by participation in the workshop at Stirling and consider engaging informally in benchmarking of financial performance with other incorporated college and non-incorporated colleges, such as SLLCN, Lochaber College, North highland College and Lews Castle College, among others;

ix. explore opportunities to collaborate in procurement, curriculum development (e.g. materials aimed at work-based learning for key sectors across all areas), staff development and, potentially, joint posts with other West Highland partners as a means of maintaining downward pressure on overheads, in order to maximise the viability of provision available;

x. maintain effort in terms of the high quality of teaching and learning environments provided, as a key element of the marketing mix – the College achieves high levels of satisfaction from existing learners and this is reflected in a high proportion (88%) express some desire to be repeat customers of the College;

xi. work with Careers Scotland to strive to quantify the scale of the cohort of potential learners who are deterred by issues of transport provision or physical access to the sites. There is an indication already of a need to investigate particular concerns raised by careers staff regarding the connectivity from within the local catchment to the centre at Dunstaffnage, which was deemed to be “isolated” from Oban;

xii. work with Argyll & Bute Council to identify steps required to enable Argyll College to be a partner in the delivery of community learning and development and adult literacy and numeracy provision, as well as English as a second language courses. There has been a suggestion that arrangements with North Highland College create a bureaucratic barrier to this;

xiii. invest resource in improved marketing and market research (the survey of learners while valuable, does not provide the views of non-learners) within the AIE area to help strengthen the brand and build average class sizes. As a minimum draw to the attention of parties engaged in joint marketing that action may be required in respect of materials carrying the brand. At all costs, the College must avoid the reputational risk of having to continue to cancel modules or courses as a result of ineffective marketing – once learners are turned away, they may not return, and worse still the disaffected may deter other potential learners in close-knit communities and hence dialogue with the Council may be required;

xiv. Investigate with SFC, Argyll and Bute Council, SE Dunbartonshire and the Dunbartonshire Colleges whether there are opportunities to collaborate in delivery within the Lomond/Helensburgh area using the low cost model of delivery pioneered by the College; and

xv. consider how best the work of the college and the results of this study can be disseminated to all providers and partners in rural Scotland.

1 Background & Study Objectives

1.1 Background - History of the Development of the College

When established, Argyll College was a very different College to any other in Scotland. Its origins grew out of a recognition that the area was inadequately served by existing colleges located outwith the area, by historic low levels of FE participation (in 1998/99 some 50% lower headcount than Scottish levels), by high levels of rural deprivation and by arguably the most challenging geography for service delivery in Scotland.

The advent of the UHI created the impetus to develop a new type of non-incorporated 'enabling college'. This would have a board and a small executive team operating with a network of small learning centres. Through mainly lottery, AIE and ERDF funding it invested in new or refurbished (small) buildings and ICT. Its main teaching programmes were delivered in either directly or in partnership with other colleges within the UHI partnership.

The model originally conceived was for Argyll College to focus on marketing, admissions, learning support and learning facilities and for partner colleges to deliver teaching – either face to face, by e-learning or by blended methods.

Over the development period the College had grown considerably. However, up until 2002/03, Argyll did not receive any formula funding from SFC, but since 2003/04 SFC has provided ring-fenced recurrent funding (WSUMS) - through North Highland College, Argyll College's incorporated principal college partner and the College is now in the fourth year of this arrangement.

The College has received considerable capital support from the HIE network and also receives some limited funding for the delivery of Modern Apprenticeships and Training for Work programmes. The College Board has representatives from Argyll & Bute Council, the business and voluntary sectors, SAMS, UHI, schools and the community. Highlands and Islands Partnership Programme office (HIPP), which manages European Commission funding for the region, has provided considerable support and funding for projects, as well as capital funding for learning centres.

Significantly, as the College has developed it has found that to satisfy demand and the delivery of programmes it needed to take on an increasing range of the teaching responsibilities directly from partner colleges and as such began to move away from the pure enabling business model to a 'mixed economy' approach but since 2003/04, the College took over 100% of teaching responsibilities.

1.2 Current Challenges

The overall picture that has emerged is one where through Funding Council, HIE, EU and local authority support, Argyll College (AIE area) had by 2004/05 increased headcount participation from a level of 50% below the national average to only 14% below. It had also extended its delivery from FE, to a range of HE programmes through establishment as an academic partner within UHI, whilst also operating national training programme activities funded through HIE.

Significantly, however, the College was aware that for some learners the approach taken by the College to learning delivery was not suitable for their circumstances or expectations. Some learners still seek traditional classroom study, as their preference for delivery, and it has become clear that the issues associated with the mode and curriculum choices need to be informed by learner choices and preferences. Furthermore, in a dynamic market, the College needs to periodically review how adequate the network of College learning centres is and how the College marketing and promotion work is perceived by its clients, i.e. employers, public agencies and individuals.

1.3 Study Rationale, Scope and Objectives

In response to the need for external support, DTZ was commissioned by Argyll College, with HIPP support, to review current market demand for learning within the Argyll and Islands market. This study sought to explore some of the learner views and preferences in relation to the College's very particular teaching and learning delivery methods, as a response to the particular geographic and economic context within which it operates, and its unique business model.

The study was designed to help the College and its partners tackle some of the future planning, marketing, operations, learning delivery and funding challenges. In summary, the objectives of the study were as follows:

xvi. To provide evidence on the current demand for learning at non-advanced, HE and CPD levels in Argyll and the Islands, identifying key trends, gaps and opportunities in relation to overall supply;

xvii. To review current teaching and learning delivery methods of Argyll College in relation to demand and taking into account academic best practice in delivering learning in a rural context;

xviii. To review Argyll College's delivery and funding in the context of its wider stakeholder partnerships;

xix. To assess the broad impacts of Argyll College and UHI on economic development in Argyll and the Islands; and

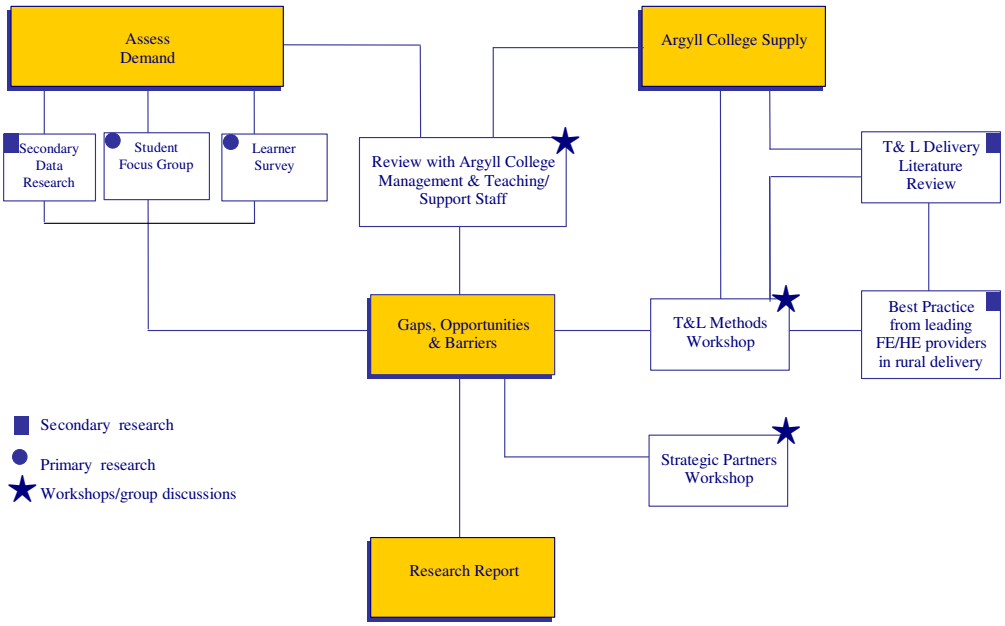
xx. To consider how the lessons form this study might be disseminated to other tertiary level providers, funders and stakeholders in Scotland.

The particular focus of the study was weighted towards addressing objectives i and ii, but informing development of iii and understanding of iv. It is for Argyll College to reflect on the study's findings and address how best this information might be disseminated to interested parties, although we make some recommendations.

1.4 Study Approach

Our broad approach is set out in the diagram and a summary of methods is summarised below.

Figure 1.1
Overview of Methodology



Summary of Methods

- An inception consultation was held with the Director and key Argyll College staff at the outset of the study;
- Demographic, economic, and learner participation data (by mode, level, background and subject), together with a competitor/collaboration provider profile were assembled;
- DTZ conducted 3 focus group discussions to identify broad learner issues (these are set out later in the report). Argyll College assisted in identification of learners and stakeholder attendees and facilitated their participation, as well as paying for their lunch and travel costs;
- DTZ drafted a telephone survey questionnaire of current/recent learners from Argyll College's database of learners. DTZ advised on the sampling framework and briefing notes for Argyll College staff who undertook the interviews;
- DTZ arranged a T&L delivery workshop in Stirling (with SFEU) that was attended by a number of leading rural/DL practitioners from the college sector;
- SFEU conducted a literature review and drew out some of the key themes with regard to successful delivery in rural contexts; and
- DTZ drew together all the research into this draft final report to you.

1.5 Report Structure

The remainder of this report is structured as follows:

- **Section 2**: Sets out some basic information about Argyll College, its mission, physical estates, operating model, learner profile and key activities, immediate targets for 2006/07 and issues of key partnerships and quality management;

- **Section 3**: Covers the participation context, the challenging topography of the area, factors that may constrain participation in rural areas, linkages to economic development and emerging opportunities for the curriculum;

- **Section 4**: This section introduces the appended SFEU Literature Review;

- **Section 5**: Summarises the findings from the three targeted focus groups conducted on behalf of Argyll College and explores issues in relation to the views of young male learners, those having participated in blended learning and the community learning and development, local enterprise and careers guidance community;

- **Section 6**: Sets out the Key Findings from the 2006 Argyll College Learner Survey; and

- **Section7**: Summarises the outputs of the Rural Learning Provider and Stakeholder Workshop held in September 2006 at SFEU, Stirling.

2 Argyll College Profile and Strategy

2.1 Mission Statement

"*Argyll College, as part of the UHI Millennium Institute, will provide accessible education and training of the highest standard, to support the development of people, businesses and communities in Argyll and the Islands.*"

2.2 Estates Development

In an area with challenging geographical barriers to access, physical access to appropriate facilities was a key dimension of the project to establish a College. The development of the learning centres has been as follows:

- Initially, eight centres were opened around the period late 1999 to mid 2000. These were located in Dunoon, Rothesay (Bute), Islay, Campbeltown, Dunstaffnage (near Oban), Tiree, Fionnphort and Tobermory. (both on Mull);

- In 2001, the centre in Arran was opened and this is run jointly with James Watt College;

- In 2002 the centre in Lochgilphead was opened and this completed the initial development of the Argyll College estate;

- A small centre at Here We Are visitor centre, near Loch Fyne Oysters at Cairndow opened in 2003; and

- a new Childcare facility at the Dunstaffnage Learning Centre which opened in 2006 , to provide the college with the facilities to offer a childcare facility for students attending the centre, a number of commercial places for the local workforce as well as providing work placements for college students studying childcare qualifications.

Other major projects in the pipeline, to be completed by Mid-2007, include:

- a Construction Skills Training Centre in Lochgilphead; and

- following the successful purchase of larger premises in Lochgilphead there is a need to upgrade and develop/equip these.

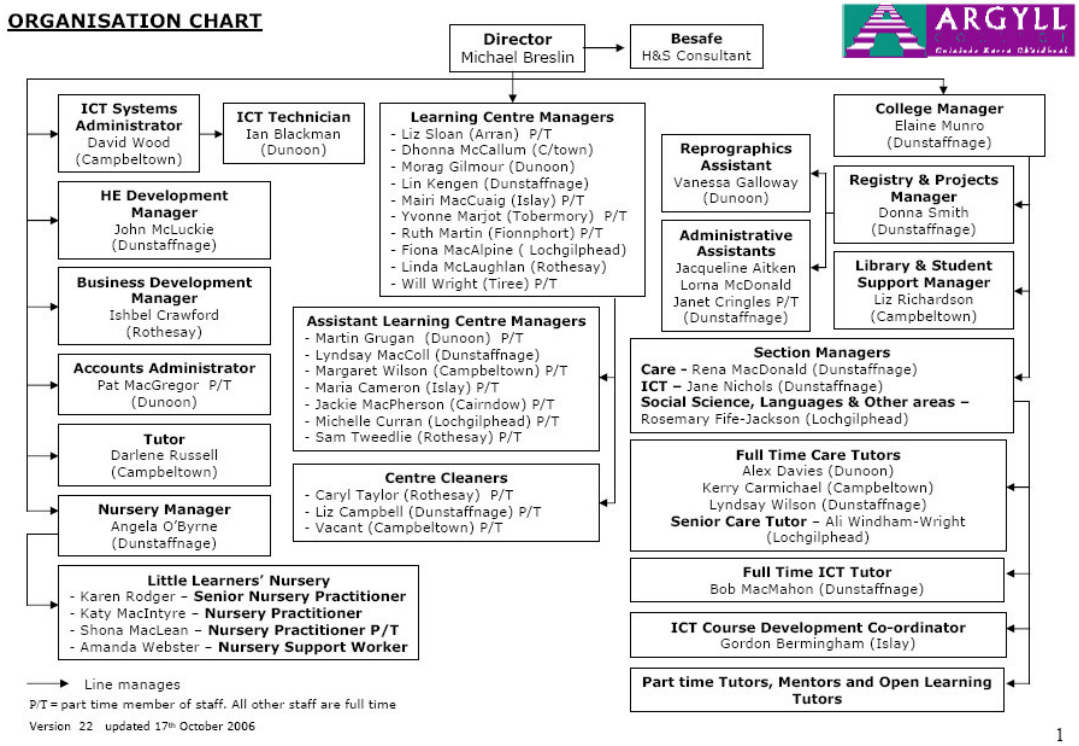
2.3 The Operating Model

As set out in Section 1, the model for Argyll College, as originally conceived, was for a focus on marketing, admissions, learning support and learning facilities and for partner colleges to deliver teaching – either face to face, by e-learning or by blended methods.

However, as the College has developed it has found that to satisfy demand and the delivery of programmes it needed to take on an increasing range of the teaching responsibilities directly from partner colleges, and as such began to move away from the pure enabling business model to a 'mixed economy' approach.

The College also has involvement in delivery of non-SFC funded activities. In response to this emerging model, the College has developed a structure as set out in Figure 2.1, below:

Figure 2.1 Argyll College Organisational Structure



Source: Argyll College Website (http://www.argyllcollege.uhi.ac.uk/web/charts/org_chart_22b.pdf)

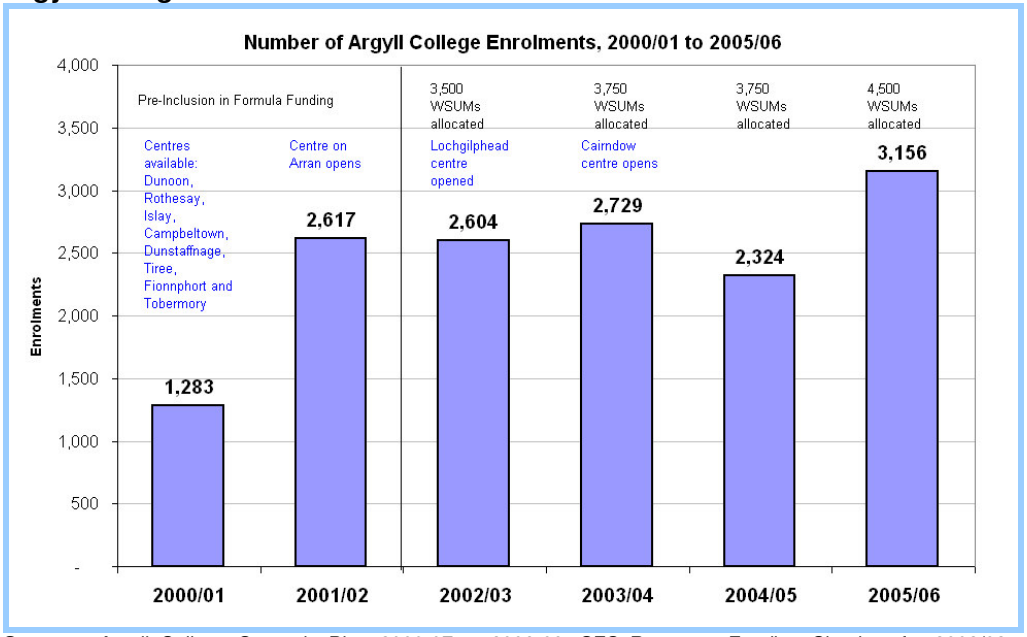
This organisational structure reflects the increasing proportion of the college's activity that is related to direct delivery of provision, as well as the College's engagement with HE delivery through UHI Millennium Institute.

2.4 Learner Profile & Key Activities

Figure 2.2 below, sets out the College's record of enrolments since 2000/01 and demonstrates significant growth, in line with increased WSUM allocations, over this period.

The College initially, for the period 2000/01, 2001/02 and 2002/03 delivered through a variety of partner colleges, notably Perth, Lews Castle and North Highland Colleges, but thereafter, all enrolments were via the partnership with The North Highland College.

Figure 2.2
Argyll College Performance in Enrolment



Source: Argyll College Strategic Plan 2006-07 to 2008-09; SFC Recurrent Funding Circulars for 2002/03, 2003/04, and 2005/06.

The College reports that there are clear customer preferences towards ICT and care provision, the majority of students are female and the majority are returners to education rather than young people leaving school.

However, there are subject areas where there is little or no activity and these are potential areas for development and this will, at present, represent a barrier to some potential learners participating in lifelong learning locally.

Over the period, the number of teaching staff has risen to approximately 200, although this amounts to just 38.75 on an FTE basis.

2.5 Operating Targets for 2006-7

The targets for Argyll College UHI Ltd for the year ending 31 July 2007 are as follows:

- Achieve the SUMs target of 4,624 by end July 2007.
- Achieve a net operating surplus of at least £25k by end July 2007
- Complete the creation of the construction skills centre so that it can open in August 2007.
- Find a way of moving the Lochgilphead Learning Centre into the new former surgery premises by very early 2007.
- Sell the current Lochgilphead centre for a minimum of £152k (valuation) by early 2007.
- By the end of June 2007, submit a proposal to the board that will offer a long-term solution to the space issues in the Campbeltown Learning Centre.

2.6 Key Partnerships

Partnership working is a critically important feature of the success of the College to-date. Key partnerships established include the following:

North Highland College Strategic Partnership & SFC Formula Funding

Argyll College's board took the decision to form a strategic partnership with North Highland College in June 2002 and this has led to SFC-sourced formula based funding package for Argyll College. Initially this resulted in delivery of around 4,500 WSUMs, but supply has only increased slightly to some 4,624 WSUMs by 2006/07 academic year, for non-advanced activity.

Argyll College reports this relationship is now well established and working well for both organisations and in the last three years this has seen enrolments grow, albeit WSUM activity is constrained to just over 4500 WSUMs. In addition, major improvements have been made to open learning materials with assistance from ESF. Delivery of the curriculum is to a high standard and in line with North Highland College quality assurance systems

UHI Millennium Institute

Argyll College is one of 15 partners in the UHI Millennium Institute. The UHI network is based upon an educational partnership offering higher education in different locations around the Highlands and Islands. Each partner has its own distinctive character and strengths. Together they offer the educational advantages and facilities of a larger institution with the personal attention only a local college can provide.

Through UHI, Argyll College and its catchment population benefit from remote delivery of degree provision to 11 local learning centres. However, there is a growing amount of HE provision delivered directly by Argyll College in its own right, although to-date this includes only a limited offering e.g. some HN units, Cisco CCNA, Assessor and verifier units, HNC Childcare and Education.

Argyll & Islands Enterprise (AIE)

AIE and the Highland & Islands Enterprise network have provided considerable capital funding support to development of the college since its inception in 1997 and the activities of the college relate directly to the *"Smart, Successful, Highlands & Islands"* priorities.

Argyll & Bute Council

The local authority was, with AIE, one of the 2 founding members of the Argyll College company and the council has also supported the college since inception.

Four of the premises used by the college as learning centres are owned by the Council and are leased on a peppercorn rent basis. Land has been purchased by the council for the new construction skills training centre in Lochgilphead and it is understood that this will also be the subject of a peppercorn lease.

Notwithstanding this relationship, the Council's community education service actually provides the college with competition in most of the area, due to the relationship it has with 2 other FE colleges. However, in 2 areas, the college works in partnership with community education to help facilitate delivery.

The college has been active at various levels in Argyll in the community learning strategy partnership led by the council's community education service. However, there remain issues over the effectiveness of the partnership. To try and resolve these, the college will attempt to agree a strategic agreement with the community education service. Any such agreement will have to have local operational benefits for the community.

The Millennium Commission

The Millennium Commission has played a significant role in part-funding the initial capital costs of the development of Argyll College.

Highlands and Islands Partnership Programme (HIPP)

Since its inception, Argyll College has been a significant beneficiary of EDRF, with the network of College Learning Centres having been Part-Financed by the European Union Regional Development Fund.

In addition, The European Social Fund (ESF), has been extensively utilised to help develop projects - for the last 4 years Argyll College has successfully bid for match funding from ESF to support a number of teaching and learning projects.

Other Partnerships

Argyll has developed a partnership with other colleges in relation, for example to construction:

> "Other partnerships are working well and have been strengthened by continued co-operation. A key development in the last few years has been the successful Construction Excellence partnership which has ultimately led to the creation of the Construction Skills Training Centre in Lochgilphead. Work is about to commence on this and it should be open for the start of academic year 2007/8."

2.7 Quality Management

While many of the programmes delivered by incorporated college partners benefit from established college quality management procedures, we have in our experience observed that stakeholders and learners can sometimes incorrectly perceive that courses operated by providers such as Argyll College, and its comparable neighbour, Lochaber College, are not subject to similar quality control as is the case in larger institutions.

This is a critical issue, as the unconventional nature of the institution might affect perceptions as to the relative value of provision. In fact, Argyll College place considerable effort on communicating quality control to the market, and in compliance with partner providers' requirements, but for clarity we summarise as follows:

2.7.1 The Scottish Quality Management System (SQMS)

SQMS is a key measure by which contracting local authorities, LECs and employer clients can gauge that the College has appropriate quality management systems in place to deliver training and education, but can also generate the by-product of improved cost control., an issue of particular importance in delivery in remote dispersed communities.

However, the rigour it implies for quality control is particularly critical to enable access to vocational pathways contracts and LEC-funded National Training Programmes, such as Modern Apprenticeships.

The ten standards relate to:

i. marketing and customer care;
ii. strategic management;
iii. communications and administration;
iv. health and safety;
v. equal opportunities;
vi. human resources and development;
vii. programme design and delivery;
viii. pre-entry guidance services;
ix. guidance services; and
x. assessment for certification.

Argyll College was successfully assessed against the SQMS standard in July 2000 and again in July 2003. There are a number of perceived benefits of the SQMS standard, suggested by its exponents, aside from allowing an organisation to consider the quality of its operation in a structured way. These are as follows:

i. Continuously improving systems and processes
ii. Instilling a culture geared towards continual improvement
iii. Fostering staff teamwork, commitment and satisfaction
iv. Improving training and education for the learners
v. Improving the learning experience
vi. Promoting a safe learning environment
vii. Setting realistic business targets
viii. Assisting cost reduction and business expansion in target markets
ix. SQMS helps the organisation focus on areas important to it.

2.7.2 Learndirect Scotland

Learndirect Scotland, operated by Scottish University for Industry (SUfI), works in partnership with local learning centres (both private and not-for-profit/college operated) throughout Scotland to provide a safe, welcoming and supportive environment where learners can make guided choices about what, how and when they learn.

Ten of the Argyll College learning centres are already Learndirect Scotland branded centres, which gives an indication to the market that these centres have achieved the recommended quality standards set by Learndirect Scotland.

2.7.3 Investors in People (IiP)

IiP is a national standard which sets a level of good practice for improving an organisation's performance through its people. The standard is concerned with good practice in areas such as communication, planning, training, performance reviews and management effectiveness. Argyll College was successfully assessed against the standard in July 2000 and again in July 2003.

3 Defining the Problem: Participation Context

3.1 The Challenging Topography of Argyll and the Islands and other Rural Areas

The topographical challenges faced by Argyll College, and comparators such as Lews Castle College (incorporated), Lochaber College (non-incorporated) and non-college providers, such as learning centre networks, e.g. the Skye and Lochalsh Learning Centre Network, are very significant indeed.

In respect of Argyll College's catchment, the College itself states in the Strategic Plan 2006/07 –2008/09:

> *"Argyll College covers an area of Scotland that is characterised by having a huge landmass, a low average density of population, towns at the periphery of the area, more people living on islands than in the Western Isles and a coastline longer than that of France. The college's 11 learning centres now allow a majority of the population to have greatly improved access to learning. However, there are still areas with moderate populations where access is far from simple."*

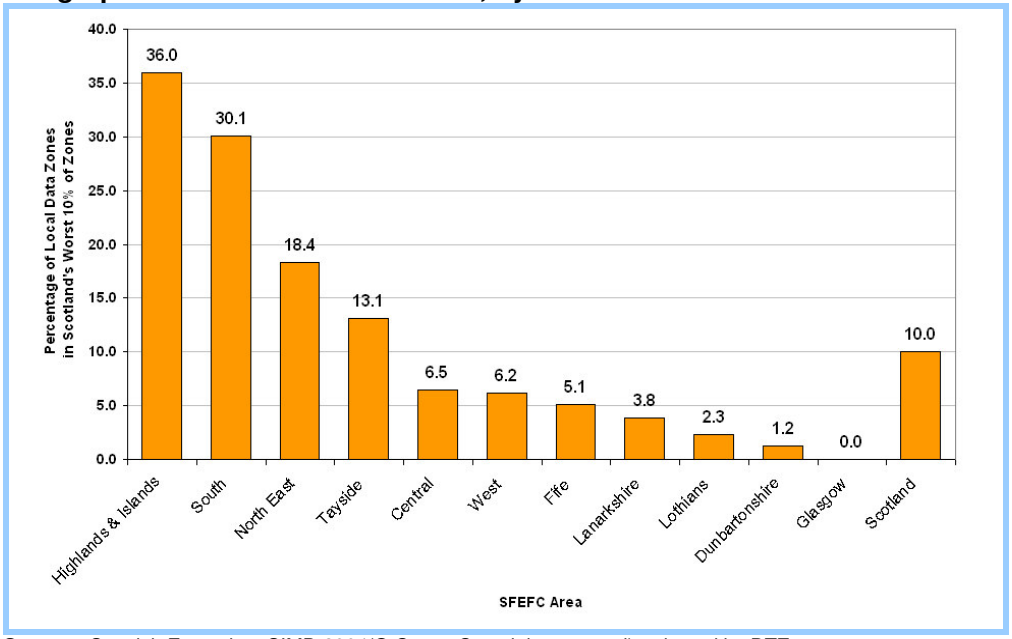
DTZ has previously drawn attention to the particular challenges faced by highly rural and Island communities, in delivery to a dispersed population within constrained resources. This was a key theme arising throughout consultations undertaken during the 2005 study of supply and demand of FE in Scotland. We concluded:

> *"…there are severe resource constraints which limit colleges' scope to address geographic access problems in highly rural regions such as Highlands and Islands, South of Scotland and Aberdeenshire, within North East Scotland"* **DTZ - Supply and Demand of FE in Scotland (2005)**

Figure 3.1, below, is extracted from that report, and demonstrates the contrast between rural regions and urban regions such as Glasgow and Dunbartonshire.

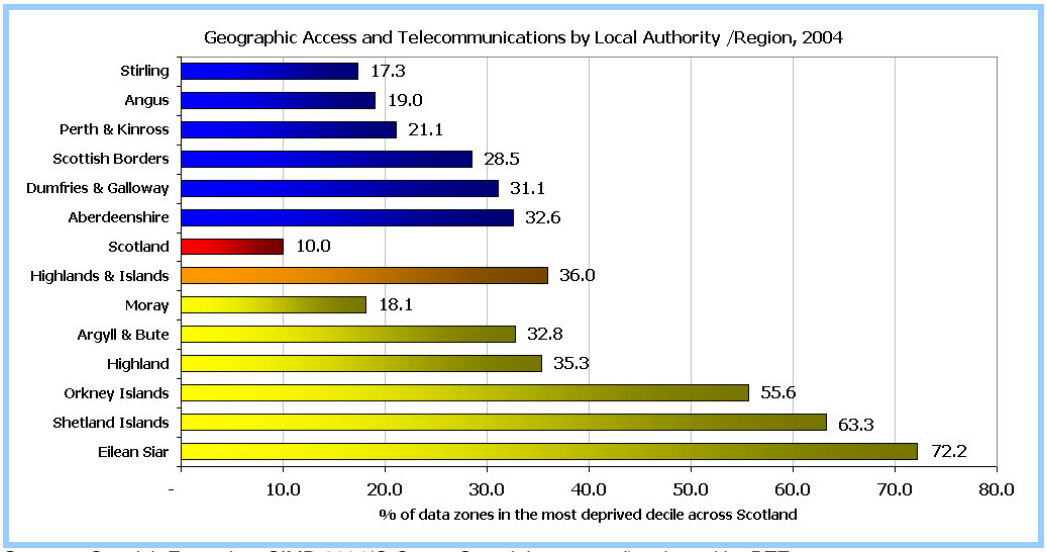
Figure 3.2 thereafter disaggregates figures for Highlands and Islands and other rural regions to demonstrate the spectrum of disadvantage by reference to this measure, across rural authority areas.

Figure 3.1
Geographic Access Domain of SIMD, by SFC Area



Source: Scottish Executive, SIMD 2004(© Crown Copyright reserved); adapted by DTZ.

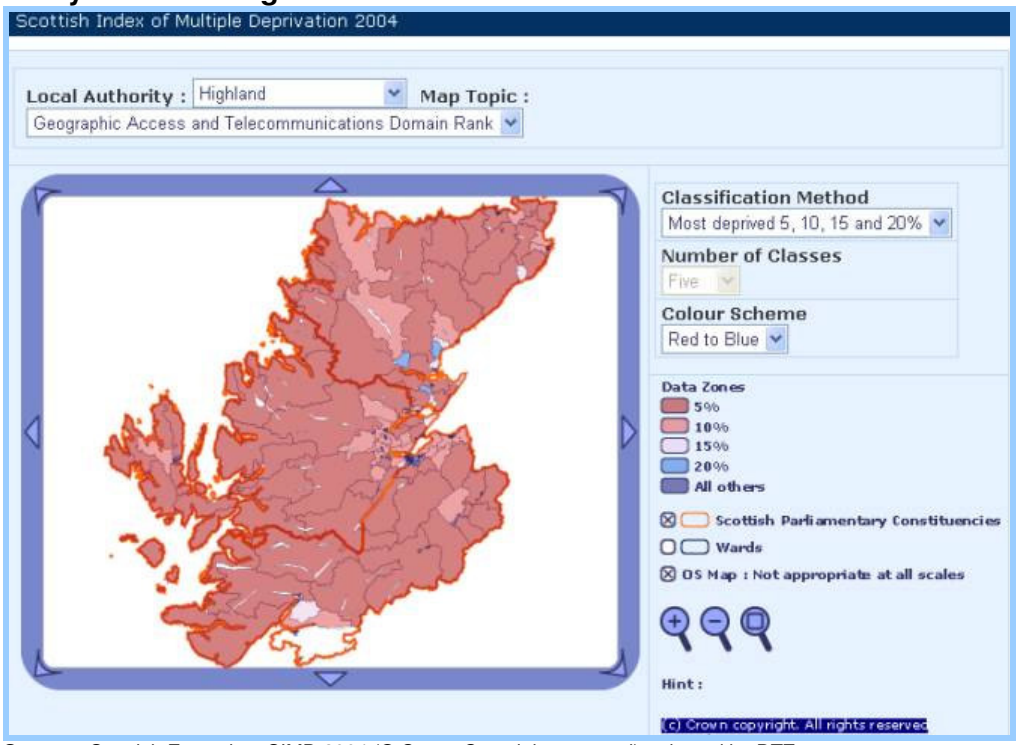
Figure 3.2
Geographic Access Domain – Selected Local Authorities & Benchmarks



Source: Scottish Executive, SIMD 2004(© Crown Copyright reserved); adapted by DTZ.

Of course, when examining the data for Highland Council, it should be stressed that deprivation in terms of geographic access and telecommunications has been much more severe in areas such as Lochaber, Wester Ross & Skye and areas of Caithness and Sutherland than for say, the area around the Moray Firth, i.e. Inverness, Nairn or the Black Isle, while for Argyll and Bute, clearly areas such as Kintyre or islands such as Islay or Tiree will be more disadvantaged than Helensburgh, or even Dunoon, in terms of accessibility to services.

Figure 3.3
Analysis within Highland Council



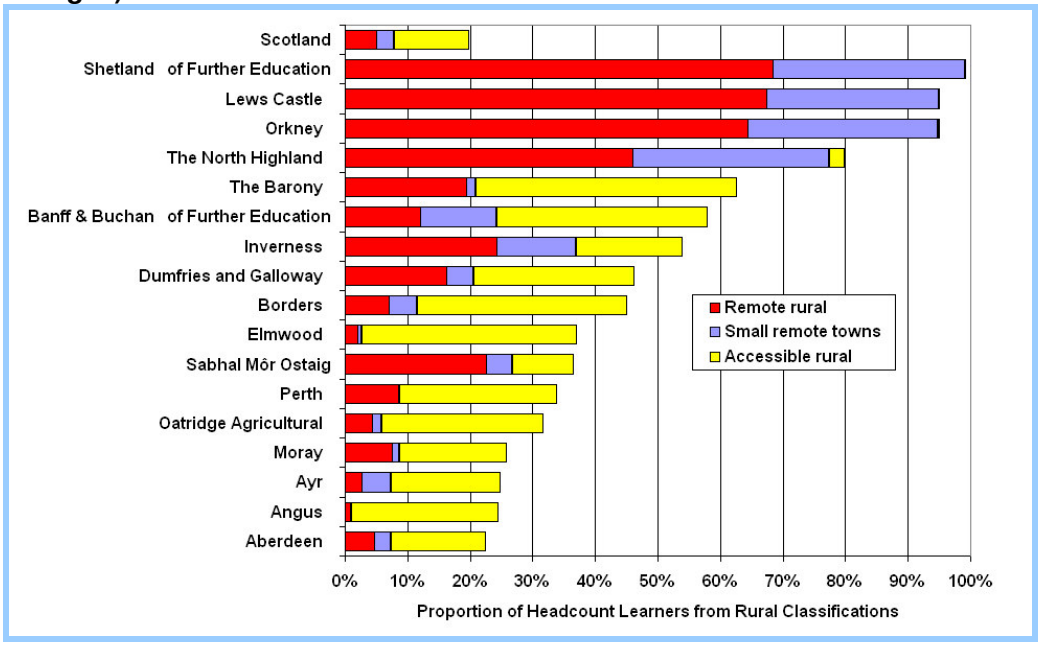
Source: Scottish Executive, SIMD 2004 (© Crown Copyright reserved); adapted by DTZ.

3.2 Overview of Rural Colleges and Participation in Rural Areas

Figure 3.4 sets out to illustrate how different the catchments of incorporated and non-incorporated colleges across Scotland are in relation to their rurality. It indicates that Shetland College of Further Education has the greatest proportion of its students classified as rural, followed closely by Lews Castle and Orkney College. North Highland College, which is engaged in a strategic partnership with Argyll College, but also serves its on remote rural communities, is the next most rural college in Scotland. Barony, Banff & Buchan and Inverness (which at this point in time had partnerships in both Lochaber and the Skye and Lochalsh area) are the only other Scottish colleges recruiting more than half their numbers in terms of headcount from the rural communities, as defined by SFC.

Sabhal Môr Ostaig, which serves a national and indeed international market for Gaelic medium education at FE and HE levels, by its nature serves many urban learners needs, albeit located in one of the most remote areas of Scotland, Sleat on Skye.

Figure 3.4
Rurality of Current Recruitment of Learners (including non-incorporated colleges)



Source: SFC, *Infact* database (2004/05 FES derived dataset); adapted by DTZ

Figures 3.5 and 3.6 below show the relative position of all LEC areas of Scotland with regard to variation from the Scottish average for headcount participation per capita, the Scottish average WSUMs[1] per capita and variation from the Scottish median WSUMs per capita.

These data indicate that while a number of areas are still relatively disadvantaged the key driver for those areas with the lowest participation appears to be supply and specifically the lack of a well established non-incorporated or incorporated college, as some remote and island areas fare relatively well:

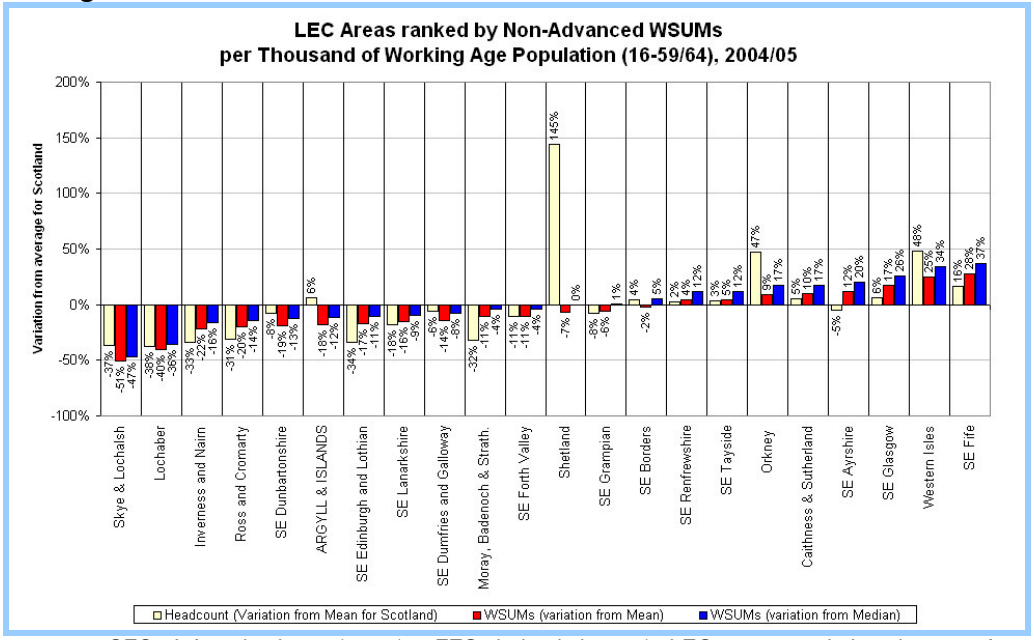
- Argyll and the Islands has the sixth lowest participation rate, using the SFC preferred measure of participation in WSUMs per capita relative to the median for Scotland, with a rate that is 12% below the national average. Headcount participation, in that year, was above average, possibly due to higher numbers arising from Digital Communities Initiative, which was dominated by short IT training projects involving many learners but limited SUM-able activity[2];

- The West Highland areas of the former SALE LEC and Lochaber Enterprise area are 47% and 36% below average, respectively, and have the lowest participation anywhere in Scotland at that level of geography; and

[1] Weighted Student Unit of Measurement, a measure equivalent to 40 contact hours by a learner, weighted to reflect whether the course is of a type that is more or less resource intensive to deliver than the average.
[2] It is worth noting that in the Cowal area, James Watt College has a significant recruitment footprint, while in the Helensburgh/Lomond area of Argyll & Bute (covered by SE Dunbartonshire), Clydebank College has traditionally been the lead provider

- Islands and remote rural areas such as Western Isles (Eilean Siar) at 34% above average, the CASE area (17% above average), Orkney (17% above average) and Shetland (fractionally above average) indicate that remoteness need not equate to a low level of participation. However, all these areas benefit from relatively well –established colleges and in two areas (CASE and WIE) there are incorporated colleges.

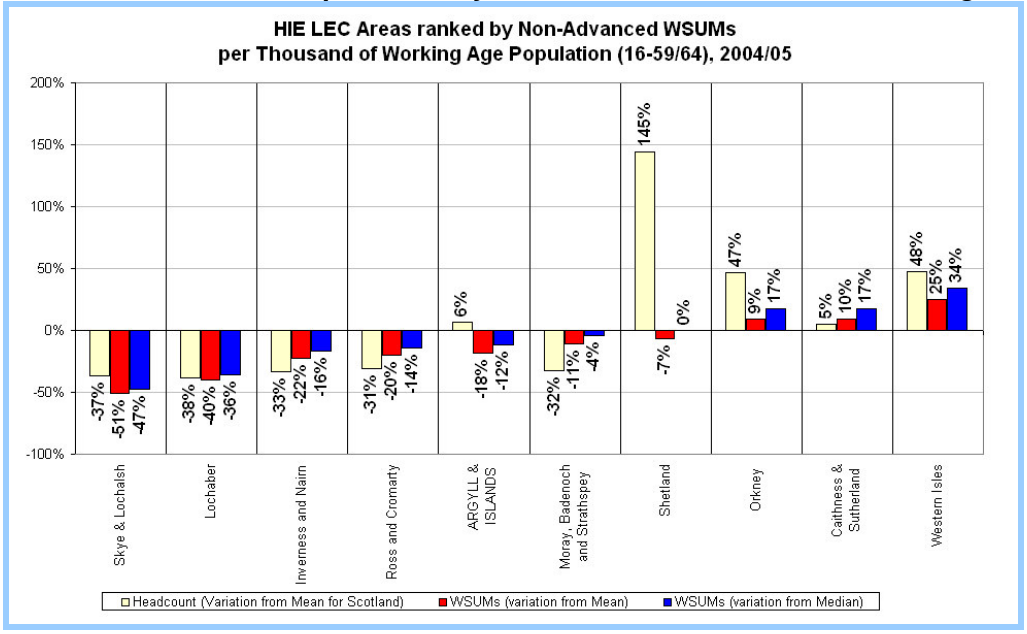
Figure 3.5
Scotland's LECs – Non-Advanced Participation: Variation From Scotland Average



Source: SFC, *Infact* database (2004/05 FES derived dataset); LEC area population data are for 2001, from Futureskills Scotland *Key Indicators* (GRO Scotland Census 2001 based), © Crown Copyright reserved; adapted by DTZ.

Figure 3.6, below, isolates the Highlands and Islands region LECs, of which 6 are below the national median participation rate for 2004/05.

Figure 3.6
HIE LEC Network Participation Analysis – Variation From Scotland Average



Source: SFC, *Infact* database (2004/05 FES derived dataset); LEC area population data are for 2001, from Futureskills Scotland *Key Indicators* (GRO Scotland Census 2001 based), © Crown Copyright reserved; adapted by DTZ.

3.3 Participation in HE and FE in Argyll and the Islands

3.3.1 Overall Rates

In 2004/05, there were 5,127 individuals recorded as being students of non-advanced courses who reside within Argyll and Bute (population 91,300), 4,408 of whom lived within the Argyll and Islands Enterprise Area (population 63,443), i.e. excluding the triangular area to the west of Loch Lomond (including Helensburgh and Arrochar), hereafter referred to as the "Helensburgh triangle" (population 27,863).

In the case of the AIE area, as shown in Table 3.1 later, headcount numbers have increased by 114% since 1998/99 although this represents a slight fall of 1% since 2003/04. Enrolments, which can include multiple enrolments by individuals, are also known to have grown by 109% over the period since 1998/99.

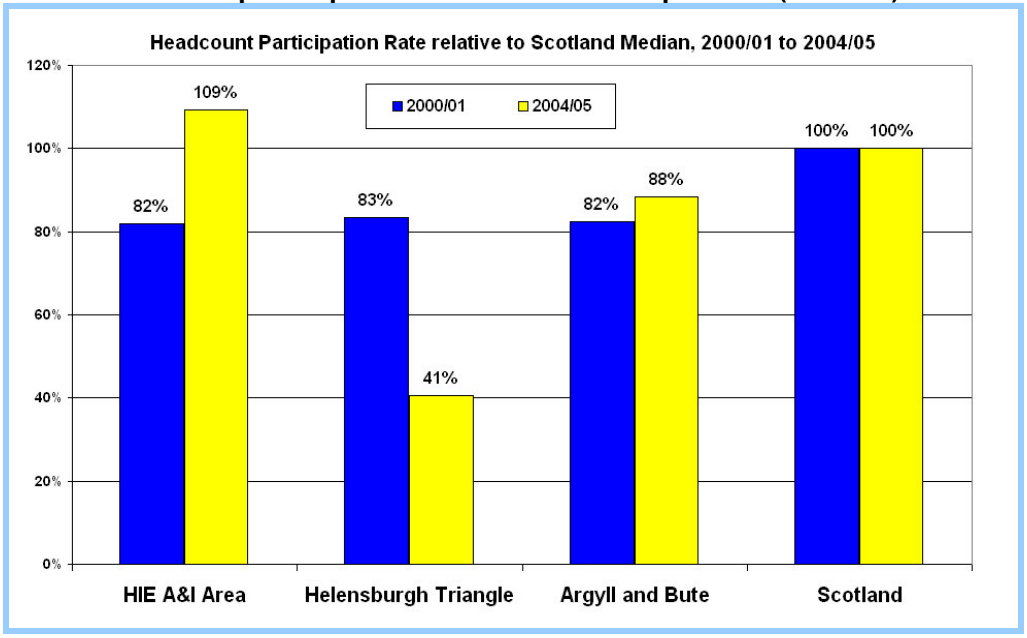
A further 447 Argyll and Bute residents studied at advanced level through Scottish colleges, of whom 285 lived in the AIE area and 162 in the Helensburgh triangle.

3.3.2 Participation rates at Non-Advanced Level in Argyll and the Isles

Analysis of the non-advanced headcount participation rates for Argyll and Islands Enterprise (AIE) area, the Helensburgh Triangle and Argyll and Bute Council areas is presented in Figure 3.7 below. This shows the very significant advance in participation that has taken place since 2000/01, with the AIE area having moved from being 18% below average to 9% above average over this period. Argyll and Bute as a whole has been moved closer to the Scotland average, from 18% below to 12% below average. However, participation in the Lomond/Helensburgh

Triangle area has declined from 83% of the national average to just 41% by 2004/05.

Figure 3.7
Headcount Participation per Thousand of Total Population (Indexed)

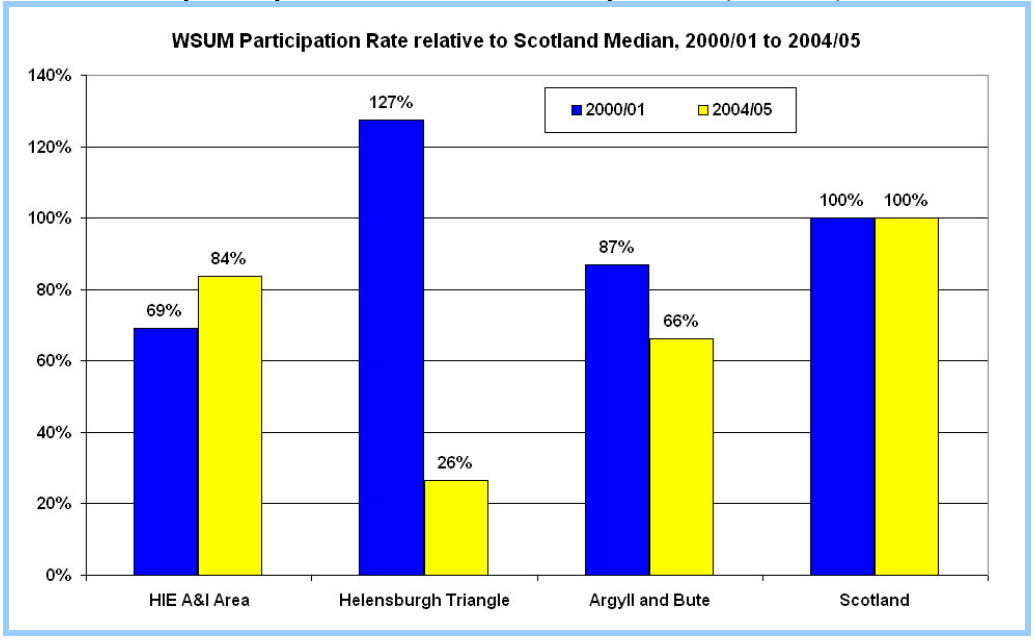


Source: SFC, *Infact* database (2000/01 and 2004/05 FES derived datasets); LEC area population data are for 2001, from Futureskills Scotland *Key Indicators* (GRO Scotland Census 2001 based, © Crown Copyright reserved); adapted by DTZ.

Figure 3.8, again derived from data in Table 3.1 later, indicates that, despite the advance in headcount participation set out in Figure 3.7, in the AIE area, participation as measured in activity terms (using WSUMs) has only improved from 31% below average to 16% below average at non-advanced level.

In the Triangle area, participation has fallen from 27% **above** average to 74% **below** average. As a consequence, the Argyll and Bute average has actually declined from 87% of the Scotland figure in 2000/01, i.e. 13% below average, to 34% below average over the period to 2004/05, despite growth in the AIE area. It is not clear why this decline has occurred, albeit we would suggest this merits further investigation by Argyll College.

Figure 3.8
WSUM Participation per Thousand of Total Population (Indexed)



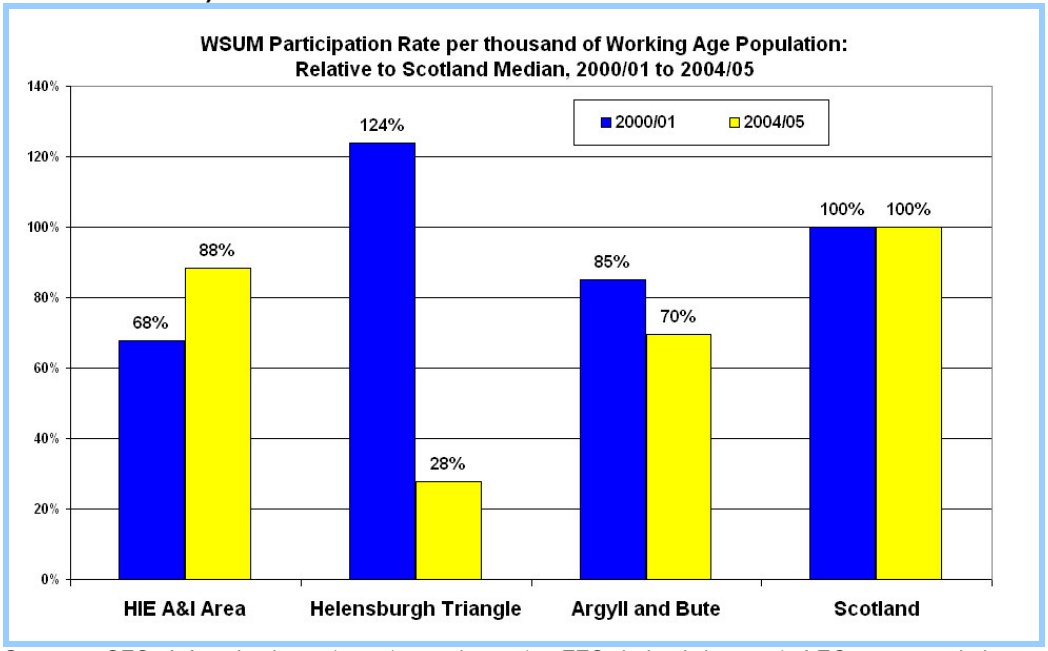
Source: SFC, *Infact* database (2000/01 and 2004/05 FES derived datasets); LEC area population data are for 2001, from Futureskills Scotland *Key Indicators* (GRO Scotland Census 2001 based, © Crown Copyright reserved); adapted by DTZ.

The participation rates presented in Figure 3.7 and 3.8 have their basis in population data based on the 2001 Census and don't take account of the differing (older) age structure of population in Argyll and Bute. We have made appropriate adjustments to reflect the change in population taking place in Argyll and Bute and Scotland and the need to assess the degree to which rates vary with the differing relative size of working age population.

Figure 3.9, below, provides analysis of the WSUM based participation rate per thousand of working age, again expressed as an indexed value, where the average participation across Scotland is 100%. This figure does take into account change in the scale and composition of population between 2001 and 2004, at Argyll and Bute Council and Scotland level.

This shows that the gap between AIE and Scotland is smaller (12% as opposed to 16%), that although participation in the Triangle area is very low, it remains at 28% (not 21%) of the national average, and that as a consequence of these out-turns, the Argyll and Bute rate is at 70% of the Scotland average (and not 66%).

Figure 3.9
WSUM Participation per Thousand of Working Age Population (Indexed, Scotland=100%)



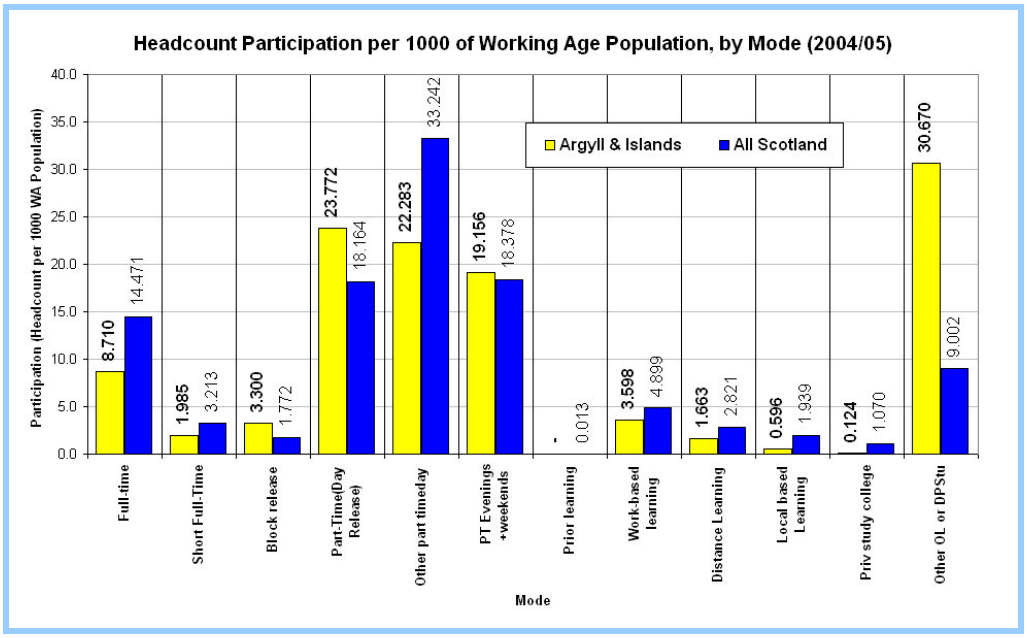
Source: SFC, *Infact* database (2000/01 and 2004/05 FES derived datasets); LEC area population data for 2001, are derived from Futureskills Scotland *Key Indicators* and GRO Scotland Census 2001 (© Crown Copyright reserved); 2004 population data are derived from GRO Scotland Mid-2004 population estimates for Argyll & Bute and Scotland, with sub-areas factored by change between 2001 and 2004 at Argyll& Bute level by DTZ.

3.3.3 Analysis of Participation by Mode

Figure 3.10, below, provides a summary of headcount participation by mode of learning used by the learner. This indicates that "other distance learning and directed private study" as a mode is more than three times as prominent in the AIE area (30 per thousand) as it is nationally (9 per thousand).

Full-time and block release are both relatively more significant in Argyll, possibly because for some subjects it is not possible to study the subject locally and, hence, with transport access to the cities being limited, full-time study is perhaps the only feasible option. Part-time day release is relatively high, while other part-time day modes (which perhaps some study in evenings and weekends to complement day-time tuition) are relatively underused at only two-thirds of the level found across Scotland. Part-time evening and weekend courses are at a similar level to that found across Scotland, while work-based learning is relatively under-developed.

Figure 3.10
Headcount Participation per Thousand of Working Age Population, by Mode, 2004/05

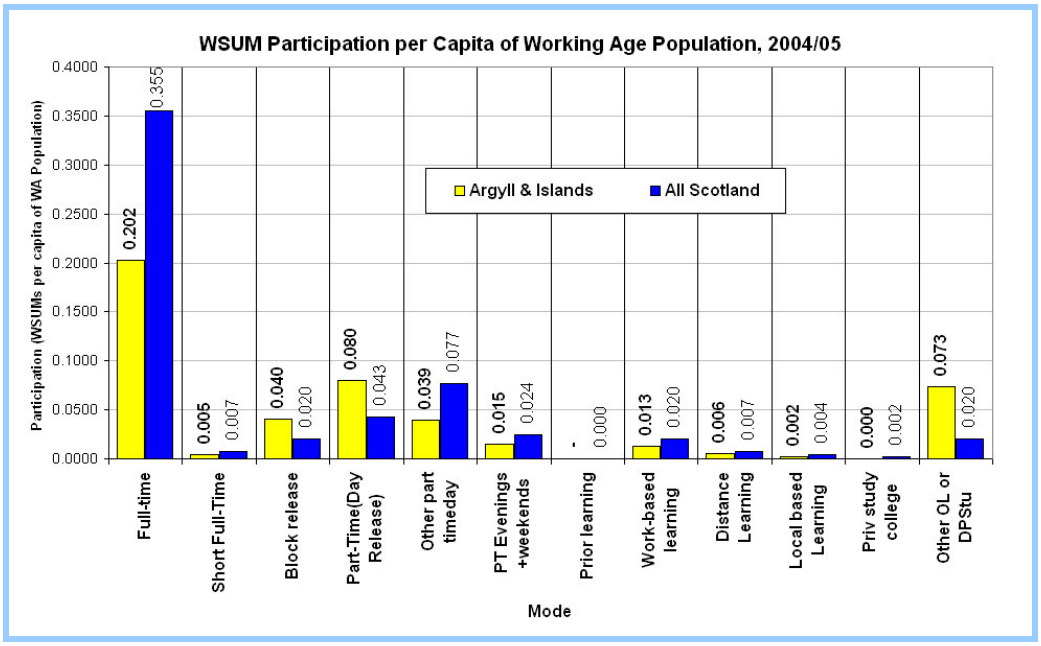


Source: SFC, *Infact* database (2004/05 FES datasets); LEC area population data for 2001, derived from Futureskills Scotland *Key Indicators* and GRO Scotland Census 2001 (© Crown Copyright reserved); adapted by DTZ.

Figure 3.11 converts the headcount participation set out in 3.10, which demonstrates clear differences from the Scotland average, to WSUM participation per capita. This shows that while part-time day modes are relatively significant in headcount terms, they are of limited scale in terms of WSUMs.

The key area of divergence is in terms of Full-time WSUMs per capita, where a gap of 0.153 WSUMs per capita of working age population is equivalent to a gap of around 6,200 WSUMs lower than might be expected for a working age population of around 40,300. Other part-time day modes equate to around 1,500 WSUMs lower than expected, while in contrast, other distance learning and directed private study (+2100), block release (+800) and part-time day release (+1500) are all higher than expected for a population of that size. All in all, WSUM participation is around 4,200 lower than would be expected for a working age population of 40,300.

Figure 3.11
WSUM Participation per Capita of Working Age Population, by Mode, 2004/05



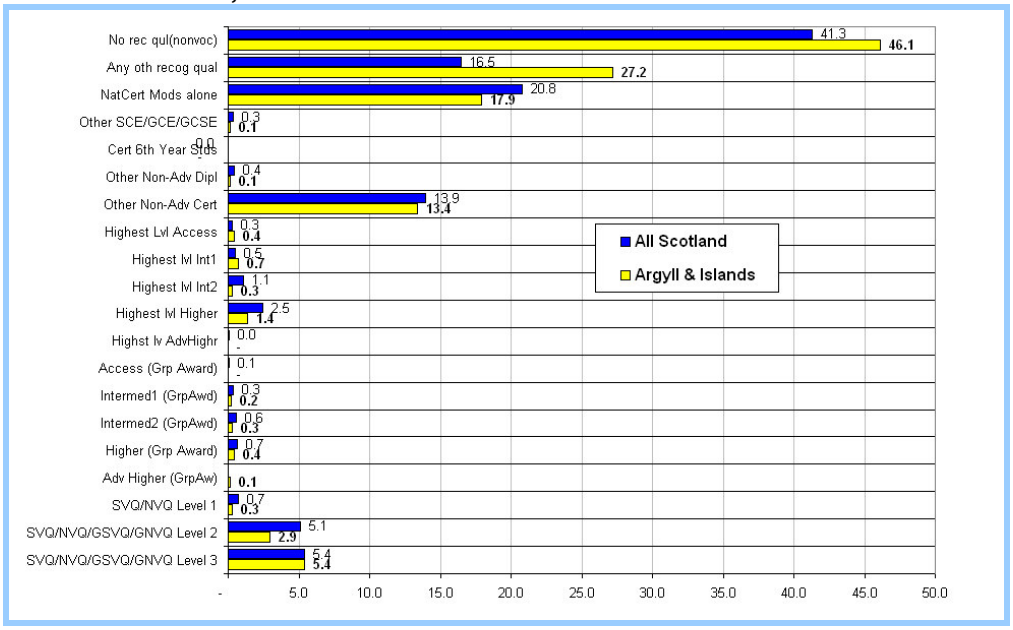
Source: SFC, *Infact* database (2004/05 FES datasets); LEC area population data for 2001, derived from Futureskills Scotland *Key Indicators* and GRO Scotland Census 2001 (© Crown Copyright reserved); adapted by DTZ.

3.3.4 Non-Advanced Participation by Qualification Aim

Figure 3.12, below, indicates that participation in the AIE area that is not concerned with receiving a recognised qualification, or for receipt of a qualification that is recognised but perhaps below NC level, at 73.3 per thousand of the working age population, is far above the average of 57.8 per thousand for Scotland. Participation rates are otherwise broadly comparable, but the rate at SVQ level 2 or equivalent is perhaps a concern.

This is perhaps in some part influenced by the impact of the Digital Communities initiative in which Argyll College was a training delivery partner. While WSUMs would not have been recorded, as they were funded though a non-SFC funding stream, headcount enrolments would have been recorded and this may in part help to explain why headcount rates are high while WSUMs remained persistently lower in that year.

Figure 3.12
Headcount Participation per Thousand of Working Age Population, by Qualification Aim, 2004/05: AIE vs Scotland



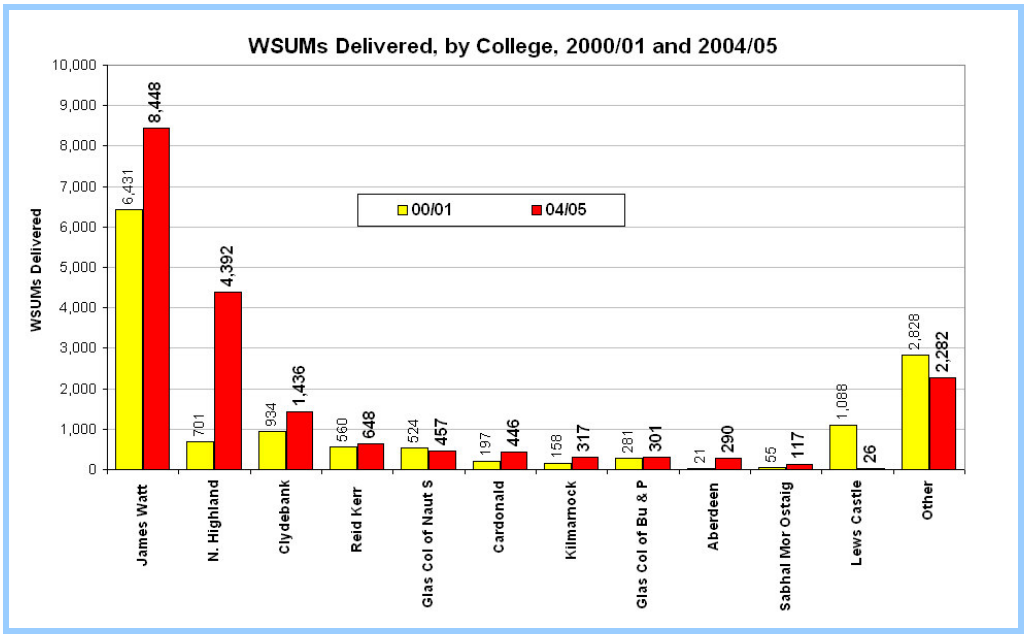
Source: SFC, *Infact* database (2004/05 FES datasets); LEC area population data for 2001, derived from Futureskills Scotland *Key Indicators* and GRO Scotland Census 2001 (© Crown Copyright reserved); adapted by DTZ.

3.3.5 Analysis of Activity by Provider

Figure 3.13 shows that despite the growth of Argyll College, James Watt remains the college with the largest share of WSUM activity, drawing mainly from the south of the AIE area and Arran, albeit North Highland College has dramatically increased market share since formation of its partnership with Argyll College. Lews Castle College has suffered a loss of activity in the region.

It is interesting to note that in terms of headcount, at non-advanced level, North Highland College had some 1,798 learners (i.e. 2.4 WSUMs per learner), while James Watt College had just 1,440 (or 5.9 WSUMs per learner), reflecting the formers engagement in part-time and blended learning provision and the latter's concentration on full-time modes.

Figure 3.13
Analysis of Key providers Serving Argyll & Islands Area, 2000/01 and 2004/05



Source: SFC, *Infact* database (2004/05 and 2000/01 FES datasets); adapted by DTZ.

Table 3.1
Participation Trend Data for AIE Area, Argyll and Bute Council Area, and the College Sector

All Levels of Study								Change (%)	
								2002/03-2004/05	1998/99-2004/05
Headcount	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**		
AIE Area	2,486	3,107	3,895	4,708	**4,918**	**5,107**	**4,693**	-5%	89%
Helensburgh Triangle	2,340	1,551	1,786	1,634	**1,358**	**1,272**	**881**	-35%	-62%
A&B Area	4,826	4,658	5,681	6,342	**6,276**	**6,379**	**5,574**	-11%	15%
AIE as Share of total	52%	67%	69%	74%	**78%**	**80%**	**84%**		
WSUMs	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**		
AIE Area	16,773	16,279	20,078	21,885	**21,656**	**22,392**	**23,212**	7%	38%
Helensburgh Triangle	11,947	8,418	14,722	9,681	**7,113**	**6,656**	**4,526**	-36%	-62%
A&B Area	28,720	24,698	34,799	31,565	**28,769**	**29,048**	**27,738**	-4%	-3%
AIE as Share of total	58%	66%	58%	69%	75%	77%	84%		
Sector Heacount	355,974	348,444	375,608	399,699	383,600	370,580	363,178	-5.3%	2.0%
Sector WSUMs	1,967,527	1,953,527	2,188,920	2,261,847	2,292,854	2,325,776	2,307,854	0.7%	17.3%
Non-Advanced Only								Change (%)	
								2002/03-2004/05	1998/99-2004/05
Headcount	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**		
AIE Area	2,061	2,644	3,295	4,255	**4,459**	**4,791**	**4,408**	-1%	114%
Helensburgh Triangle	2,053	1,290	1,474	1,382	**1,158**	**1,082**	**719**	-38%	-65%
A&B Area	4,114	3,934	4,769	5,637	**5,617**	**5,873**	**5,127**	-9%	25%
	50%	67%	69%	75%	**79%**	**82%**	**86%**		
WSUMs	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**		
AIE Area	11,210	10,709	13,777	15,376	**16,213**	**17,885**	**19,159**	18%	71%
Helensburgh Triangle	8,812	5,797	11,143	7,067	**5,057**	**4,166**	**2,656**	-47%	-70%
A&B Area	20,022	16,506	24,919	22,443	**21,270**	**22,051**	**21,815**	3%	9%
	56%	65%	55%	69%	76%	81%	88%		
Sector Headcount	300,378	293,245	320,893	351,784	337,448	327,326	321,928	-4.6%	7.2%
Sector WSUMs	1,385,345	1,383,749	1,588,220	1,722,566	1,768,593	1,816,271	1,823,533	3.1%	31.6%
Advanced (HE) Only								Change (%)	
								2002/03-2004/05	1998/99-2004/05
Headcount	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**		
AIE Area	425	463	600	453	**459**	**316**	**285**	-38%	-33%
Helensburgh Triangle	287	261	312	252	**200**	**190**	**162**	-19%	-44%
A&B Area	712	724	912	705	**659**	**506**	**447**	-32%	-37%
	60%	64%	66%	64%	**70%**	**62%**	**64%**		
WSUMs	**1998/99**	**1999/00**	**2000/01**	**2001/02**	**2002/03**	**2003/04**	**2004/05**		
AIE Area	5,563	5,571	6,301	6,509	**5,444**	**4,507**	**4,053**	-26%	-27%
Helensburgh Triangle	3,135	2,621	3,579	2,614	**2,056**	**2,490**	**1,870**	-9%	-40%
A&B Area	8,698	8,191	9,880	9,123	**7,500**	**6,997**	**5,922**	-21%	-32%
	64%	68%	64%	71%	73%	64%	68%		
Sector Headcount	55,596	55,199	54,715	47,915	46,152	43,254	41,250	-10.6%	-25.8%
Sector WSUMs	582,181	569,779	600,700	539,282	524,261	509,505	484,321	-7.6%	-16.8%

Source: SFC *Infact*, from FES 2000/01 to 2004/05 datasets; GRO Scotland (Crown Copyright Reserved); adapted by DTZ

This analysis, aside from demonstrating the progress that has been made in the AIE area, highlights that some investigation of how best Argyll College might engage with the needs of learners within the remainder of Argyll and Bute may be necessary. Clearly, participation in the Lomond/Helensburgh triangle area is particularly weak and, although perhaps there is an issue as to the extent to which distortions may occur due to the number of military personnel in the area, there may be an opportunity for Argyll College to engage with SFC in addressing additional funding to address the needs of communities such as Garelochhead, Kilcreggan, Luss, Cove, Rosneath, Helensburgh and Arrochar.

This may extend the coverage of current arrangements with NHC, to beyond the AIE area, or alternatively the College might consider working with other colleges to facilitate provision in what falls within the SE Dunbartonshire area.

3.4 What Limits Participation in Rural Catchments?

A number of critical factors affect participation in rural areas but yet they do not affect, or at least to a large degree are less relevant to, urban areas. Some of the key issues of this type, and their hypothetical impact, are set out in brief below.

3.4.1 Travel Difficulties

Aside from the highly dispersed populations and challenging geography, rural areas often suffer, relatively, by a lack of adequate public transport, with bus services often not able to provide a frequent service, or one that fits with college opening hours. Moreover, in many areas, it is suggested that it is not possible to make a round trip in the same day to a regional centre for services, such as Glasgow, Aberdeen, Inverness or Edinburgh, or at least not without making a very short stay at the destination before embarking on the return journey. In Argyll this is further compounded by the presence of a population dispersed across an archipelago of islands that makes the area one of the most difficult to serve and has played a historic part in preventing growth of traditional college delivery in the region.

Moreover, connectivity where it does exist is often oriented to ensure ease of access to cities and intra-region, perhaps in a north-south direction or (in the case of Aberdeen for example) perhaps in an east west direction, but rarely is it the case that both are equally well served (e.g. links from Borders to Dumfries and Galloway are poor).

3.4.2 Seasonal Factors

A number of seasonal factors can play havoc with maintaining high levels of participation in a rural area. These include:

- Seasonal pattern of employment: A rural economy, such as that in Argyll and Bute, is traditionally more dependent upon sectors such as agriculture, fisheries, field sports and tourism, all of which are to a lesser or greater degree of a seasonal nature. This may make participation during some period s of the year particularly challenging (e.g. lambing season or shearing season for upland farmers or the peak tourist season); and

- Evening modes unsuitable in Winter: given the quality of the roads infrastructure and the lack of a reliable public transport alternative, or at the extremes the potential for cancellation of ferry sailings during adverse weather, there are many potential or actual disruptions to an individual's attendance in classroom based modes that simply do not occur in urban areas or are of considerably lower severity. Severe weather in Winter may make centres either inaccessible at best or when the weather is at its worst this may put lives in danger.

3.4.3 The 'Cost of Learning'

While much debate has been had regarding the perceived barrier to learning presented by cost factors, there is a particular rural angle that is of relevance. While rural areas typically do not register high levels of deprivation as measured by either employment or income deprivation, using the Scottish Executive definitions[3]. For this reason, rural areas do not typically qualify for high levels of top-up funding through the SFC formula funding methodology, albeit rural areas, as is the case in the Borders for example, typically have far lower levels of average earnings for both manual and non-manual occupations. Hence, while people are in work, and not deprived, their household incomes are relatively modest.

Moreover, in many communities it is quite normal, and indeed a necessity, for individuals to have **more than one occupation**, perhaps combining subsistence farming or crafting with another form of paid employment and, hence, they may not only be cash poor (relatively) but also **time poor** in absolute terms.

So, while, as with elsewhere, the issue of covering the cost of tuition fees and other direct costs of studying (such as books or equipment) may be an issue, and it may be particularly difficult for parents to support their children through full-time FE or HE, other costs of learning are also highly significant, e.g. childcare and transport. However, critically, a more flexible definition of cost may be required - the most significant cost to learners, many of whom will be self-employed or have more than one job, will be the **opportunity cost of study** in terms of lost earnings or, as this may have a relatively high value if time-poor, loss of leisure time. As the report indicates, the need to fit learning around work and family is particularly acute.

Another by-product of **high levels of self-employment** is that as the overwhelming majority of workers are in self-employment or wok for an SME, this can mean there is a disproportionate impact on business competitiveness / productivity in the short-term and this can serve as a deterrent to employers releasing employees for training. This reinforces our view that learners will face limited opportunities to study via part-time day opportunities or full-time, if in employment or self-employed.

3.4.4 Caring Responsibilities

In respect of learners' caring responsibilities, the proposed new nursery provision at Dunstaffnage is a positive development, in not only alleviating the specific concerns of learners, but also facilitating growth in supply of trainees to support the growth of provision in the area and the positive impacts this may have in creating greater flexibility in the labour market and facilitating the return to work of women, in the main, who have taken a career break or parents entering the workforce for the first time.

[3] DTZ Pieda Consulting (2005): Supply and Demand of Further Education in Scotland for Scottish Further and Higher Education Funding Council (SFC).
http://www.sfc.ac.uk/publications/pubs_other_sfefcarchive/demand_supply_2005.pdf

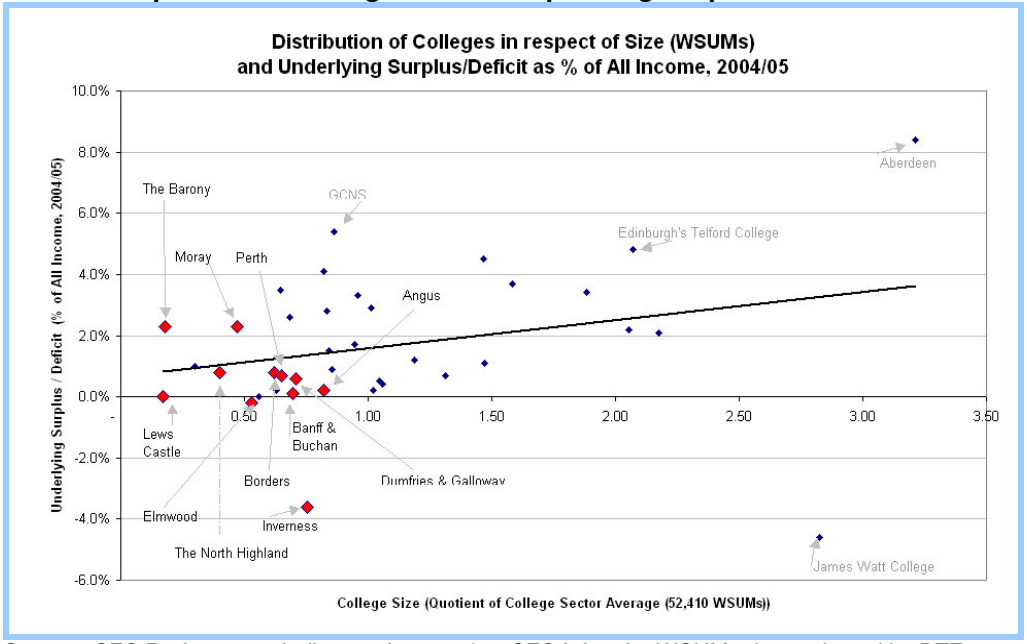
Often, evenings and weekends, when other family members can take-on more responsibility is the best time for full-time carers to access education opportunities, although we have not dealt with this issue in any detail in this study.

3.4.5 Infrastructure Capacity

Supply is a key constraint. One key constraint upon Argyll College's ability to deliver greater growth, aside from SFC funding, is space limitations. It is envisaged that space, as a constraint, will be largely addressed when the new learning centre in Lochgilphead opens. Argyll College projects that this centre should be capable of delivering an additional 550 FE SUMs (i.e. not weighted SUMs) within 5 years. This would take total FE SUMs delivered to just over 5,000.

Argyll College's financial projections show that the College would operate at about break even once delivering c 4,500 FE SUMs per annum (borne out by a small operating surplus at present) and become profitable at somewhere in excess of 5,000 SUMs per annum (still less than one tenth the size of the average Scottish College (52,410 WSUMs in 2004/05). The chart below illustrates, to an extent the generally positive relationship between college size and underlying operating surplus as a percentage of total Income. However, it also shows that the smaller, rural colleges (shown in red) are in a generally poor financial health and this will restrict options to develop new provision.

Figure 3.14
Relationship between College Size and Operating Surplus/Deficit



Source: SFC Performance Indicators for 2004/05; SFC Infact for WSUMs data; adapted by DTZ

3.5 Linkages to Economic Development & Emerging Opportunities

Argyll College has already started to develop operational partnerships with large employers, e.g. the local authority, the health board and tourist board. The College regarded its involvement in delivery, on behalf of Argyll & Bute Council, of training as part of the Digital Communities Initiative as being a key project for North Argyll and the Isles. That project resulted in an additional 682 SUMs being delivered on a full cost recovery basis in that part of the catchment and will have had significant impact on individuals and community capacity building.

The college regards it as of great importance to foster a strong relationship with the businesses of the area and this is regarded as a "*vital component of the college's future development*". With that in mind, the new construction skills training centre being developed at Lochgilphead will provide the first real link to the construction sector in the area, while the college, through its partnership with UHI, enables access to HE and CPD level courses locally and in particular CPD is an area that may have further potential to grow, given that there is funding constraint for full-cost recovery courses. Hence, economics permitting, Argyll College can be an agent in building the knowledge economy in this highly rural catchment and in providing higher-level skills for both private and public sector employers.

Aside from this, the College is a significant employer within the area, with a £1.6 million turnover and in excess of 250 staff, including those working as part-time tutors and lecturers, as well as centre managers, and College management and administration. As a consequence, the economic impact of the institution will be significant at a local level and, due to its model of delivery to remote communities, that impact is dispersed across the AIE area to a greater or lesser degree. As the college expands, such as at Dunstaffnage and Lochgilphead, the impact will become more pronounced.

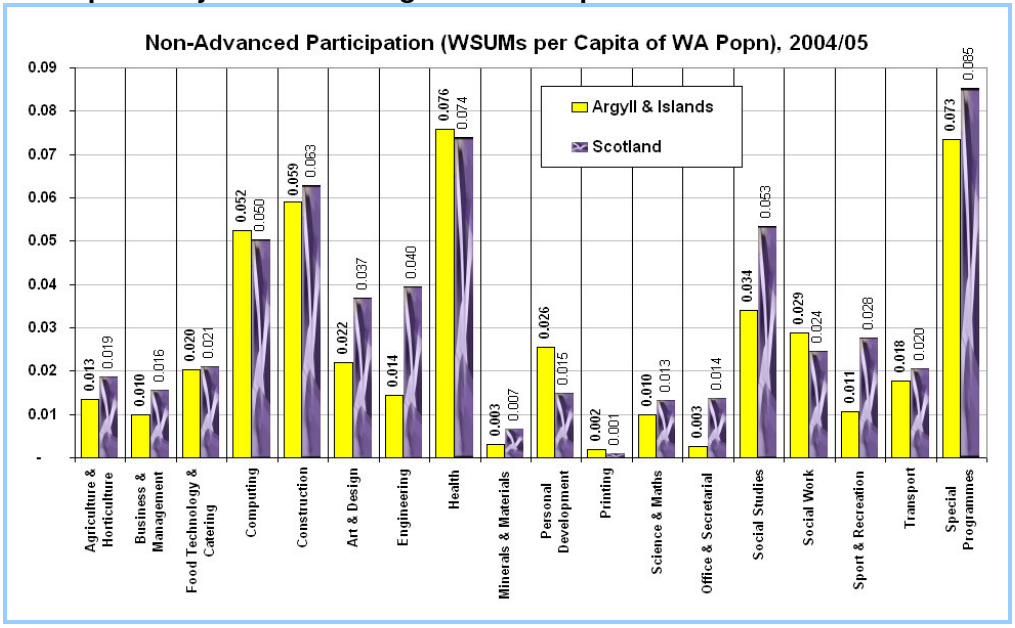
3.6 Identification of Curriculum Gaps

Examination of the latest participation data available for activity by funding group (otherwise referred to as dominant programme group) reveals that across a number of areas of the curriculum participation is fairly robust, as shown in Figure 3.15 overleaf. In the four most popular areas by programme group, computing, construction health, special programmes and food technology & catering, the AIE area has participation that is broadly comparable with that for Scotland and indeed in Computing it is above average. However, and this is something of a leap in analysis, perhaps participation is robust because class sizes for local provision are most viable in these areas.

In addition to Computing, participation is high in Personal Development, Printing and Social Work.

However, for a number of subject areas popular at a national level, participation is well below expected levels, including Engineering, Art & Design, Sport & Recreation, Business & Management and Agriculture & Horticulture.

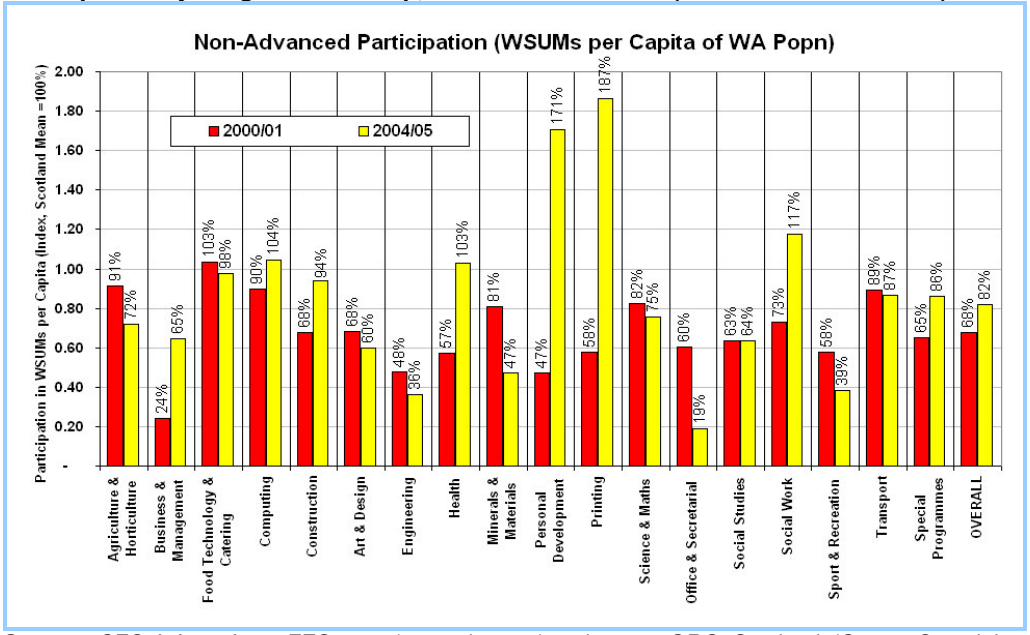
Figure 3.15
Participation by Dominant Programme Group



Source: SFC Infact, from FES 2004/05 dataset; GRO Scotland (Crown Copyright Reserved); adapted by DTZ

Figure 3.16, below illustrates the extent to which there has been significant change in participation, relative to the Scotland mean figures, between 2000/01 and 2004/05, largely as a consequence of SFC investment through Argyll College. In effect it measures change in a location quotient for participation by subject.

Figure 3.16
Participation by Programme Group, 2000/01 to 2004/05 - (Scotland Mean =100%)



Source: SFC Infact, from FES 2000/01 and 2004/05 dataset; GRO Scotland (Crown Copyright Reserved); adapted by DTZ

While the figures indicate that, overall, the gap has narrowed from 32% below the Scotland mean, to 18% below the Scotland mean over the period since 2000/01, largely though not exclusively as a consequence of growth in WSUMs allocated to Argyll College, it is clear that this masks some spectacular examples of growth in participation in individual programme groupings relative to Scotland. These include:

- Health – moving from 43% below the average to 3% above average by 2004/05
- Social Work – moving from 27% below average to 17% above average
- Construction has moved from 32% behind the average to just 4% below average
- Computing – moving from 10% below average to 4% above average (despite not including Digital Communities activity which did not attract SFC funded WSUMs)
- Business & Management – has moved from 76% below to 35% below average
- Printing, albeit low volume, has moved from 42% below to 87% above average
- Personal Development has moved from 53% below to 71% above average
- Special programmes have moved from 35% below to 14% below average

A number of these subjects are of clear relevance to growth sectors in the local economy, such as health, social work, construction and computing and therefore, in the absence of empirical market research evidence, we conclude that the investment made by SFC in the College is likely to be having a positive impact in addressing skills shortages and skills gaps across key sectors.

A number of other subject areas appear to have declined relative to Scotland. These include Agriculture & Horticulture, Art and Design, Engineering, Office and Secretarial, Sport and Recreation while others such as Food Technology and Catering, Science and Mathematics, Social Studies, and Transport have all stayed relatively static at 2000/01 levels relative to Scotland.

Table 3.2 below looks at broader subject classifications, which perhaps more accurately reflect industrial sectors. This demonstrates that as of 2004/05, the AIE area had relatively high participation, as measured in WSUMs per capita, in subjects such as Transport Services (which includes navigation skills for the fishing and marine transport sectors and merchant marine), health care and IT. Surprisingly, participation in subjects relevant to catering and tourism is very low, despite the significance to the economy, albeit perhaps private training is taking-up the slack there. Subjects of a broadly cultural nature, such as those relevant to arts, crafts, performing arts, sports and recreation were all very low, as are social sciences and humanities subjects, indicating that growth in provision might help to spark or support **growth in activities of tangible benefit to development of the tourism offering**.

Table 3.2
Participation by subject class

Non-Advanced Participation Rates - Comparison with Scotland, 2004/05			
	AIE Area	Scotland	AIE as % of Scotland Mean
Transport Services	0.007	0.004	199%
Health Care / Medicine /Health and Safety	0.109	0.080	136%
Information Technology and Information	0.052	0.050	104%
Education / Training / Teaching	0.005	0.005	96%
Family Care / Personal Development / Personal Care and Appearance	0.104	0.111	94%
Construction and Property (Built Environment)	0.057	0.064	89%
Sciences and Mathematics	0.007	0.009	76%
Agriculture, Horticulture and Animal Care	0.014	0.019	71%
Arts and Crafts	0.015	0.021	70%
Humanities (History / Archaeology/ Religious Studies / Philosophy)	0.004	0.005	70%
Catering / Food / Leisure Services / Tourism	0.023	0.034	68%
Engineering	0.032	0.057	57%
Politics / Economics / Law / Social Sciences	0.005	0.011	50%
Sports, Games and Recreation	0.008	0.018	45%
Performing Arts	0.006	0.013	44%
Manufacturing / Production Work	0.003	0.006	43%
Authorship / Photography / Publishing / Media	0.006	0.013	43%
Business/Management/Office Studies	0.012	0.033	36%
Area Studies/ Cultural Studies / Languages/Literature	0.006	0.019	33%
Services to Industry	0.000	0.002	26%
Sales, Marketing and Distribution	0.000	0.002	15%
Environment Protection/ Energy/Cleansing/Security	0.000	0.002	11%
Oil / Mining / Plastics / Chemicals	-	0.001	0%
OVERALL	**0.475**	**0.579**	**82%**

Source: SFC, Infact 2004/05 dataset; GRO Scotland (Crown copyright reserved): adapted by DTZ

Consultations were conducted with careers guidance and community regeneration professionals in Argyll and Bute, through the medium of a focus group, as detailed in Section 5 in some depth. Regarding childcare courses, there is understood to be a significant level of provision, but it was suggested by careers guidance professionals that Argyll College may be offering the wrong qualifications for the future, i.e. regulation is driving qualification requirements in the social care workforce and it was thought that Argyll College would have to modify its offering to maximise progression opportunities for learners. For example, modification would be required to allow social care qualifications provided to facilitate entry to associated professions such as Social Work and Nursing.

Argyll & Bute Council is reported to have had difficulty in recruiting qualified social workers and this suggests that Argyll College could play an important role, subject to providing appropriate qualifications, for local skills needs.

Construction skills, and specifically skilled trades, are in short supply due to school PPP and housing and regeneration investment, especially in island areas such as Bute. While some demand is being satisfied by an influx of Polish migrants, there is still concern regarding the ability to meet employer need. The college's investment at Lochgilphead has therefore been welcomed, albeit its ability to service the whole of Argyll has been questioned, but it is clear that young males desire courses in this area and have expressed a preference for apprenticeships. Unfortunately the main challenge is to persuade employers to provide trainee/apprenticeship positions or to provide placements.

Careers guidance professionals cited a lack of opportunities to train in areas such as sport / leisure management, given investment in local leisure centre facilities, while hairdressing may also be an area where demand may be unsatisfied, with the personal services sector having been a recent growth area nationally.

Courses in English as a second language for migrant workers could be a popular option, at least in the short-term, while careers professionals would welcome training aimed at boosting confidence among women returners, as this was lost due to the loss of the course tutor.

A general comment was made by consultees that progression opportunities were under-developed at the College and that work will be required to enable students of care courses, as an example, to progress to courses in nursing provided by University of Paisley. In addition, comments were received regarding the need to offer (perhaps in partnership with the Council) access to Highers for mature students wishing to gain entry to HNC/HND provision.

3.7 Summary

The following key points arise from analysis of the participation context:

- the topographical challenges faced by Argyll College are very significant indeed and despite progress there are still areas with moderate populations for whom access is far from simple;

- in 2004/05, there were some 4,408 individuals studying at non-advanced level who resided in the AIE area and headcount participation had increased from 18% below average in 2000/01 to 9% above average in 2004/05, swelled by numbers funded on a full-cost basis through the Digital Communities initiative covering North Argyll and the Islands, who undertook short courses in basic IT skills. A further 285 people living in the AIE area were studying at non-UHI partner colleges at advanced level;

- SFC Infact data on non-advanced participation indicate that while a number of areas are still relatively disadvantaged the key driver for those areas with the lowest participation appears to be supply and specifically the lack of a well established non-incorporated or incorporated college;

- as of 2004/05, the AIE area has the sixth lowest participation rate of the 22 LEC areas in Scotland, as measured by WSUMs per capita of working age population, at 12% below the median for Scotland and is around 4,200 WSUMs lower than would be expected for a working age population of 40,300;

- it is worth noting that as of 2000/01, prior to Argyll College developing provision, Argyll & Islands Enterprise area had a rate at 68% of the Scotland Median value, but by 2004/05 the gap had narrowed and the area had a rate at 88% of the median (i.e. 12% below compared with 32% below just 4 years previously);

- Participation within the Helensburgh / Lomond area of Argyll & Bute (part of SE Dunbartonshire's area) has fallen dramatically over the period 2000/01 to 2004/05, from 24% above median to 72% below median. . It is not clear why

this decline has occurred, albeit we would suggest this merits further investigation by Argyll College, with an opportunity to address demand in this area, either unilaterally or in partnership with colleges operating in Dunbartonshire;

- As of 2004/05, on the same measure, the former SALE area (47% below the median) and HIE Lochaber area (36% below median) had the lowest participation in Scotland by LEC area. We estimate that the new HIE Skye & Wester Ross area would have had participation at around 48% below median at that time;

- by contrast, the HIE Innse Gall area (formerly Western Isles Enterprise) was 34% **above** median and the CASE and Orkney Islands Enterprise areas (now HIE Caithness and Sutherland and HIE Orkney Islands) were both 17% **above** median, indicating that **remoteness need not equate to low participation**, where investment in provision is made;

- Other distance learning and directed private study is more than three times as prominent in the AIE area (30 per thousand) as it is nationally (9 per thousand). Full-time and block release are both relatively more significant in Argyll, possibly because for some subjects it is not possible to study the subject locally, and full-time study is perhaps the only feasible option;

- Part-time day release participation is relatively high, while other part-time day modes are relatively underused at only two-thirds of the level found across Scotland. Part-time evening and weekend courses are at a similar level to that found across Scotland, but work-based learning is relatively under-developed.

- Participation in the AIE area that is not concerned with receiving a recognised qualification, or for receipt of a qualification that is recognised but perhaps below NC level, at 73.3 per thousand of the working age population, is far above the average of 57.8 per thousand for Scotland. Participation rates are otherwise broadly comparable, with the notable exception of low rates at SVQ level 2 or equivalent. This too is perhaps a reflection of the Digital Communities initiative.

- A number of key factors are thought to restrict participation in remote and highly rural areas:

  xi. travel difficulties – lack of public transport, aggregate travel times, poor roads and cost of transport all present a far more significant constraint that in urban Scotland or accessible rural areas

  xii. seasonal factors – the seasonal pattern of employment in a rural economy with high dependency on agriculture, forestry, tourism and fisheries means that attendance by employees at peak periods, such as harvest time, can be a problem. Moreover, concerns over safety of learners attending evening classes at the height of Winter can be a constraint

  xiii. cost of learning – in a low wage economy, with high levels of individuals having more than one occupation, individuals may be both cash poor and time poor, while childcare and transport costs may be relatively high in the context of household incomes

xiv. SME engagement – probably a disproportionate problem in releasing workers to learn via day-time modes

xv. caring responsibilities – the provision of new nursery provision at Dunstaffnage will help, but access to childcare in rural areas is more difficult and, as outlined earlier, relatively expensive in terms of share of income;

xvi. learning infrastructure capacity – supply is a key constraint both in terms of funded WSUMs and space constraints. However, while incorporated rural colleges are typically smaller than the average and in financial difficulty due to an inability to achieve economies of scale seen in larger colleges, Argyll College's pioneering financial and operational model enables the college to break-even at around 4,500 WSUMs and move into profit at around 5,000 WSUMs. This suggests that it is by no means a foregone conclusion that activity in rural communities need necessarily be loss making, so long as a bespoke model is delivered.

In the four most popular areas by programme group, Computing, Construction, Health, Special Programmes and Food Technology & Catering, the AIE area has participation that is broadly comparable with that for Scotland and indeed in Computing it is above average. In addition to Computing, participation is high in Personal Development, Printing and Social Work.

However, for a number of subject areas popular at a national level, participation is well below expected levels, including Engineering, Art & Design, Sport & Recreation, Business & Management and Agriculture & Horticulture.

The overall gap has narrowed from 32% below the Scotland mean, to 18% below the Scotland mean over the period since 2000/01, largely though not exclusively as a consequence of growth in WSUMs allocated to Argyll College. Growth in Health, Social Work, Construction, Computing, Business & Management, Printing, Personal Development and Special Programmes participation have driven this and these subjects are of clear relevance to growth sectors in the local economy, such as health, social work, construction and computing and we conclude that investment by SFC in the College is having a positive impact on the supply of skills for business.

Careers guidance professionals, aside from stating that social care, childcare and construction are areas of key demand for skills, cited areas such as sport / leisure management, and hairdressing/beauty therapy as potential growth opportunities. Courses in English as a second language for migrant workers and training aimed at boosting confidence among women returners were also recommended, while access to Highers or access to HE courses for mature learners is an issue highlighted by the group.

4 SFEU Literature Review

4.1 Introduction

A freestanding Literature review, titled, "*Teaching and Learning in Rural Contexts*" is appended, having been conducted on behalf of Argyll College by SFEU. The purpose of this element of the study was to collate current research and best practice on learning and teaching methods most pertinent to the work of Argyll College. Its organising principle was the range of best practice in learning delivery in fields relevant to the college's work in distance and flexible learning.

The literature review therefore examined a number of topics of relevance to Teaching and Learning in rural contexts, such as:

i. The policy framework –establishing a political, theoretical and practical grounding in literature relating to those delivery methods and approaches currently in use at Argyll, as well some others some that may be worth further consideration, before addressing the logistics of rural delivery.

ii. Some recent UHI research

iii. The role of rural development

iv. Flexible, distance and open learning

v. The development process – issues for curriculum, delivery and assessment

vi. Points for Discussion - tries to draw together themes, ideas and questions from the material that Argyll College may wish to consider in it plans for the future.

SFEU conclude in their final section that what seems clear in the case of Argyll, distance education or flexible delivery cannot be a side-issue or an 'extra', but is in itself mainstream.

SFEU maintain that the literature also re-emphasises, time and again, the futility of seeking one-size fits all models and solutions. SFEU conclude that Argyll College will have to build its own model of delivery for its area, based on a firm understanding of local features – in effect DTZ interpret this as an endorsement of the evolving model that Argyll have adopted.

SFEU also conclude that it is also clear is that staff involvement in the college and at its learning centres is actually essential, not just as deliverers, but as planners and developers (of the curriculum/provision). We endorse this view and would add that the college staff also play a critical role in marketing provision and in market development.

SFEU identify that much of the literature openly encourages lecturers to be proactive in developing outreach or flexible arrangements. Nevertheless, open learning, online learning or simply opening a Local Learning Centre requires all levels of college life to think carefully about how the curriculum should work. We think this latter point cannot be emphasised enough, particularly, as we have highlighted later, the economics of delivery in rural areas are particularly challenging.

5 Qualitative Research - Focus Groups

5.1 Rationale for Qualitative Research

A key objective of this assignment is to explore the issues surrounding critical success factors that drive progression in remote and island communities and, in particular, those factors which might explain how best to grow participation among low participation groups, such as young males in general, NEET groups and the self employed and those employed in SMEs, among others.

It was therefore concluded, based upon anecdotal evidence provided by Argyll College management and College recruitment data and SFC *Infact* data (derived from college sector FES returns), that a number of focus groups would be held in Argyll and these would be constructed to address three specific objectives: to understand reasons for low participation among young men; the impact of mode of learning options on overcoming barriers to learning (actual or perceived); and to consult with local careers, social inclusion and learning professionals to identify priorities for action and possible actions that might impact upon participation in Argyll.

5.2 Focus Group Design

Qualitative data was collected from the three focus groups, as set out below. All three focus groups suffered to a degree from non-attendance of confirmed participants. However, as is set out in detail below, we believe all focus groups helped to provide a valuable insight on issues of significance.

Subject	Location	No. Confirmed	No. Attended
Young males	Oban	6	3
Mode of learning	Lochgilphead	11	6
Careers Scotland/ Community Regeneration	Oban	7	5

5.3 Focus Group Objectives

5.3.1 Young Males Group

A main objective of the young males focus group was to get a sense of the reasons for which the number of male students at the college (particularly younger males) has been low relative to the number of females at the College as well as relative to other colleges in Scotland. Another objective was to determine what might make the College more attractive to young males. Therefore, an effort was made to recruit males nearing the end of secondary school that had never taken courses at the College but that might be expected because of their academic performance to date to pursue FE-level education. We remain grateful for the assistance of Careers Scotland and Job Centre Plus staff in Oban and the Community Regeneration division at Argyll and Bute Council with the recruitment process.

5.3.2 Mode of Learning Group

The mode of learning focus group targeted individuals that had recently attended one or more courses at the College. It focused on experiences of different modes of learning and other aspects of course delivery. An effort was made to obtain a mix of male and female learners and learners from a range of different courses. The College database did not permit screening specifically by mode of learning, but courses selected were ones that have tended to be delivered through a variety of modes. In the end, only one of the participants had done open learning, and so comments on open learning are for the most part limited to impressions of what it might be like rather than to actual experiences. The six participants were aged from 37 to 64, and the average age was 54. Four were from Lochgilphead and one each from Inveraray and Ardrishaig. A limitation of the focus group, driven by the desire to avoid the inconvenience and expense to learners travelling considerable distances necessary if a more diverse group had been constructed, is that their comments concern their experience at the Lochgilphead Centre only, which is where they attended their courses. Hence the groups views do not necessarily reflect provision at the other centres, although this is controlled for by reference to the quantitative research which is set out elsewhere in this report.

5.3.3 Adult and Careers Guidance and Community Learning and Development Group

Finally, a group comprised of representatives from Careers Scotland and Community Regeneration was held and it had as its key objective to get the perspective of professionals involved in education and career development activities on: College provision across the region; the ability of the College to meet the needs of a range of learners and the labour market; and the integration of College services with other education and learning activity. Representatives were from Campbeltown, Dunoon, Oban and Rothesay.

5.4 Key Findings:

Detailed write-ups have been made available to Argyll College for each of the three focus groups. However, a summary of the key points drawn from the three workshops is set out below along thematic lines:

5.4.1 Perceptions of the College

Participants of the mode of learning focus group perceived the College as offering an excellent opportunity for pursuing continuous learning, and there was strong appreciation for the learning opportunities it had created for them. Most had taken their course(s) for reasons of personal interest and secondarily for the social interaction the courses provided. They all praised highly the quality of the tutoring and the centre in Lochgilphead.

The young males, in contrast, had little interest in or awareness of the College, which is in keeping with the gender profile of students discussed in Section 2. This is perhaps not surprising, since their career interests were in engineering and apprenticeships, neither of which is offered by the College.

None of the young males had seen the College prospectus and none could recall having been advised of opportunities at the college by their peers, parents or guidance counsellors. It was not clear, even, that they associated the "Dunstaffnage Centre," which is how they referred to the College, with "Argyll College" or a college environment. They stated that their primary interest as they prepared to leave secondary school was getting a job or else getting the education or training necessary to get a job, and they did not consider that the College could provide this. Rather, they said that avenues open to them were an apprenticeship or a college or university in one of the larger cities. They showed little interest in continuous learning (for learning's sake) and, when shown the range of courses available at the College, commented that it seemed to offer "lots of courses for girls."

Careers Scotland and Community Regeneration confirmed that the childcare courses and courses in office administration are typically more popular among females. They also pointed out that employment rates in some of the towns are relatively high, which means young males are perhaps more likely to enter the labour market directly rather than consider further education.

There is low awareness of the range of HE courses offered at the College among both young males and the more mature learners and a sense among professionals that provision of HE is still not "local" despite the objectives of the UHI Millennium initiative. There is a sense that one has to "go away" to one of the large cities to pursue HE.

5.4.2 Employment Opportunities and Skills Gaps

Participants in the Careers Scotland and Community Regeneration focus group were asked about the extent to which the courses offered at the College responded to employment opportunities in the labour market. There was some concern that College provision and labour market demand were sometimes misaligned. One of the examples provided was childcare. The College was recognised as offering extensive course provision but careers staff were concerned that not all learners would have employment opportunities in this field.

Another example was trades people. They reported that businesses in skilled trades have difficulty finding qualified, experienced workers particularly in areas such as joinery, plumbing and construction. They acknowledged, however, that the main problem in establishing a supply is not with the College; rather, employers are unwilling to take apprenticeship candidates on, and without employer involvement apprenticeship programmes cannot be offered. It was also acknowledged that, given the nature of such provision, requiring specialist facilities and/or separate sheds for practical work, it can be relatively expensive for colleges to develop the facilities required for such programmes.

Participants identified two skill areas where there might be clear opportunities for the College to assist in meeting identifiable labour market demand. The first is in regard to social work positions at Argyll and Bute Council, which are regularly difficult to fill. The second area is in provision of construction skills to support the Council's major schools capital investment programme and in support of the likely investment programme associated with a proposed major transfer of housing stock. In relation to this, the group cited their appreciation for the College's current investment in a facility for training in construction.

5.4.3 Learner Needs and Local Provision

Based on the enthusiasm of the mode of learning focus group participants, the College is addressing a need for continuous learning and adult education among the region's general population. They described learning opportunities prior to the advent of the college as "bitty". At the same time, they were disappointed after having taken their first course in the availability of subsequent courses that might allow them to pursue their learning further. (This is discussed in more detail below under "Learner Progression"). It was generally agreed, therefore, that while the College has significantly improved provision of opportunities for continuous learning and adult education there are still needs not being met. Careers Scotland and Community Regeneration representatives agreed that, with the exception of ICT, there was a lack of short evening courses. In the words of one*, "the region is a victim of its own success!"*

Related to this, there was disappointment among many over the number of courses cancelled by the College because of low registration numbers. While this could suggest, on the one hand, that the need for courses is not there, or at least is not there within local areas, it was suggested that the College could be doing much more to market itself and to collaborate with other institutions and providers[4]. (See "Marketing" below.) Nevertheless, there was also recognition that meeting demand for local provision is always going to be a problem in Argyll and Bute, given its geography.

Careers Scotland and Community Regeneration representatives also identified specific learner groups where Argyll College is meeting a need:

- Adult literacy and numeracy courses, provision of which Argyll and Bute Council has been coordinating with the assistance of several local colleges in response to a large increase in demand;
- "Return to study" courses for women returners (although it was noted that the course was not offered in 2005/06); and
- "Prepared to work" courses for December school leavers (although it was suggested that the college could do more to prepare these young people for a college environment so that their sometimes unruly behaviour does not disrupt the studies of other learners).

This group also identified specific subjects where there are, or could be, unmet needs:

- Courses in sports and leisure;
- Courses in hairdressing;
- Courses in social care;

[4] Argyll College maintain that many of the cancellations are for courses run by the College for Argyll & Bute Council's community regeneration. The arrangement is that the College will run them on an averaged-out basis, with the consequence that the decision to cancel is driven by the terms of the agreement and is rarely at the College's discretion.

- Short courses for young people (aside from ICT, with which young people already tend to be familiar);

- Courses at a "Highers" level (they explained that while there is not a big demand for these, where there is a demand there is nothing available other than distance learning through institutions in the large cities);

- Courses that provide "access" to accredited programmes and formal qualifications; and

- Possibly courses in English as a second language in response to an influx of foreign, migrant workers.

Finally, as suggested above, the College does not appear to be attracting younger, male learners and the needs of those wanting to pursue HE; provision is being sought elsewhere. With respect to young males, participants from the focus group were asked to rate their level of interesting in the courses from the College prospectus. The results from this exercise are presented in Table 5.1, although due to the very small group involved we have to treat these findings with caution.

Table 5.1: Interest in Argyll College courses among young males (number of participants)

Courses	Level of Interest			
	Not at all	A Little	Somewhat	Very
Business administration, enterprise, management	1		2	
Politics, sociology	3			
Computing		3		
Communications, languages, psychology, literature	3			
Coastal navigation			3	
Mathematics		2	1	
Care and health care	3			
Catering, hospitality, tourism	1	2		
Health & safety at work, manual handling, streetworks, excavations, groundworks			2	1
Food hygiene, food handling	3			
Total	14	7	8	1

Source: DTZ Consulting & Research (young males focus group, N=3)

The small group were asked to give an indication of course preferences. As shown, for most of the subjects participants said they were "not at all" interested or only "a little" interested. The only subject areas where level of interest is very high is "health & safety at work, manual handling, streetworks, excavations and groundworks", where one participant said he was "very interested" and two said they were "somewhat" interested.

Other subjects in which participants were "somewhat" interested were "coastal navigation" (3 participants), "business administration, enterprise and management" (2 participants), and "mathematics" (1 participant). With respect to "computing" they clarified that it was not so much that they were not interested in the subject but rather that they were already had a sufficient grasp of the subject for their needs and so would not be interested in taking the course.

5.4.4 Learner Progression

As stated above, the College has offered "return to study" courses in the past for women returners, which were well received. In addition, many appear to take courses out of personal interest, and courses can have a positive effect on self-esteem and eventually, conceivably, on career progression:

> *"At first I didn't think I'd be able to handle courses at the College. But the little modules built me up."*

But there are a number of specific areas where learner progression has been hampered by lack of provision: "access" courses, possibly 'Higher'-level courses, and intermediate and advanced level courses for adult learners having completed introductory level courses. This last point was emphasised heavily in the mode of learning focus group.

> *"When I took my first course it was like someone had taken a dummy out of my mouth. I wanted to keep learning, but there wasn't anything else. I felt let down."*

> *"Cancellation has been the greatest barrier to my learning. I wanted to take the next level, but I couldn't."*

A couple of other points were made with respect to learner progression. The first is that care courses are not the right ones for allowing learners to progress to formal qualifications and employment. For example, it was pointed out that Paisley University's nursing programme does not recognise the College's courses in social care[5]. The second is that the establishment of the College, and the UHI initiative more broadly, does not appear to be increasing progression from FE to HE as intended.

5.4.5 Mode of Learning

Within the Careers Scotland and Community Regeneration focus group there was an appreciation that the College had been trying to offer a mix of modes of learning in order to reach a wider audience but that it had reverted to offering more traditional, classroom-based courses in response to learner preferences and abilities. There was a sense that many learners will be lower achievers and for them distance learning would not be appropriate.

Within the other two focus groups there had been little to no awareness that different modes of learning were available. Among the young males, when the different modes of learning were explained there was appreciation for the flexible start time but there was nevertheless a preference for a mix of open and taught. They thought that face-to-face contact with teachers was necessary *"in case you got stuck"* and that interaction with other students was important *"for a bit of banter and ideas"*.

[5] Participants were not aware that this appears to arise due to a decision by North Highland College not to change the course content to ensure entry is made easier. While this is outwith the College's direct control, it may be possible exert some pressure on North Highland to modify its stance.

Among the adult learners, the initial reaction to the idea of open learning was very positive. They appreciated the idea of being able to start and finish when they wanted and of their being no risk of cancellation. Upon further reflection, however, they admitted that they would prefer a degree of face-to-face teaching. One, who had been involved with open learning in the workplace (ECDL courses), pointed out that the drop-out rate among learners had been high before a teacher was finally brought in on an occasional basis. Collectively they suggested that open learning would be more attractive if opportunities could be created at the learning centres or some other facility for them to link up with other students.

Nevertheless, there was an acceptance that some degree of flexible learning is required in an area such as Argyll and Bute, and that, in any event, people have different schedules and preferences for timing of delivery (evenings, weekends, etc).

5.4.6 Quality of Courses

Comments on the quality of the College's courses were restricted to participants from the mode of learning focus group, since these were the only ones to have taken any. They all agreed that the quality of the teaching and of the courses overall was high.

> *"I enjoyed my course very much. The tutor was excellent, and I'd be happy to recommend the course and to take another one myself.*
>
> *"The counselling course was very, very good. It inspired me and fired me up to do more."*

The main criticism of the courses was that some are too short and do not allow enough time for either more in-depth learning (languages, computers) or completing the material (yachting). Some suggested that the College could help set up informal learning groups for those who wanted to pursue a subject in more depth or get together to study.
One commented that the material for the ECDL course was not as strong as material provided by other institutions for the same course. It was described as *"awkward to work with"* and *"not offering explanations as to why certain things were important to do"*.

The only other concern was the interruption of courses during school holidays. All agreed that adults generally like their routines and that the interruption of courses, particularly when courses are given over a relatively short period to begin with, can disrupt learning. However, they disagreed on whether or not courses should continue to run during holiday periods.

5.4.7 Quality of Administration

Participants felt that the College needed to be clearer about the risk of cancellation of courses and about the range of courses likely to be on offer. They also felt that the College needed to communicate more promptly when a course had been cancelled, and a number said that, in general, it could be difficult to get a hold of College administrators.

Participants from the mode of learning focus group also felt that College administrators needed to be clearer about the cancellation and rescheduling of particular classes, particularly around holiday times. They quoted incidents when they had been told that classes were not cancelled but where they had arrived for class only to find the centre locked up. They also said that as a matter of policy administrators should attempt to reschedule classes that had to be cancelled for such reasons as bad weather.

In the Careers Scotland and Community Regeneration focus group an issue was raised with respect to the partnership arrangements that result in the College administering some of its provisions through North Highland College. The effect of this has been to limit the number of courses that Argyll and Bute Council has had been able to offer through the College.

5.4.8 Marketing

"Sign-up Now" events in Oban and "Open Days" in Rothesay were cited as examples of positive and successful marketing. There were mixed views about the quality of some of the marketing material, however. Some stated that leaflets and flyers are sometimes being printed on poor quality paper and with grammar mistakes and out-of-date information. However, it is by no means clear whether the materials referred to were produced directly by Argyll College or where produced jointly with a third party.

Participants from the mode of learning focus group were very critical of overall marketing of the College and of specific courses. They felt that the College should be much more proactive in promoting courses to prevent their being cancelled because of low registration. They offered examples of action the College could easily take: much more local advertising, wider distribution of the prospectus (none had ever seen one), on-line registration, contacting people that had taken an introductory course when intermediate or advanced courses were being offered, and contacting organisations that might have members with an interest in a particular subject.

They also suggested that in order to increase the range of courses on offer and, again, to reduce the risk of cancellation the College should create more strategic alliances with other organisations and providers, such as forestry, teaching and nursing bodies, retirement homes, local authorities, health boards and schools.

Generally speaking, the participants from the mode of learning focus group were agreed that College administrators were too *"passive"* about courses on offer and that this, rather than public disinterest, was the reason for course cancellations. They were also critical that upon being told that a particular course was cancelled they were not advised about open learning opportunities.

5.4.9 Quality of Facilities and Accessibility

Much of the concern over the lack of proactive marketing cited above seemed to stem from a strong appreciation for the learning centres and a fear of losing them if they are underused:

> *"We have a great facility in Lochgilphead. I'd hate to lose it."*

Participants from the mode of learning focus group were pleased with the quality of the Lochgilphead facility, and said that it was accessible because it was right in town and had adequate parking. They and others expressed concern about accessibility at Oban, where the centre is a few miles outside of town, and at Rothesay, where the centre is up a steep hill.

The issue of accessibility of College premises and services for people with disabilities was raised, and it was felt by some that budgetary constraints would always make it difficult for smaller colleges such as Argyll College to offer the same level of service to people with disabilities as larger colleges. A case in point is perhaps the situation of one of the participants from the mode of learning focus group, who has a learning disability and who said that video conferencing facilities had been *"too slow to be of any help."* At the same time, this individual commended the efforts of tutors to adapt material as necessary and said that, in the end, *"I got the help I needed."*

5.5 Summary

Argyll College is perceived as having significantly improved opportunities for continuous learning among the adult population generally and has met specific learning needs in areas such as adult literacy and numeracy and women returners. Nevertheless, there remains a degree of unmet need and much disappointment when low registration numbers force courses to be cancelled.

Provision of apprenticeships would attract more young male learners to the College and would help address shortages in the labour market.

There is little awareness among many learners of the range of courses and modes of delivery available at the College. In addition, insufficient communication from the College creates confusion among both learners and professionals about course cancellations and what is really on offer.

Learners prefer a degree of face-to-face teaching, although they appreciate that the geography of the region necessitates a degree of open learning. Efforts by the college to set up informal study groups could make open learning more attractive.

The quality of the teaching is high. The quality of facilities is also high, although facilities located in towns are more accessible than those that are not.

The administration of courses, and particularly the communication of courses cancellations, class cancellations and class rescheduling, needs to improve.
The quality of marketing material and activities is mixed, and the College needs to be much more proactive in preventing course cancellations through more advertising and the creation of strategic alliances.

6 Quantitative Research – The Argyll College Learner Survey 2006

6.1 Objective

A key element of the study was the quantitative research conducted among those with experience of learning through Argyll College, to obtain their views on:

- barriers to learning that they experienced, and the role of Argyll college in addressing those;
- the mode and subject preferences of the learners, and the degree to which these were addressed by Argyll College;
- the significance of subject and mode choice to the decision to study and the factors influencing, in particular, mode preference;
- whether the learner has completed the course referred to and, if not, why not;
- satisfaction with mode and subject chosen;
- views as to the performance of Argyll College, using a number of metrics, including the degree to which the learner would recommend the course, mode or Argyll College itself to a friend;
- whether the learner might return to study another course at the College and the subjects that might be sought in the future, to aid understanding of demand; and
- establish the degree to which learners have access to broadband / internet connectivity.

6.2 Methodology & Limitations

DTZ had originally proposed to outsource telephone interviewing and data inputting to a specialist market research company. However, it was clear from early in the tendering process that budget constraints would prevent this strategy being deployed. As a consequence, this was undertaken by Argyll College staff experienced with customer facing skills, to save the client additional expense.

This had obvious potential, through removing the option of an impartial, dispassionate interviewer, to introduce bias to the results, but great efforts were made in practice to ensure that, not least for reasons of data protection, but also for reasons of reducing potential for conflict of interest / bias in interviewing, that interviews were conduced by individuals from a learning centre that was not accessed by the client interviewee.

Interviewers were asked, before initiating a call, to check to make sure that the contact wasn't someone they knew, and in that event, to ask another member of the College research team to carry out that interview.

Due to budget constraints, it was not possible to undertake a similar exercise among a control group, such as members of the wider population who had not enrolled at Argyll College, or indeed among learners within an urban context, to give a benchmark against which some of the responses given by current and/or former learners of the College might be reviewed.

Given the relatively small population among whom the survey was to be conducted, at around 2,300 enrolments, it was not realistic to expect a large sample to be achieved in absolute terms, without excessive effort. However, a target of 400 was set for college staff to achieve.

6.3 Sample Frame

The sampling method used was stratified randomisation. Stratification was determined based upon the key criteria of importance to the College, established at the inception meeting, i.e. location (Island vs Mainland), gender and age.

By controlling the balance between these criteria, it was intended to generate, via random selection, a representative sample in respect of mode and subject. It was deemed unlikely that anything other than indicative results would be achieved for males using Island based centres, as the population of enrolments of that type were relatively few and a response rate in excess of 50% would be required in that group to have results accurate to within 10% of the true value for that group/sub-set.

Random sampling was undertaken within two separate lists/strata (one for Mainland and one for Island), with quotas set for numbers of each gender within each of the two lists. The only other quota that was set was to ensure a minimum number of young students (i.e. 24 years of age or younger[6]) was sampled to ensure that a degree of confidence in the accuracy of response is gathered.

A number of indicative quotas were therefore established and DTZ monitored the mix of responses achieved and input and advised on strategy to achieve the quotas:

Table 6.1
Target Quotas

		Mainland	Island	Total	Total
Females		***214***	**100**	***314***	***72%***
Males		***96***	27	***123***	***28%***
Total (Male and Female)	<=24 years of age			***76***	
Overall Total (Male and Female)		***310***	**127**	***437***	***100%***
Profile		**71%**	**29%**	**100%**	
Population		1,585	738	2,323	
Response Rate Implied		19.6%	17.2%	18.8%	
Sample Interval (N)		5	6		

KEY:

Results with ±5% confidence interval	
Results with +-10% confidence interval	

[6] We recommended to Argyll College that they excluded those students aged 10-15 in 2004/05 from the sample (56 enrolments in total) to avoid contacting minors without parents'/guardians' consent.

Selecting Contacts

- The total population of 2,323 enrolments was split into two lists (one for Mainland (1,585) one for Island centres (738)).

- Within each list, contacts were randomly selected for each quota. This by selecting every fifth person within the mainland list and every following 5th person, in turn where 5 is the sample interval specified in the above table. For island centre learners, the 6th on the list and every subsequent 6th person was selected, given a confidence interval of 6 that was appropriate for that group.

- Once the interviewer reached the bottom of the list they were instructed to return to the top and this time start the count from the entry that immediately follows the first contact they began with, thereby ensuring that they were working with a new list of contacts. Interviewers were asked to keep a tally of completed interviews as they progressed to monitor quotas and for verification.

Interviewers were instructed that contacts must have not only registered for the course but have attended at least one class. Individuals that registered but did not attend any classes were excluded, unless he/she took another course that year, in which event they were interviewed in relation to that other course.

Dealing with Contacts that Had Taken Multiple Courses

The questionnaire, appended, was designed to collect data on the respondent's experience of one course only in the sample year, i.e. in 2004/05. However, if the contact took more than one course in that year, then all other enrolments from that individual were scored through once the interview was completed, to ensure that they were not contacted subsequently resulting in multiple contacts with the same individual.

For respondents that took more than one course in 2004/05, the respondent was informed at the outset of the interview the name of the course he/she is to base his/her comments on.

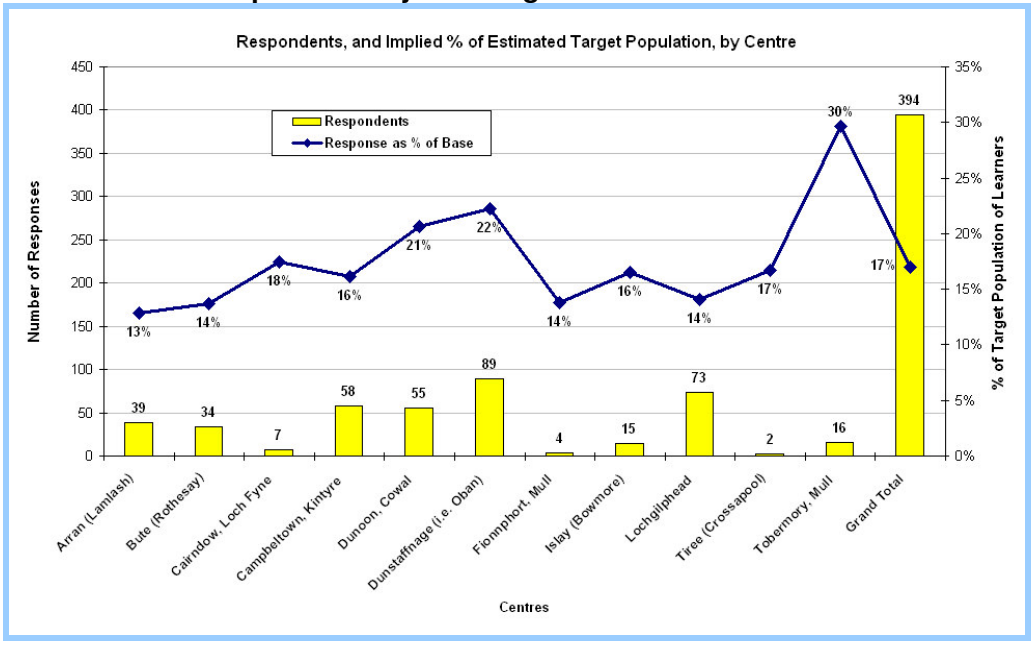
6.4 Response Rate and Sample Characteristics

Figure 6.1, below indicates the geographic distribution of the 394 valid responses received. Overall, this represented an estimated response rate of approximately 17.0% of the 2,323 enrolments recorded in 2004/05, and an estimated 21.9% of the headcount number of learners believed to have enrolled in 2004/05. Response rates varied from 12.9% in Lamlash (Arran) to 29.6% for the small centre at Tobermory, Mull.

The high response in Tobermory notwithstanding, in total, just 110 responses were received from islands based learners (target 127), with 73 of these coming from Arran and Bute. This was a slightly disappointing response, albeit the response rate still represented 14.9% of the target population of enrolments from Islands residents and was not far below that achieved overall.

The response rate from Mainland areas was somewhat better, at 17.9% of enrolments from those centres, driven by higher rates at Dunoon (21%) and Dunstaffnage, near Oban (22%), with the latter providing the single largest group of respondents (89 in total).

Figure 6.1
Distribution of Respondents by Learning Centre Used



Source: DTZ/Argyll College Survey of Learners, 2006

Therefore the group was slightly over-represented by mainland colleges (72% rather than the target of 68%) and among those by Dunstaffnage and Dunoon students, than was the case for the base population. Among Island centres, Arran and Bute were slightly further under-represented, and Mull, specifically Tobermory, was over-represented. However, we are satisfied that the geographic spread is such that all centres are represented and that, broadly, the sample reflects the actual population of learners in 2004/05.

In regards to gender, some 130 or 33.0% of respondents were male (target was 123, or 28%), enabling results to be given with a confidence level at 90%, while some 264 females were interviewed (67% against a target of 314 or 72% of the sample), albeit while the target was not achieved, this was for a confidence level of 95% and, despite not achieving that figure, the sample of females is sufficient to give, again a 90% confidence level, based upon the *'normal distribution'*.

With reference to age, it is important to note that the survey failed to achieve a representative group in respect of age, with an achieved sample of those under 25 years old of just 52, against a target of 73. Results for this age group are therefore indicative only. Again, results for those aged 25 to 49 inclusive failed to achieve a level that would give target confidence levels, but with 156 responses against a target of 196, there is reason to believe the figures are a useful guide as to the true figures.

For those aged 50 or older, some 182 responses were achieved against a target of 142, and, therefore, results for this age group are reasonably robust. Overall, the distribution is thought to have yielded a broadly representative sample.

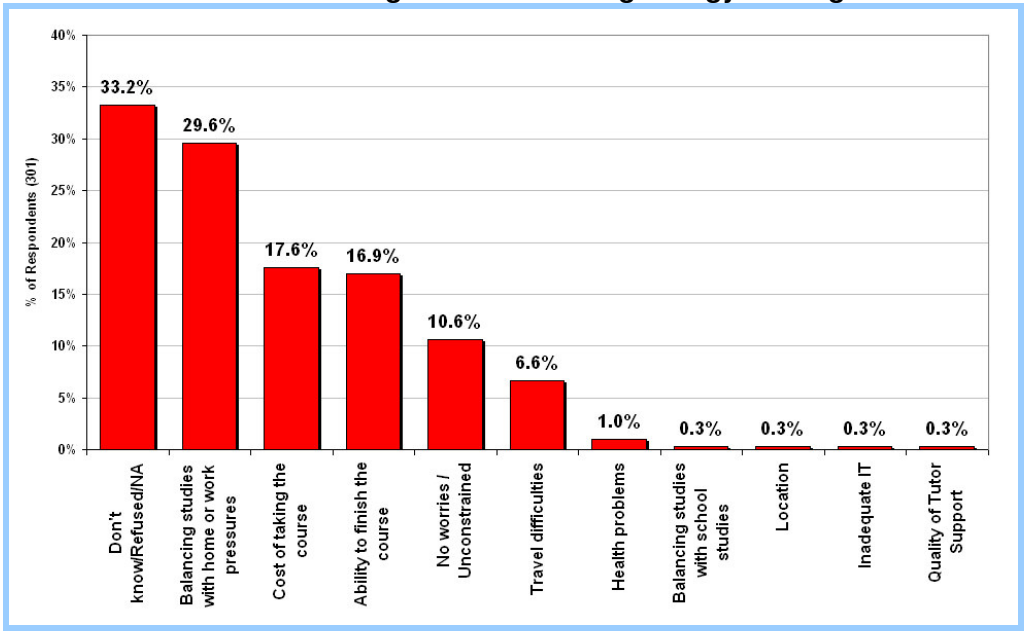
6.5 Detailed Findings

At the draft final stage, we have drawn out those aspects of responses that we, as consultants, feel to be the key issues of relevance to Argyll College and its partners and stakeholders. However, should the College desire alternative cross-tabulations, this can be addressed in finalising the report.

6.5.1 Barriers to Learning

Figure 6.2 sets out to address the relative significance of barriers to participation in learning. While it must be remembered that the research sought the views of those who had already made the decision to enrol at a provider, the results are valuable in that they may explain some of the key pressures faced by learners while they study. Of those responding, significantly, just 10.6% stated that they were unconstrained, although some 33% declined to answer or could not recall whether they considered themselves to be constrained prior to enrolling. However, of those two-thirds of interviewees providing a response, some 44% (i.e. 29.6% of the sample) felt constrained in terms of balancing studies with home or work pressures. Over 26% of those able to answer (17.6% of the sample) stated that cost (either direct costs of tuition or costs associated with taking a course) was a concern, while 25% of those responding (16.9% of the sample) felt constrained by their ability to finish the course. Surprisingly, perhaps, a total of just 6.9% of the sample, or 10% of those giving a response, were constrained by travel difficulties or location.

Figure 6.2
Perceived barriers to Learning Prior to Enrolling at Argyll College



Source: Argyll College Learner Survey 2006

Table 6.1 below addresses the main reasons interviewees gave for their decision to enrol on the course. It suggests that for the majority (55% or 217 of the 396 valid responses), personal interest was the main consideration and this was particularly the case for those studying part-time during the day or in the evenings and was cited by just 11% of full-time students.

This reason was followed in significance by the number of those who were in employment but wanted to improve their general employment prospects (17%) and then by those (6%) who were unemployed and wanted to improve their general employment prospects. A further 4% undertook the course to improve their employment prospects in respect of a specific job.

Hence, in total, for just over one in four, employment considerations were the main consideration (see also Figure 6.7). In total, the proportion for whom employment in aggregate was the main consideration ranged from 11% of those studying part-time in the evening (small sample), 18% of those studying part-time during the day, 38% of part-time weekend students, and 43% of open and distance learning students up to 67% of full-time students (39% of whom were unemployed at the time they enrolled).

Rebuilding self-esteem and confidence was most significant among those studying part-time during the day or part-time weekend modes.

Table 6.1
Reasons for Enrolling, by Mode of Study Used

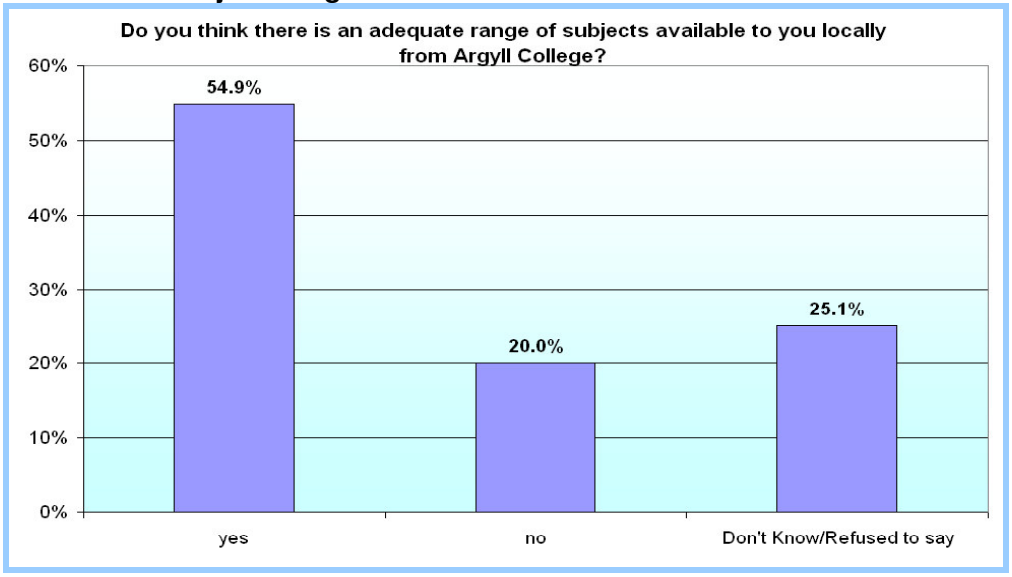
	Mode of Study					
	Full-time	Open and distance	Part-time day	Part-time evening	Part-time weekend	Grand Total
Other (please specify)	22%	21%	9%	9%	25%	14%
Personal interest	11%	33%	66%	75%	25%	55%
Rebuild confidence or sense of achievement	0%	3%	7%	1%	13%	3%
Social opportunities	0%	0%	0%	4%	0%	2%
Was employed and wanted to improve general employment prospects	6%	30%	11%	9%	25%	17%
Was employed and wanted to improve prospects for a specific new position or job	22%	6%	2%	1%	0%	4%
Was unemployed and wanted to improve general employment prospects	39%	7%	5%	1%	13%	6%
Grand Total	100%	100%	100%	100%	100%	100%

Source: Argyll College Learner Survey 2006

6.5.2 Range of Subjects Available

Figure 6.3 below sets out the degree to which those who have enrolled at the College believe that the subject range provided by the College is adequate. The responses indicate that 55% of learners do believe it is adequate, but that 20% believe it is inadequate, while the remaining 25% were unable or unwilling to state a response. Interviewees were also asked to state whether their subject choice was their preferred choice of subject and some 96% confirmed that this was the case. While on the face of things this poses a possible contradiction, we have interpreted this finding as reflecting that while a significant minority believe that there are limitations to the range of subjects available, 96% were able to take their first preference of courses **among those that were made available** by the College.

Figure 6.3
Attitudes to Subject Range Available



Source: Argyll College Learner Survey 2006

6.5.3 Mode of Study Preferences and Influence on Course Choice

In terms of overall levels of satisfaction with the mode of study they had chosen, as shown in Figure 6.4, slightly more than 95% of learners stated that they were either very satisfied (64%) or satisfied (32%) with mode of study, with just 4% stating some level of dissatisfaction. This is a very positive finding.

Figure 6.5 disaggregates the data into the different modes of study available to learners at Argyll College and this shows that, by mode:

- Part-time evening mode (167 respondents or 42% of the sample): some 72% of those responding were very satisfied with the mode of delivery, and 26% were satisfied, or 98% overall;

- Open and distance learning (145 respondents or 37% of the sample): just 50% were very satisfied, with a further 42% being satisfied, giving 92% overall and 8% were dissatisfied;

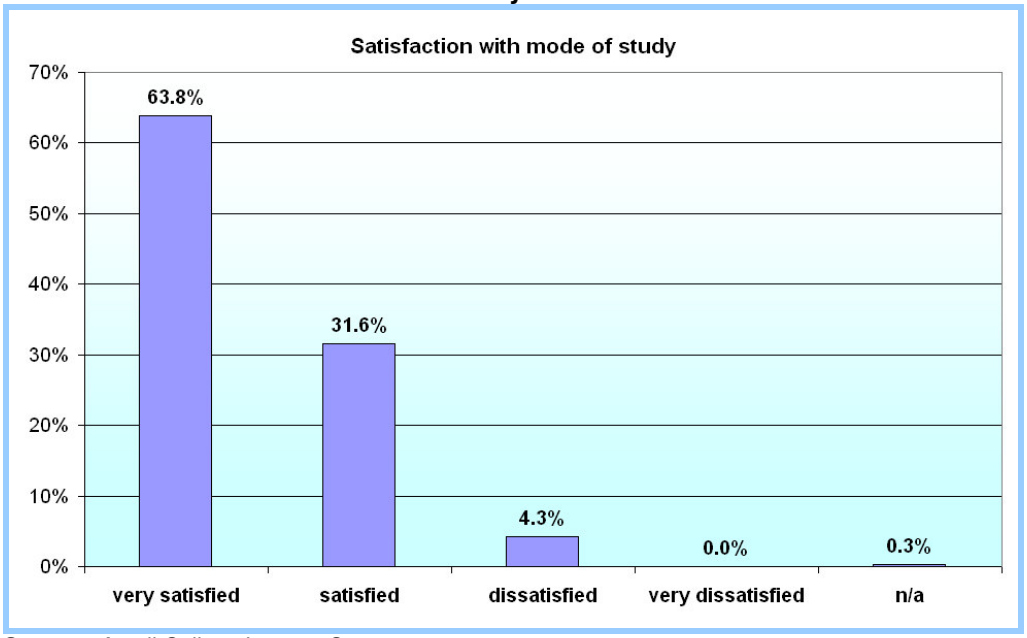
- Part-time day students – there were just 56 such respondents (14% of the sample) and 71% were very satisfied and 27% were satisfied, giving overall satisfaction of 98%;

- Full-time mode (18 respondents and just under 5% of the sample) - based on this very small sample, albeit indicative of the relatively small population of full-time enrolments, 67% were very satisfied, while 22% were satisfied, giving an overall satisfaction of 89%; and

- There were just 8 respondents (2% of the sample) who studied through the part-time weekend mode, albeit they were most likely to be very satisfied of any mode, at 75%. However, as one learner accounts for 12.5% of the total in this category this must be treated with considerable caution, but in itself it is not a surprising result given concern about conflict between studies and home/work commitments.

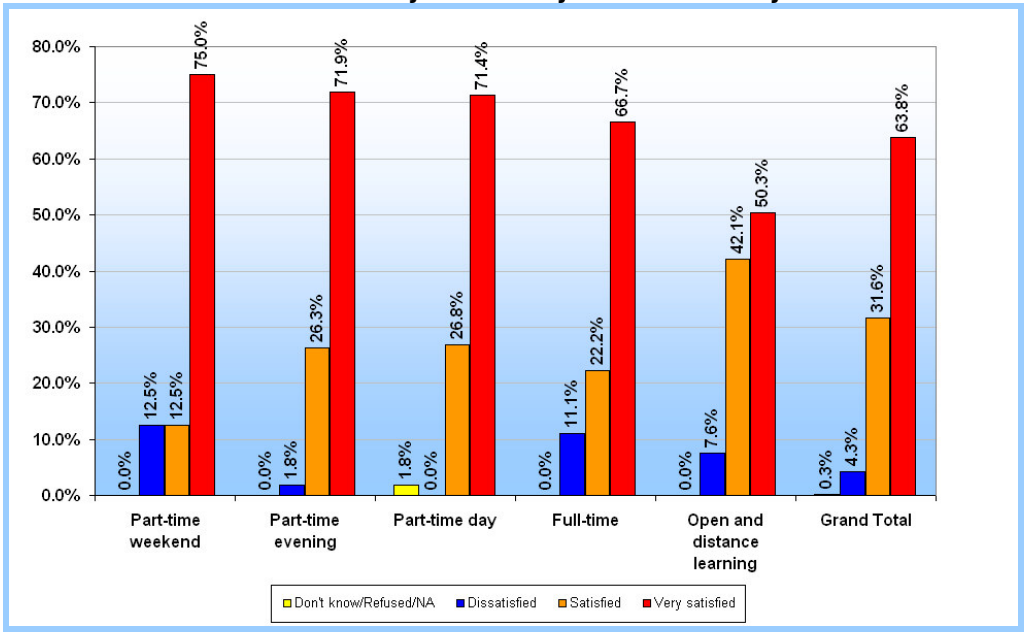
The key finding here is that open and distance learning appears to generate a broad, but not as acutely felt satisfaction as, say, part-time day or evening provision.

Figure 6.4
Overall Satisfaction with Mode of Study Chosen



Source: Argyll College Learner Survey 2006

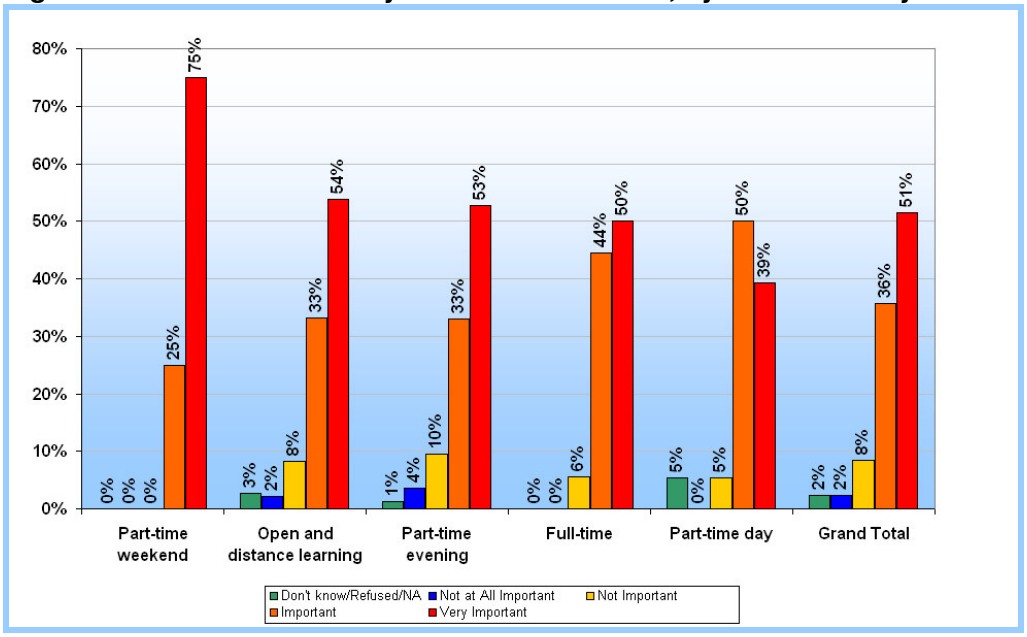
Figure 6.5
Satisfaction with Mode of Study Chosen by Modes of Study Used



Source: Argyll College Learner Survey 2006

The role of mode preference in determining the choice of course is examined in Figure 6.5 below. It shows that overall, mode was a significant factor in influencing the choice of course with some 89% of learners, and among those studying through part-time weekend mode, their mode was a significant factor for 100% of respondents.

Figure 6.5
Significance of Mode of Study to Choice of Course, by Mode of Study Used

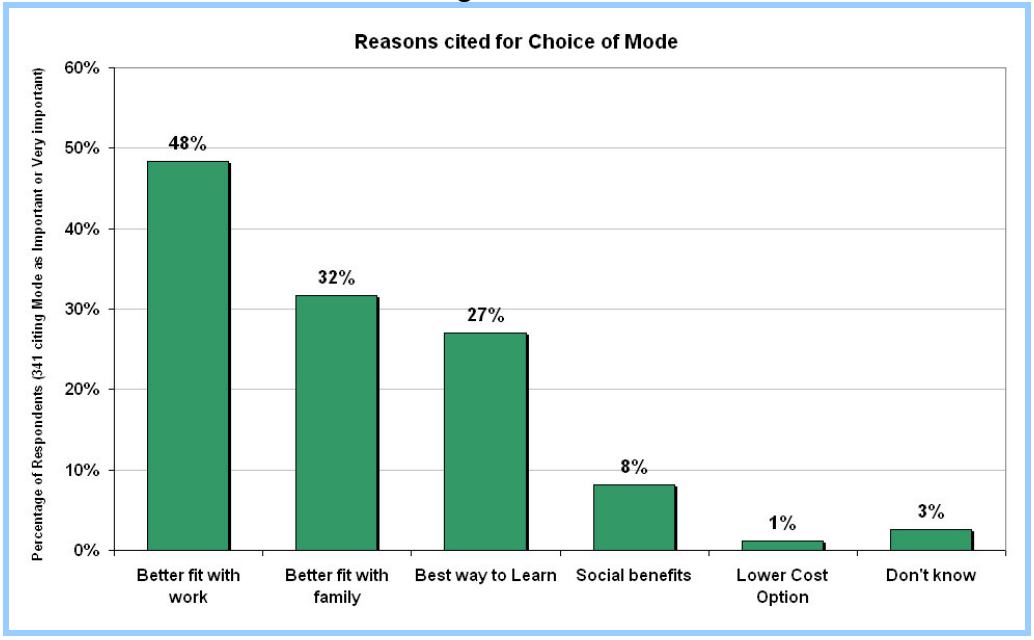


Source: Argyll College Learner Survey 2006

Again, however, this latter figure must be taken with a degree of caution. Open and distance learning and part-time evening modes have relatively strong results for those for whom it was a very significant factor, at 54% and 53%, respectively, and this varies significantly from the figure for part-time day mode users (39%).

When asked to state those factors which had an influence on the choice of mode, as set out in Figure 6.6 below, 48% cited that their choice was determined by a desire to have a better fit with work, with 32% stated a desire to ensure a better fit with family life. Just 27% stated that their choice was influenced by a belief that their mode was a better way to learn than other modes and 8% cited social benefits as a factor. Just 1% stated that it was influenced by a perceived reduced cost of studies.

Figure 6.6
Identification of Factors Influencing Choice of Mode



Source: Argyll College Learner Survey 2006

Table 6.2 below examines previous educational experiences, given the suggested link between previous negative experience in school, as institutions of compulsory education, and the knock-on negative impact upon participation in post-compulsory education.

The data indicate that satisfaction with achievement at school and enjoyment of school was lowest among those studying full-time (28% low or very low satisfaction, 39% low or very low enjoyment) and part-time weekend (50% low/very low satisfaction an 51% low/very low enjoyment).

Open and distance learning students were most likely to have had a fair to high degree of satisfaction with their achievements and fair to high enjoyment of school. Some 52% of those studying via the part-time evening mode had a high or very high degree of satisfaction with previous school attainment and 57% had a high degree or very high degree of enjoyment of school. Certainly non-traditional learning does not appear to be the preserve of those that are repelled by previous experience of traditional classroom based delivery while at school.

Table 6.2
Relationship between Mode and Previous Educational Experience and Attainment

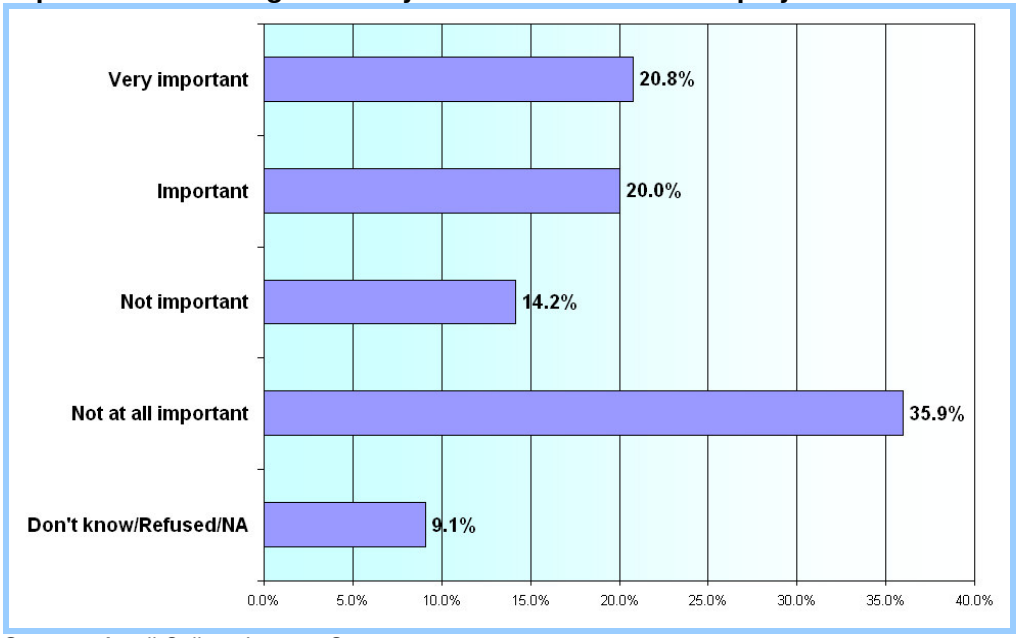
Satisfaction with school achievements	Full-time	Open and distance learning	Part-time day	Part-time evening	Part-time weekend	(blank)	Grand Total
1. Very low	6%	3%	4%	4%	25%	0%	4%
2. Low	22%	10%	4%	7%	25%	0%	9%
3. Fair	28%	41%	54%	34%	25%	100%	39%
4. High	33%	34%	20%	37%	13%	0%	32%
5. Very high	11%	9%	9%	15%	13%	0%	12%
DK/Ref/NA	0%	1%	11%	4%	0%	0%	4%
(blank)	0%	1%	0%	0%	0%	0%	0%
Grand Total	100%	100%	100%	100%	100%	100%	100%
	Method of study						
Enjoyment of school	Full-time	Open and distance learning	Part-time day	Part-time evening	Part-time weekend	(blank)	Grand Total
Very Low	6%	12%	2%	6%	13%	0%	8%
Low	33%	8%	9%	10%	38%	0%	10%
Fair	39%	33%	39%	26%	25%	0%	31%
High	22%	38%	30%	43%	13%	100%	38%
Very High	0%	9%	11%	14%	13%	0%	11%
Don't Know	0%	0%	9%	1%	0%	0%	2%
Grand Total	100%	100%	100%	100%	100%	100%	100%

Source: Argyll College Learner Survey 2006

6.5.4 Relevance to Employment Prospects

When asked to state the importance of relevance of the course to their current or future employment, some 41.6% of respondents stated that this was either very important (21%) or important (20%), as shown in Figure 6.7, below. However, 50% stated is was either not important or not at all important to their course choice.

Figure 6.7
Importance of Linkage of Study to Current or Future Employment



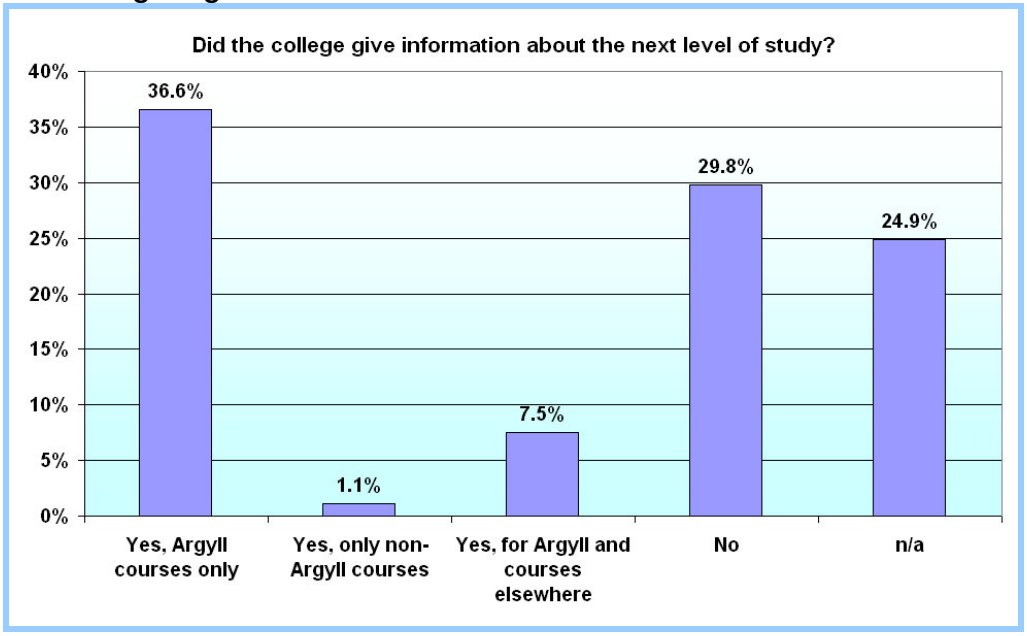
Source: Argyll College Learner Survey 2006

6.5.5 Progression of Learners and Building a Lifelong Learning Culture

Figure 6.8, below, indicates responses provided by interviewees in relation to whether Argyll College provided information of relevance to progression opportunities. This is a vital issue, not only for the advancement of the individuals concerned, and for the progression of a higher skills agenda for economic development purposes, but also for the College to develop a lifelong learning culture that generates repeat customers. There is some evidence of this already, of course, with the 2004/05 database having some 1,800 individuals generating 2,323 enrolments in that year.

As Figure 6.8 shows, some **30% were not provided with any information on progression opportunities**, while 45% in total were provided with information on learning opportunities at Argyll College (presumably including UHI network opportunities available through Argyll sites) and a total of just under 9% were given information on progression opportunities elsewhere.

Figure 6.8
Facilitating Progression of Learners



Source: Argyll College Learner Survey 2006

When asked to comment on the likelihood of their progressing to another course (either at the same level or a higher level) at Argyll College, some **45% stated that they do intend to take another course through the College, and further 43% considered it as being possible** that they would do so. This is a very positive result for the College.

With this in mind, it is worth noting that 63% of all survey respondents have regular access to a PC with broadband or fast Internet connection that they could use for future studies.

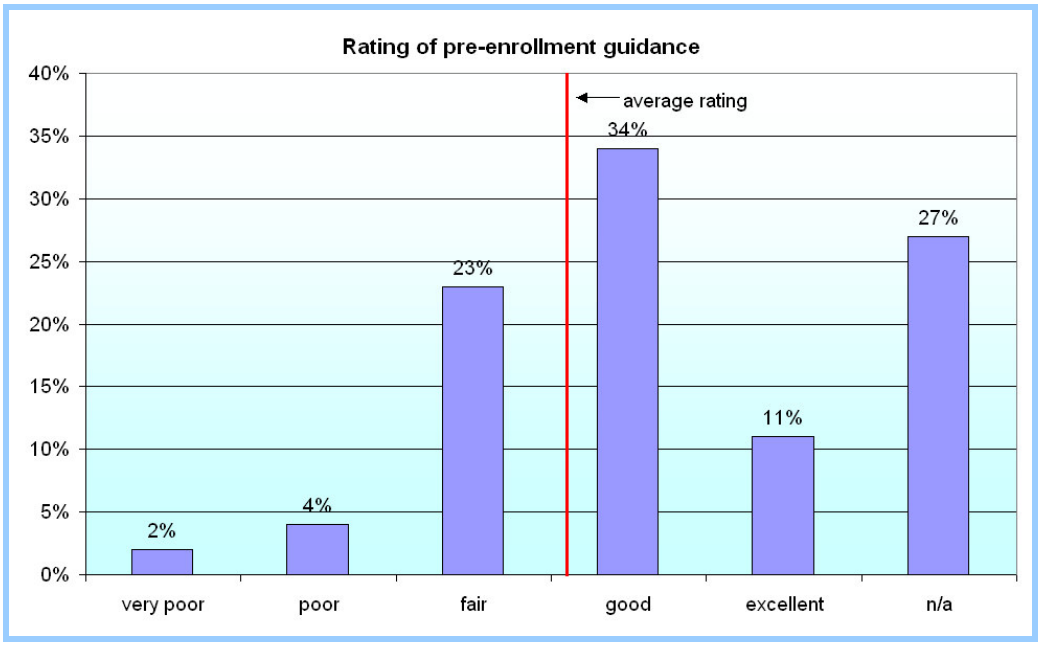
6.5.6 Pre-enrolment Careers Guidance

When asked, 64% of respondents (i.e. 254 of 397) responded that they had not received any career advice, either formally, from careers professionals, or informally from friends or family. A further 25% could not recall whether they had received any advice while just 10% of respondents had received careers advice.

Of those who had received advice[7], some 37% (15 of the 41) had received advice from Argyll College staff, 12 had received advice from Careers Scotland staff and 5 from school careers advisors, while by comparison 22 had received advice through various informal sources. In total, as shown in Figure 6.9, some 45% rated their advice as good or excellent, but 6% rated advice received as poor or very poor and 23% as fair. Some 27% were unwilling or unable to respond to the question.

[7] Multiple responses were permitted to this question.

Figure 6.9
Pre-Enrolment Careers Guidance

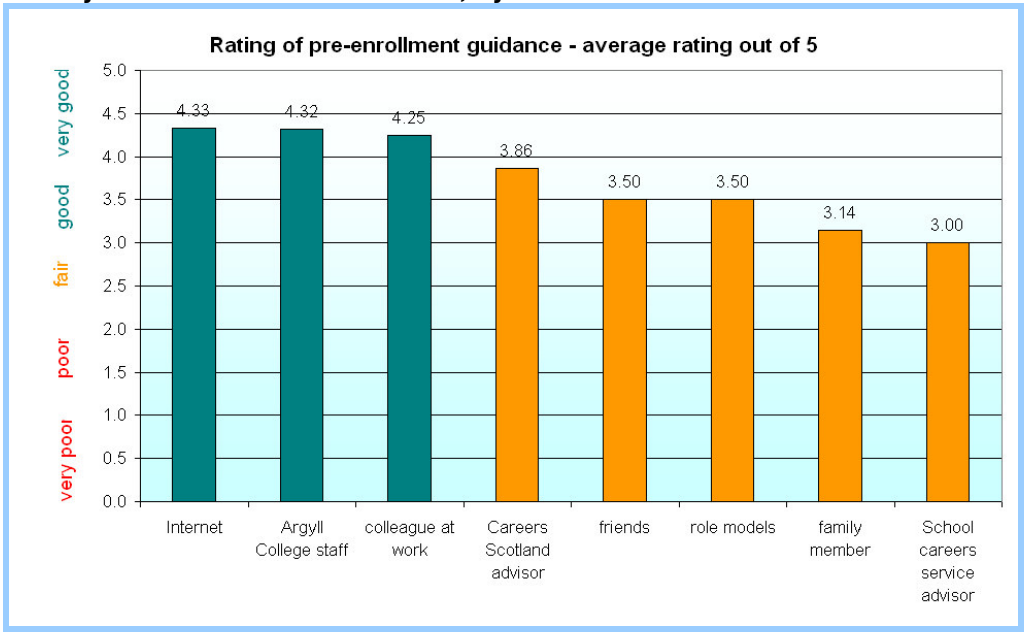


Source: Argyll College Learner Survey 2006

In terms of performance, as shown in Figure 6.10, Argyll College staff received a score of 4.3, on a five-point scale where 5 is excellent and 1 is very poor. Careers Scotland scored 3.86, while colleagues at work scored 4.25, while family members (3.00), friends (3.50) and role models (3.50) did not fare as well.

However the lowest average score of 3.00 was received by "school careers service advisors", albeit this was based on a very small number of responses from those receiving advice from this source, with the majority stating it was from fair to very poor. The Highest score of 4.33 was for the Internet, but only 13 claim to have used this as a source, and of these just 3 gave a response on the quality of that advice.

Figure 6.10
Quality of Pre-enrolment Guidance, by Source of Guidance



Source: Argyll College Learner Survey 2006

6.5.7 Quality of Service Provided by Argyll College

Figure 6.11 below provided summary data in relation to the perceived quality of provision in respect of a number of dimensions of the service provided. A score of 4 was awarded for a response of very good, while a score of 1 was recorded for a response of very poor. Scores were generally clustered between 3.11 and 3.58, and therefore it is the relative scores that are of greatest interest, and the response rate to the topic.

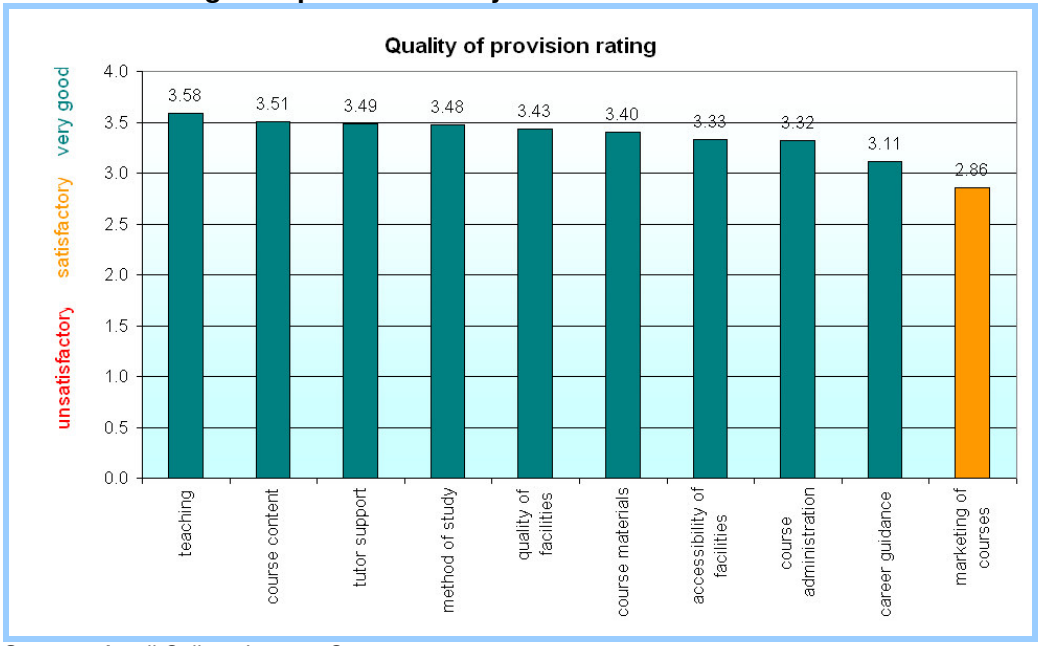
Marketing of courses received the lowest score by far (2.86 average) due to 67 of 280 expressing an opinion on that topic stating that they regarded it as unsatisfactory (55) or very poor (12) and just 14% (39) rating it as very good.

The strongest positive response is in respect of teaching quality, with 67% of the 279 expressing an opinion on this rating teaching as very good, while just 22 thought it either unsatisfactory (18) or very poor (4). Some 61% of 284 responding regarding tutorial support rated this as very good, while 57% of the 395 responding on course content stated that it was very good an a further 37% rated this satisfactory.

Just 35 respondents (9%) stated that accessibility as either unsatisfactory or very poor, while 44% stated it was very good and a further 47% stated it was satisfactory. Of course, it must be remembered that we are dealing with those who have accessed the centres and those that may be too remote to access them have, through the choice of sample, been excluded. A total of 95% rated course modes as satisfactory (42%) or very good (53%).

In terms of the physical quality of the facilities, 50% rated the quality of the facilities as very good and a further 44% rated them satisfactory.

Figure 6.11
Learners' Rating of Aspects of Quality of Service



Source: Argyll College Learner Survey 2006

6.6 Summary

Interviews were conducted by telephone by Argyll College personnel with some 394 learners of the college, **representing an estimated 22% of the population of learners** believed to have enrolled in 2004/05.

Barriers to learning: Just 10.6% of respondents stated that they were unconstrained, although a further 33% declined to answer or could not recall whether they considered themselves to be constrained prior to enrolling. Of those who felt constraints before enrolling, most were concerned with balancing studies with home or work pressures, although cost (either direct costs of tuition or costs associated with taking a course) was a significant concern, as was their concerns regarding their ability to finish the course.

Reasons for enrolling in learning: 55% stated personal interest was a main consideration and this was particularly the case for those studying part-time during the day or in the evenings, but falls to just 11% of full-time students. Just 27% of respondents undertook their course to improve their employment prospects, but this rises to 43% for open and distance learning students and 67% of full-time students (39% of whom were unemployed prior to enrolling). Rebuilding self-esteem and confidence was most significant among those studying part-time during the day or part-time weekend modes.

Subject availability: 20% believe subject availability is inadequate but almost all (96%) were able to take their first preference of courses from **among those that were available**.

Satisfaction with mode of study among Open and distance learning students is broad, but not as acutely felt satisfaction as, say, for part-time day or evening provision.

Mode as a factor in choosing a course: The mode of study was a significant factor in influencing the choice of course with some 89% of learners, with 48% citing their choice of mode was determined by a desire to have a better fit with work, with 32% stated a desire to ensure a better fit with family life. Our analysis indicates that non-traditional learning, such as open and distance learning, does not appear to be the preserve of those that are repelled by previous experience of traditional classroom based delivery while at school.

Impact on employment prospects: 42% of respondents stated it was important the course had relevance to their current or future employment, but for 50% it was unimportant. Some 64% of respondents (i.e. 254 of 397) responded that they had not received any career advice.

It is of concern that 30% of respondents were not provided with any information on progression opportunities. However, despite this, 45% of all respondents stated that they do intend to take another course through the College, and further 43% considered it as being possible that they would do so.

Respondents rate teaching quality, tutorial support, course content and the standard of accommodation very highly. Only **college marketing was cited by a significant number as being unsatisfactory or very poor** (67, or 24%, of the 280 expressing an opinion).

7 Stakeholder Workshop

7.1 Rationale

DTZ, with facilitation support from SFEU, arranged a Training and Learning Delivery workshop in Stirling (with SFEU) that was attended by a number of leading rural and distance learning practitioners from the college sector and LEC representatives from both HIE Skye and Wester Ross and Argyll and Islands Enterprise. The rationale of this exercise was to play back some of the key findings arising from the secondary data analysis and qualitative and quantitative market research and to explore with practitioners and stakeholders their views on the following research themes:

i. Barriers to Learning / Completion of Studies
ii. Challenging Economics of Remote / Rural Learning Delivery
iii. The Product Mix (Curriculum Range)& Learning Methods
iv. Marketing of Learning to Remote/Rural Communities
v. Ensuring Progression Opportunities
vi. Success Factors / Good Practice in Delivery
vii. Policy and / or Funding Implications

Each of these themes are dealt with in the remainder of this section, below.

7.2 Barriers to Learning / Completion of Studies

Physical access to a well-equipped learning centre is a critical issue. Getting to very remote areas of the Outer Hebrides is a particular challenge and 90% of students come from within a defined travel catchment of Stornoway, while only 40% of the population of the Islands are within that same catchment area. However, Lews Castle College report that they do very well in Barra, for example, as there is a Learning centre there, and while there are but small numbers of learners, they amount to an equivalent of around 10% of the population of Barra being enrolled each year. The college is trying to do more to serve very remote locations, but this is inherently very expensive.

Participants noted concern regarding a half-hearted consultation/discussion of the subject of the cost of delivery via remote learning centres by SFC and SFC are generally viewed as not having a favourable view of such centres' contribution.

Other contributors noted that for some subjects, such as Construction, learners have to study entirely on the mainland or spend a proportion of their course in Inverness. Employers have been recorded as being baffled by the need to travel this sort of distance for a course they believe should be available locally.

One of the key barriers to participation, by consensus, is the available supply of courses/programmes and, for practically based courses, such as construction, available facilities and/or placement opportunities. This can be driven by the trade-off between adequacy and efficiency set out later, but also by a lock-in of historic, low levels of funding where no colleges existed to exploit the growth in

funding post-Incorporation, particularly in areas such as Wester Ross, Skye, Lochaber and, of course, Argyll and the Islands.
In the past this was also true of Orkney Islands and Shetland Islands, although SFC has provided significant levels of funding to both the non-incorporated colleges serving those communities, and both areas now have high levels of participation supported by SFC funding.

The group concluded that the role of a student support adviser, to support the learner is critical in ensuring retention and achievement.

The group set out that an issue that needs to be taken into account is that rural areas typically have low-wage economies (e.g. Borders has the lowest mainland wages) and, in very remote locations, where subsistence farming or crafting and other forms of second jobs may be very time-intensive and, thus, limit learners' opportunities to study during conventional college hours or extensive travel becomes unfeasible before or after working. Allied to low aspirations in some cases, a natural risk-aversion (security of work/income now vs qualifications that might improve income) helps to depress participation.

Public transport is typically woeful in rural areas, both in terms of travel time to college locations or the timetabling, which can in some cases render it unfeasible to attempt to travel by that means. Road infrastructure may be very poor and, during winter months, travelling by private car can be a high-risk strategy for both staff and students.

7.3 Challenging Economics of Remote / Rural Learning Delivery

By far the greatest emphasis in the discussions centred on the particular challenges faced in delivering learning in rural areas, in a cost effective manner.

Island and Very Remote Rural areas face particular challenges as there is often a higher variable cost base, as for travel costs, but more limited scope to grow learner numbers and resource utilisation to increase a contribution towards fixed costs, such as property and fixed components of support and administration costs. Accessible rural areas, such as might be deemed to apply to the Borders or to Perth, both of which are relatively close to urban areas, although facing challenges through the quantum of funding and methodology used by SFC, appear to be less disadvantaged than their remote rural counterparts in that they can access a wider pool of potential learners and commercial opportunities to achieve some economies through reaching a relatively larger scale (Borders College has sustained a level of around 33,000 WSUMs despite a population base of just under 110,000 people).

Borders College has achieved this performance through having achieved one of the highest proportions of school leavers going to FE while the proportion going into full-time HE has declined. Borders College barely achieves 50% utilisation of its HE capacity, due to ease of access to Edinburgh and elsewhere. It is also part of a cultural dimension that people wish to go to university, to widen their life experiences, and tend to choose to study at a city institution. That said, Borders College is to co-locate with Heriot-Watt University, at Netherdale in Galashiels, with rationalisation elsewhere, i.e. closure of the existing Hawick and Duns buildings and a new, small community college site being developed in Hawick to retain a presence there.

Elsewhere, outreach will be pursued, but alongside a larger, modern specification central campus. It would be reasonable to expect that some benefits to progression might accrue from co-location with HWU.

Lews Castle College's experience in the Outer Hebrides/Eilean Siar is instructive. The Outer Hebrides demography, as is the case elsewhere to a lesser degree perhaps, is extremely challenging and is a significant barrier to colleges growing to a level that can achieve levels of efficiency on the mainland, as measured by unit cost per WSUM.
As a consequence, the colleges in rural catchments have to be more innovative to find ways of delivering within a thin market, more cost-effectively.

Without non-SFC income provision in rural centres would not be viable. Many learners using the Benbecula centre operated by Lews Castle College are from outside the Islands and this is the only means by which the centre is made to operate in a viable way.

Table 7.1
Trend in Unit Costs per WSUM

	2001-02	2002-03	2003-04	2004-05	Change
	£ per WSUM	£ per WSUM	£ per WSUM	£ per WSUM	% (2001/02 - 2004/05)
Lews Castle College	326	293	271	279	-14.4%
North Highland	225	221	228	230	2.2%
Moray College	152	179	189	205	34.9%
Perth	171	187	178	201	17.5%
Inverness College	157	174	179	195	24.2%
Dumfries & Galloway	162	119	180	194	19.8%
Angus	178	180	185	187	5.1%
Banff & Buchan College	144	158	168	180	25.0%
Borders College	180	155	166	170	-5.6%
Rural areas	**183**	**182**	**185**	**198**	**8.2%**
Comparators					
Highlands & Islands	215	217	217	227	5.6%
WSUMs <25,000	212	209	218	219	3.3%
					#DIV/0!
James Watt College	156	165	177	185	18.6%
					#DIV/0!
Income from £1M to £6M	n/a	205	216	216	n/a
Urban areas	175	178	191	191	9.1%
Income £20m and above	158	156	165	184	16.5%
WSUMs 80,000>	157	158	165	177	12.7%
Sector Average	178	179	187	194	9.0%
Highest in range	326	293	271	279	-14.4%
Lowest in range	138	119	129	133	-3.6%
Land-based Colleges					
Barony College	186	182	224	230	23.7%
Elmwood College	176	166	181	192	9.1%
Oatridge College	138	170	179	173	25.4%

Source: SFC Trend Analysis of Performance Indicators 2001/02 to 2004/05

Islands areas and very remote locations, even where participation rates are high, may be lucky to generate 5 or more learners per course group/module, whereas a comparable course in less rural or in urban areas might have 25 or more learners. Where HE participation is also very high this presents a further diminished pool of potential learners to draw upon for class sizes at FE level.

Given that the minimum efficient scale of delivery might vary between 10 and 12, given the quantum of SFC funding per WSUM, this places considerable pressure to form merged courses and to limit the range of provision in an area, except where specialist provision is demonstrably filling a national or regional niche and can attract larger class sizes from a far wider catchment.

In remote rural and island communities in particular, but also the more accessible rural catchments, demand is typically regarded as being very "lumpy". However funding does not reflect this and this creates difficulties in undershooting and overshooting target. If a college was funded on a three year planning cycle, the college itself could smooth out the income and expenditure over the three years to ensure that courses did not have to be cancelled, with loss of staff, only then to be resurrected with no guarantee of finding staff and having to bear the cost of recruitment / management associated with re-establishing the provision.

Lochaber and Argyll Colleges have noted that they do tend to swing from one extreme to another from closing a course due to low demand and then being massively over-subscribed. The funding regime within which the colleges operate is far too inflexible and, hence, this makes colleges even more risk averse with the need to 'guillotine' courses at an early stage if recruitment looks weak – in one instance a course had only two applicants and was cancelled, but it transpired soon afterwards that the course would have had 10 learners and would have been a relatively robust course.

Even in areas such as the Borders, it is recognised that there can be great difficulty in generating the 10-12 headcount required to make a course viable. While this may suit urban colleges, there is pressure at colleges such as Borders College to limit the breadth of courses, with a degree of dependence on cross-subsidy from courses with higher numbers, such as social care or health, to lower volume subjects.

In Skye and Lochalsh, the local Learning Centre Network (SLLCN) has, in order to cover cost, increased the cost to learners for providing courses, and has not seen a decline in demand. However, the current SFC funding methodology is perceived as constraining opportunities to make similar arrangements and SLLCN have faced pressure to reduce fees in line with other providers in the region. Without the ability to raise the price to match costs, where further cost reduction is not feasible, some provision in SLLCN might not have been viable and would have been cut / curtailed. The question was posed that surely it is better to reflect the high cost in the price to the end user, and the value of the course, with financial support to those that can't pay, rather than see the provision disappear altogether? There was some discussion regarding the need for a greater market orientation to provision, albeit ensuring that key areas of the curriculum and the interests of the vulnerable were protected, perhaps through targeted application of fee waivers.

In practice of course, for 'leisure courses', fees are charged and it is the norm for learners to pay towards the cost of provision, while 'mainstream courses' the costs to the learner are relatively fixed and so the principle has been established of differential fees to reflect cost.

Argyll College have found that while FT fees are capped and UHI HE fees are unified, there is a clear variance in fees between providers for similar part-time courses at non-advanced level, with James Watt College, who benefit from economies of scale, charging less than half as much as Argyll College, with the result that fees had to be slashed at Argyll College in order to compete. Clearly, this is not an example of a level playing field.

A clear view was formed that the price or quantum of funding needs to be seriously examined as part of the current national review of funding. The current structure does not work and results in inequality of access. A number of further points were raised:

- The social inclusion element is extremely small, post-code based and a very crude way of addressing those learners' needs; and

- The rurality top-up funding is, again, "very crude" and, derived on the basis of distance, reflects a one-dimensional view of what is a rural or remote rural area. Travel time and cost and the lack of public transport should be taken into consideration, not just distance.

7.4 The Product Mix (Curriculum Range) & Learning Methods

Curriculum: Perth College, for example, have the view that where markets are very thin, it is necessary to 'cannibalise courses' and are convinced that learners would still attend. Market research cannot typically provide much of a guide and the college is more reliant upon the knowledge and expertise of their learning centre managers to advise the college what will work in respect of merged classes. Where the local market can only sustain a limited number of a specialism, as stated earlier, then that course must have dined niche in a regional, national or international market to enable its to be operated on a viable basis.

There are however some vocational implications of the culture of risk aversion, further driven by the short-termism of SFC funding allocations, in that colleges and providers are risk averse in relation to courses with a high cost of entry, which limits investment in sectors like renewables, construction, or engineering. In Skye and Lochalsh, the SLLCN can't afford to take risks and a bottom-up approach is essential with courses only being run where demand is evidenced.

Lews Castle have to be very risk averse in planning, given the high cost of delivery, and try to get as close to the market as possible prior to developing a new course, to ensure the investment will be viable. A good example of this is renewable energy – if they were to believe all they were told in the media, they should all be offering renewable energy courses, but in practice there has yet to be a lift-off in demand for skills in their area and if they had gone in too early they would have made a significant loss.

One participant to the workshop stated that SFC and the Enterprise networks are part of the problem, in fuelling risk aversion – demand has to be "very clearly demonstrated" now before taking a risk to invest in new programmes/provision.

One of the biggest problems providers face is that provision that is in demand from learners is not necessarily most closely aligned to the needs of the economy, whereas subjects where there is additional support from the centre, such as in engineering, are difficult to recruit to. In those circumstances, a degree of underwriting of new programmes, broadening geographical coverage of existing programmes or pump-priming the initial investment in capital intensive courses is critical, e.g. renewable energy dilemma.

Courses such as construction, electronics, hospitality and any science subject all require specialist facilities and equipment to be effectively taught/ delivered. This means that, even if classes were of an efficient size, they would cost more to deliver per m^2 than the norm. However, where use is minimal this cost becomes excessive and therefore these subjects simply can't be viable unless there are more than 4 or 5 in the class, even where cross subsidy is available.

There is a potential problem in store for rural providers in particular – SQA frameworks for quality/assessment decree that courses such as HNC Administration and HNC Business should no longer be co-taught, but rather be separate. This doesn't reflect the financial realities for rural delivery, but urban colleges will be insulated from this problem due to having economies of scale.

Meanwhile there is a danger of developing too many modules but not having a coherent approach to providing courses. There have been examples of modules of varying quality feeding into a course or not being adequately and coherently tied together.

Access to qualified staff as lecturers and/or tutors is a problem in the most remote areas, and can limit the scope for new provision and/or growth in existing provision, although Argyll themselves have access to a wealth of people for such positions.

Mode: It is clear that based upon Argyll's experience, and this was regarded as being a consensus, that there will always be a need for support for learners with human contact, even when predominantly using distance learning. However, there was felt by all to be a need to develop a more sophisticated approach to open learning systems and to identify what is best practice. Young learners, in particular, need a considerable amount of support.

There remain a number of areas of the curriculum where it is not currently, and may never be, effective to deploy a technology driven approach to delivery and, hence, face-to-face contact will always be favoured rather than blended or entirely distance learning. In addition, in the evenings, technical support to those using VC facilities is often not an option, or would be too expensive to provide unless spread over a large number of learners.

There is recognition that some employers, particularly in SMEs, do not see the value of releasing staff for part-time provision or block-release. Generating placements is also a problem, particularly within SMEs that are relatively more dominant in the labour market in rural areas.

However, work based learning is one possible solution for many. Aside from the benefits in reducing the high cost of entry, and controlling fixed costs, it was also highlighted that use of employers as mentors for trainees was a highly effective approach. Work-based learning is thought to be a popular option with learners and work placements, although rationed by the supply of employers willing to offer them, are highly popular and typically involve 3 days within the workplace and 2 on site at the college centre/campus.

Accommodation: An additional dimension, in common with some areas provision of secondary school provision, is that full-time study often requires residences / accommodation to be available, and where there is no affordable private provision of accommodation, this places additional resource issues for colleges to provide an alternative to private accommodation.

7.5 Marketing of Learning to Remote/Rural Communities

Where dispersed provision is the vehicle by which the market's needs are addressed, the effectiveness of the college's marketing can very much depend on the strengths and personality of local learning centre managers. It was suggested that there are examples of existing learning centre managers who, despite other strengths, who are appalling sales people, while others are highly effective and engage very well with their local communities and local employers and maintain good on-line information and delivery options.

However, a majority of providers present suggested that there is actually, perversely perhaps, a danger that if marketing is too effective, either learners will have to be turned away where facilities can not cope with demand, or, more likely, as the economics stack-up in such a way as to generate a loss per WSUM, even perhaps after fixed costs are covered, to grow provision would mean growing a loss or the college will exceed its funded WSUMs target and not be able to recover the cost of providing additional places. Colleges always have to strike a balance between those areas of the curriculum that make a loss and those that make a net contribution, to maximise provision while maintaining financial stability within a limited funding allocation, but the clear feeling of attendees was that the range of viable provision in rural areas is far narrower.

Providers also face a challenge as to where, i.e. via which medium, to advertise courses. Local newspapers in rural areas, who themselves operate in a thin market, have exceptionally high advertising costs relative to national titles.

Perth commented that while they have dispersed centres, such as in places like Pitlochry, most learners using these centres are within 20 minutes to 40 minutes of the main campus at Perth and, hence, may prefer to learn there. This means there needs to be a balance struck to ensure that curriculum development is closely aligned to learner needs for those in dispersed centres and the main campus, while making any provision at the centres as good as that at the campus. In practice the rural centres are very good at delivery of leisure courses and vocational / IT courses, but relatively poor for HE provision.

7.6 Ensuring Progression Opportunities

Perth College has found that offering places in defined progression routes is not always effective, despite the theory. In one HNC programme they offered 3 places to a very highly regarded University, but it was impossible to get a single student to take a place.

SLLCN, which traditionally operated within the SALE area, but which now may expand its horizons following enlargement of the LEC and new SFC recurrent funding allocations for provision in the area, currently have 2,500 registered learners within a population estimated at around 10,000, as of 2001. While this equates to 25% of the population of the former SALE area, this equates to a staggering 42% of the local working age population (under 6,000 in number). However, the challenge is to ensure that they can retain and progress those learners they have contact with. Leaving aside the role of Sabhal Môr Ostaig, which has a national role, at present the lack of local SFC funded English-medium provision places obvious limits on the scope to provide vocational and advanced level opportunities.

Borders College has achieved high participation through having achieved one of the highest proportions of school leavers going to FE while the proportion going into full-time HE has declined. Borders College barely achieves 50% utilisation of its HE capacity, due to ease of access to Edinburgh and elsewhere. It is also part of a cultural dimension that people wish to go to university, to widen their life experiences, and tend to choose to study at a city institution. That said, Borders College is to co-locate with Heriot-Watt University, at Netherdale in Galashiels, with rationalisation elsewhere, i.e. closure of the existing Hawick and Duns buildings and a new, small community college site being developed in Hawick to retain a presence there. Elsewhere, outreach will be pursued, but alongside a larger, modern specification central campus. It would be reasonable to expect that some benefits to progression might accrue from co-location with HWU.

It was suggested that, for Community Learning and Development, there is now a greater focus or emphasis on ensuring progression to FE than was the case in the past.

Lochaber College highlighted the development of their new degree programme in Outdoor Adventure Management, capitalising upon a local competitive advantage, will from the outset be established at degree level, but with clear articulation and progression in mind with vocational pathways in schools through SVQ Level 2 with employers through, eventually, to degree level.

7.7 Success Factors / Good Practice in Delivery

Argyll College has found that internal cost controls are absolutely critical to ensuring that they can offer programmes with class sizes that are small. Essentially this focuses efforts on cost control in relation to the two largest components of costs – teaching staff and property costs:

- In Argyll they achieve approximately 3.2 WSUMs per m2 in comparison with 1.0 WSUM per m2 in another college they are aware of. Provision of a construction skills centre will drive this up further, it is thought. Effectively, Argyll uses courses with high throughput to control costs and subsidise those with low volume. However, while they have small centres by usual standards they are very well used although it is recognised that improvements could still be made in summer-time and 24/7 usage of the facilities; and

- In respect of teaching costs:

i. the college uses technology to deliver courses, however while it is acknowledged to work reasonably well for HE, it has not yet developed well or as effectively for FE and this has driven them to look at reverting part of the way back towards including more traditional classroom time / blended approach

ii. Argyll has adopted a bespoke contractual basis for employing staff and up to 36 student contact hours might be achieved per staff member – a benefit of starting from a clean sheet. The College pays part-time staff at the top-end of the range and aims to develop loyalty in retaining quality staff. Provision of pensions for part-time staff will no doubt have a significant impact, but not one that will seriously damage the College.

Other providers commented that, because they were not able to start from a clean sheet, and had inherited terms and conditions, they could typically expect just 24 hours of Student contact time per staff member and it would be nigh-on impossible to see a migration to much higher figure. As a result, typically, productivity is lower and the levels seen at Argyll would perhaps only be found in a college trading company rather than a college itself.

While North Highland were not present at the workshop, the college's success in working with local employers to utilise their facilities and specialist equipment for delivery of learning, rather than invest in this directly, has enabled the college to control costs to a reasonable level in areas such as construction and engineering and was cited as good practice.

Borders College has helped to overcome a very poor local public transport infrastructure by purchasing a fleet of 5 college coaches, that ensure that the College is able make existing sites and, particularly, the new HE-FE campus at Netherdale accessible to as many as possible. This is seen to have been a very good investment by the college and, is thought to have been something that has been successful in the Banff and Buchan College catchment.

Schools linkages, links to health service and housing employers and linkages to community learning and development undertaken by or managed by local authorities and the voluntary sector[8] are all extremely important in rural areas, not least in sharing facilities and avoiding duplication of effort in thin markets, and, it was suggested, such working is more important than in urban settings.

[8] DTZ is aware that a college bus service has also been successfully applied in Dumfries and Galloway to make areas such as Stewartry and Kirkcudbright accessible to the main site at Dumfries.

Borders College highlighted the need for partnership working to ensure viable provision for short courses for the Care Sector in its area. There was clear evidence that the sector was short of recruits and facing pressure on staff resources and in response a multi-agency project involving 5 partners was developed to provide 10-week courses, class-based but with a strong practical component, with all 5 partners sharing the cost of the courses and, therefore, the risk.

Balancing the portfolio: Lews Castle highlighted the ability to use full-time specialist provision in something highly specific, to help sustain wider offering in a remote location such as Benbecula.

7.8 Policy and / or Funding Implications

Partnership working is a theme that is crosscutting, as indicated in earlier points. However, there is a clear desire for greater partnership thinking and working in addressing strategy and funding of provision in rural areas. Some examples are set out below:

There is a need for a more joined-up approach within key departments of the Scottish Executive – for example, participants suggested that ELLD has two sides to it. Colleges are funded trough one side of the department (lifelong learning) without much recognition by the enterprise function of the value of funding learning in terms of population retention and attraction and skills attainment. These are all very important issues in rural and island areas.

Moreover, a question was raised as to what the LEC role should be: the conclusion reached by some was that the relevant LEC in each case should perhaps should see it as its role to play in ensuring gap funding of low volume, economically critical/important courses and in supporting a move away from centralised provision to provision that was local and more responsive to their area's needs. As long s the course is eligible for WSUMs, then all that is being asked of the LEC/other partner is that they provide gap-funding to ensure the course is viable, despite the low volume. At the moment, colleges default to easy wins, because they have to.

Providers could do more to explore delivery via VC, but also more collaborative staff development using the same technology, as there is a lot of expertise in the technique and potential to share knowledge.

7.9 Summary of Findings:

Barriers to Learning / Completion of Studies: Physical access to a well-equipped learning centre is a critical issue. One of the key barriers to participation, by consensus, is the available supply of courses/programmes and, for practically based courses, such as construction, available facilities and/or placement opportunities. Low-wage economies, low aspiration cultures and second jobs help to depress participation. Public transport is typically woeful in rural areas, compounding other problems.

Challenging Economics of Remote / Rural Learning Delivery: Island and Very Remote Rural areas face a higher variable cost base, but more limited scope to grow learner numbers and resource utilisation to increase a contribution towards fixed costs. Without non-SFC income provision in rural centres would not be viable. Islands areas and very remote locations, even where participation rates are high, may be lucky to generate 5 or more learners per course group/module, whereas a comparable course in less rural or in urban areas might have 25 or more learners. Given that the minimum efficient scale of delivery might vary between 10 and 12, given the quantum of SFC funding per WSUM, this places considerable pressure to form merged courses and to limit the range of provision in an area.

Demand is typically regarded as being very "lumpy", but funding does not reflect this and this creates difficulties in undershooting and overshooting target. If a college was funded on a three year planning cycle, the college itself could smooth out the income and expenditure over the three years to ensure that courses did not have to be cancelled.

There is not a level playing field with large colleges able to charge less. A clear view was formed that the price or quantum of funding needs to be seriously examined as part of the current national review of funding. SQA frameworks for quality/assessment may prevent co-taught courses, and this doesn't reflect the financial realities for rural delivery.

Provision in demand from learners is not always most closely aligned to the needs of the economy. In those circumstances, a degree of underwriting of new programmes, broadening geographical coverage of existing programmes or pump-priming the initial investment in capital intensive courses is critical, e.g. in renewable energy.

Perversely, a danger exists if marketing is too effective, as learners may have to be turned away where facilities or WSUMs can not cope with demand, or, more likely, as the economics stack-up in such a way as to generate a loss per WSUM. Colleges always have to strike a balance between those areas of the curriculum that make a loss and those that make a net contribution, to maximise provision while maintaining financial stability, but the problem is more acute in rural areas.

There is a need to develop a more sophisticated approach to open learning systems and to identify what is best practice. Work-based learning is thought to be a popular option with learners and work placements, although rationed by the supply of employers willing to offer them, are highly popular.

The College has focused efforts on cost control in relation to the two largest components of costs – teaching staff and property costs and uses courses with high throughput to control costs and subsidise those with low volume. Small centres are used, but they are very well used; and in respect of teaching costs, the college uses technology to deliver courses in its blended approach and a bespoke contractual basis for staff with up to 36 student contact hours achieved per staff member, compared with just 24 hours in traditional contracts.

Working with local employers to utilise their facilities and specialist equipment for delivery of learning, enables costs to be kept to a reasonable level in areas such as construction and engineering, while sharing the cost of strategically vital courses with stakeholders can help share the risk.

LECs' role could evolve to play a role in ensuring gap funding of low volume, economically critical courses. **At the moment, colleges default to easy wins, because they have to**.