



Brief for the Education and Skills Committee debate on Thursday 12 January 2017

This brief comments on the role of the Scottish Funding Council (SFC) as it relates to Scotland's 19 higher education institutions.

<p>We support the existence and the work of the SFC</p>	<p>Universities Scotland's 19 members value the Scottish Funding Council as an independent body and the role it plays in funding education in Scotland. We strongly support the role of an expert body at arms' length from government that can develop detailed policy on how to support the university sector's success within broad overall strategic guidance from government.</p> <p>We took the opportunity to state this recently when giving written evidence on the SFC to the Education & Skills Committee's pre-budget scrutiny inquiry.</p> <p>In our submission we argued that the SFC is at its most effective when it is empowered to have a strategic role in the Scottish higher and further education sector and when the organisation provides constructive challenge to both Government and to institutions.</p> <p>We also believe the SFC is positioned uniquely to provide a range of evidence and advice within further and higher education. With a budget of £7.9m, over 100 staff and an operational focus on policy, finance and statistics (for colleges and universities) the SFC has the potential to work with the sector and across government in evidence-based policy development. This has been demonstrated in its work on research pooling, REF and most recently in work on TEF.</p>
<p>The Enterprise and Skills Review, the recommendations and what it means for SFC</p>	<p>Phase one of the recent Enterprise & Skills Review recommended the creation of a new super-board. It has since become apparent that the intention, in creating the new board, is to remove the SFC's board (and that of other organisations).</p> <p>This raises two priority issues for Universities Scotland:</p> <ol style="list-style-type: none"> 1. to ensure that universities do not come under political direction: our autonomy from political direction is central to our role as an independent voice in society. 2. To ensure there is a means to ensure that higher education institutions are supported across the full range of their missions, which are significant wider than enterprise and skills which has been the remit of the review and is likely to be the remit of the new super-board. Fundamental research and widening access are two examples of important activity which sit beyond the remit of enterprise and skills. <p>It be helpful to have clarification on the status of the SFC if the board is removed. Under the Further and Higher Education (Scotland) Act 2005, the SFC as an entity <i>is</i> the members of its board; the staff are essentially a secretariat</p>

	<p>to the board. So the abolition of the board would, at first sight, appear to mean the abolition of the SFC as an entity unless alternative statutory provision is made.</p>
<p>Issues relating to the SFC aside, Universities Scotland is supportive of the Enterprise review's original purpose to increase productivity</p>	<p>Universities Scotland welcomed the publication of the Phase 1 report of the Enterprise and Skills Review saying:</p> <p><i>"Universities fully support the drive to increase Scotland's productivity and inclusive economic growth and we believe that Scotland has the assets we need in our research base, our capacity for innovation, our high-level skills and talent to do just that. There should be more cross-referrals between agencies and others, and it should be much easier for would-be innovators to get the support they need."</i></p> <p>Universities Scotland have representatives on the board for Phase 2 of the review.</p>
<p>Where now for the SFC and higher education institutions?</p>	<p>In his evidence to the Education and Skills Committee on 7 December, Keith Brown, Cabinet Secretary for Economy, Jobs and Fair Work said: <i>"We recognise the integrity of the universities' academic freedom, and I emphasise that it will be protected."</i></p> <p>In response to questioning from Iain Gray, John Swinney, the Cabinet Secretary for Education and Skills said: <i>"I am also absolutely determined that our university sector will be an autonomous sector that is able to exercise the same academic independence that it has today."</i></p> <p><i>"We have to handle with great care the issues in connection with the board of the Scottish funding council in order to ensure that we can protect the independence of the university sector and guarantee that there is no reason for the sector to have the concerns that it currently has."</i></p> <p>We will look to the Scottish Government to deliver on the commitment given by the Cabinet Secretary at that same evidence session. Mr Brown MSP said:</p> <p><i>"Universities Scotland and the funding council have said that they are concerned that certain things should be preserved in the new governance structure. They will be intrinsically involved in our development of that structure, which will be designed to protect the things that are important to the sector."</i></p>
<p>SFC has been operating in the context of reduced funding for the HE sector</p>	<p>Audit Scotland found underlying financial risks facing the HE sector with a 12% real terms cut in SFC funding between 2010-11 and 2016-17. The Scottish Government's allocation to SFC's HE budget in 2017-18 will see a further real terms cut.</p>
<p>Further information</p>	<ul style="list-style-type: none"> • Universities Scotland submission to the Education and Skills Committee as part of its pre-budget 2017/18 scrutiny • Supplementary evidence (to the Education Committee after the Enterprise & Skills phase one report which recommended the creation of a super-board).

	<ul style="list-style-type: none">• Joint statement by NUS Scotland, UCU Scotland and Universities Scotland on the Enterprise and Skills Review (which was shared with the Education Committee prior to Cabinet Secretary Brown's evidence session).• Universities Scotland's letter to Cabinet Secretary Brown, following his evidence to the Education Committee. Dated 13 December 2016.
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