



Brief for Scottish Conservative's Business debate, Wednesday 1 March 2017 on motion S5M-04286: 'Abolition of the Scottish Funding Council Board'

Motion

S5M-04286 Liz Smith: Abolition of the Scottish Funding Council Board

That the Parliament recognises the key role and legal status of the current Scottish Funding Council board with regard to the financial and strategic management of Scotland's colleges and universities; is deeply concerned by the Scottish Government's proposals to abolish the board, given the limited evidence and consultation on this proposal; notes the proposals in The Crerar Review, which recommend that the Scottish Government should retain the current board; demands that the Scottish Funding Council retains its important functions beyond enterprise and skills, and therefore believes that the Scottish Funding Council must not just be a "delivery board" but also have the powers to act on its own initiative and to challenge government as well as to challenge further and higher education institutions.

Summary of Universities Scotland's position:

Concerns arising from Phase One report:

- Scotland's universities have been deeply concerned at the suggestion that the Scottish Funding Council's (SFC's) Board may be abolished under new governance arrangements arising from the October 2016, [Phase One Review recommendations](#) to create a new Super Board which would sit above all skills and enterprise agencies.
- Universities have a role in supporting skills, enterprise and innovation. But universities also have important functions beyond that which include delivering high-quality academic education, widening access, fundamental research and a strong international role, which would not fit neatly within the skills and enterprise focus of a new super-board. There is a real risk these priorities would be overlooked or downgraded within the new structure if the SFC's Board was removed.
- Governance structures need to preserve some independence from Government if they are to respect and protect university autonomy. The SFC must remain as a robust, arms-length body capable of providing challenge to both Government and higher education institutions.

Progress made during Phase 2:

- Professor Crerar's recommendations, published in February, are a helpful step forward as they recommend the SFC's board remains in place. This brings some clarity and reassurance to higher education institutions.
- However, further details need to be worked out and confirmed by the Scottish Government. Questions remain over: the reframing of the SFC's, and other agency boards, as 'delivery boards' which would be a detrimental change to their role in our view; who is to be the future determinant of funding allocations for higher education? (we believe it should be Ministers and Parliament rather than the new Super Board); the SFC's continued responsibility for a wider remit for higher education than is covered by the Super Board.
- It would also be helpful to have reassurance of the Scottish Government's continued commitment to support world-class research in our universities as a foundation of much development and innovation.
- Scotland's universities remain a constructive member of Phase 2 of the Enterprise and Skills Review as we are committed to the original goals of the Review which are to increase Scotland's productivity and delivering for students, business, public and third sectors.

More detail:

<p>We support the SFC and strongly believes it needs its own board to function effectively & to deliver for Scotland</p>	<ul style="list-style-type: none"> • 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. • The SFC is at its most effective when it its 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. • The SFC should retain the ability for evidence-based policy development. It has proven successes in its work to deliver research pooling across universities, the Research Excellence Framework and most recently in work to protect Scottish universities’ interests as the UK Government develops the Teaching Excellence Framework (TEF) in a primarily English HE context.
<p>We are opposed to the removal of the SFC’s Board</p>	<p>The creation of a super board if this comes with the removal of the SFC’s board presents significant concerns for Scotland’s higher education sector. Key amongst them are:</p> <ol style="list-style-type: none"> 1. To ensure that universities do not come under political direction. Universities’ autonomy from political direction is central to our role as an independent voice in society and our ability to be entrepreneurial and creative in our response to educational, societal and economic challenges. 2. To ensure that higher education institutions have the ability to deliver across the full range of their missions, which are significantly wider than enterprise and skills which 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 and in which the SFC’s board has the skills and experience to support. 3. The legal status of the SFC would seem to depend on the existence of its Board according to the Further and Higher Education (Scotland) Act 2005. The SFC staff are essentially a secretariat to the board, according to the drafting of the Act, so the abolition of the board would mean the abolition of the SFC as an entity unless alternative statutory provision is made.
<p>Professor Crerar’s recommendations, published 23 February are helpful in providing more clarity for SFC’s future</p>	<ul style="list-style-type: none"> • We have welcomed Professor Crerar’s recommendation that the Funding Council’s Board remains in place. We see scope for the protection of university autonomy in the governance arrangements that Professor Crerar suggests between the SFC and the new Super Board. • However, it is not yet clear exactly what is intended by reframing the SFC, and other agency Boards as 'delivery boards' which is the term used in the professor Crerar’s report. <p>Following Professor Crerar’s recommendations, we look to the Scottish Government for the following assurances:</p> <ol style="list-style-type: none"> 1. We seek early acceptance by the Scottish Government of the Crerar recommendation that the SFC’s board will continue on a statutory basis.

	<ol style="list-style-type: none"> 2. We seek recognition by the Scottish Government that the statutory body boards are sources of initiative, advice and challenge to government rather than just a channel for the 'delivery' of priorities set by Scottish Government or the Strategic Board. 3. We seek the Scottish Government's recognition that the SFC's role includes, but goes far beyond 'enterprise and skills', and that it will therefore have functions that sit outside the remit of the Strategic Board. The SFC has crucial missions to promote and support widening access to higher education, to promote high quality higher education, and to promote research. 4. Ministers and Parliament, not the 'Strategic Board' must decide what resources to commit to the higher education sector, to ensure that funding supports the full range of higher education institutions' contribution to Scotland's success and not just to 'enterprise and skills'. 5. On research in particular, we need to see strong protection of funding for universities' capacity for excellent fundamental research. Without this, Scotland will stop being world-renowned and internationally competitive for our discoveries, and we will lose the foundation on which industry-facing innovation and commercialisation is built.
<p>We support the original aims and intent of the Enterprise & Skills Review as published in July 2016</p>	<ul style="list-style-type: none"> • Universities Scotland supported the aims of the 'end-to-end review' of the enterprise and skills services as announced by Cabinet Secretary Keith Brown MSP as we welcomed the review's focus on improving Scotland's productivity and wellbeing performance. • Scotland's 19 higher education institutions are committed to delivering impact in Scotland and the wider world and want to work as partners with Government and public agencies to deliver inclusive and sustainable growth. • We suggested a number of new ideas to the Review. One of them was the benefits that could be realised from closer alignment of priorities and metrics to track progress across the skills and enterprise agencies. We said that a positive outcome of the Review would be to achieve '<i>a single vision across all agencies, clear goals and the right set of measures and shared ownership across key stakeholders for delivering on them.</i>' We believe the super board can achieve that across the skills and enterprise agendas provided that the SFC retains its Board, its integrity and capacity to function effectively for those higher education areas not covered by the Super Board.
<p>The Scottish Government has given commitments to address Universities Scotland's concerns over Phase One recommendations</p>	<p>In his evidence to the Education and Skills Committee on the Enterprise and Skills Phase One report on 7 December 2016, Keith Brown, Cabinet Secretary for Economy, Jobs and Fair Work said:</p> <p><i>"We recognise the integrity of the universities' academic freedom, and I emphasise that it will be protected."</i></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>In response to a question from Iain Gray in the Chamber on 23 November 2016, John Swinney MSP, Cabinet Secretary for Education and Skills said:</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>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). • 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.

ENDS

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