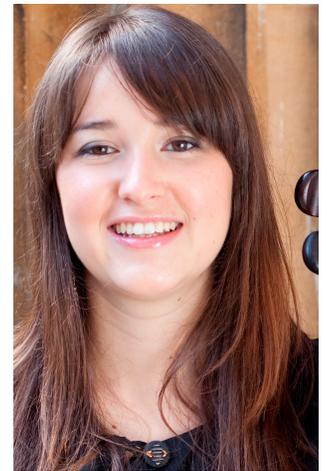
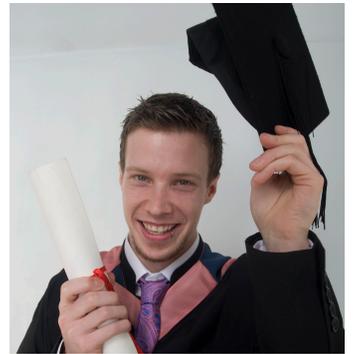


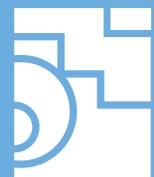


Putting learners at the centre

Universities Scotland's summary response to the Scottish Government's consultation on post-16 education reform



Universities
Scotland



Students on the cover:

Top row

- University of the Highlands and Islands' first students to graduate from its BA in Oral Health Sciences. From left to right: Eva Tkacova, Melanie Carson, Gemma MacLennan, Siobhan Coffield, Pauline Thomson, Nafiseh Ghaesemi, Melissa Rae.

Box next to title

- John Steven, University of Abertay Dundee. Whilst studying Creative Sound Production at Abertay, John built a musical computer game to help children with autism learn about colour and shape recognition while also helping to keep them calm and focused. His game was unveiled to the public at the Abertay Digital Graduate Show in May 2011.

Top middle

- Dr Elizabeth Bryden, University of Edinburgh. Elizabeth graduated from the University of Edinburgh's College of Medicine and Veterinary Medicine in 2011 and is now working in St John's Hospital, Livingston.
- Orji Akaa, University of Aberdeen. From Nigeria, Orji received funding from his government to come to Scotland to study for a PhD in Geology at the University of Aberdeen.
- Susan Linton, Robert Gordon University. A mature student, Susan completed her four-year degree course in 2011, overcoming hurdles including pneumonia and low confidence, to be the first person in her immediate family to get a degree.
- Fiona McLachlan. One of the musicians that form the Cairn String Quartet - they are all talented, classically trained graduates from the Royal Conservatoire of Scotland.

Bottom middle

- Rebecca Hunt, University of Dundee. Rebecca is a transatlantic exchange student, pictured with a friend wearing her 'Dundee saved my life' t-shirt.
- Lissa Tognini, Chris Willshaw and Stuart Hill, Glasgow Caledonian University. Having successfully completing an intensive one year's Masters level course on TV fiction writing, these graduates secured contracts to write a series of episodes for a popular TV show.
- Lisa Evans and Christie Murray, University of Stirling. These two promising Scottish footballers were amongst the first to take up sport scholarships as part of the new Winning Students Network run by Stirling University.

Bottom row

- Kate Shelton, University of Strathclyde. A fourth year Pharmacy student, based at the new Strathclyde Institute of Pharmacy and Biomedical Sciences building.
- Daniel Harkin, University of Strathclyde. A PhD student at Strathclyde's Centre for Ultrasonic Engineering.
- Christopher and Steven Rocks, University of Glasgow. Identical twin brothers Christopher and Stephen from Shetland graduated with First Class Honours degrees in Economics. It was the first time twin siblings have achieved First Class Honours in the department.

Introduction

Universities Scotland shares the central tenet of the Scottish Government's white paper - that the learner should be at the centre of any reform.

Putting the learner at the centre

Learners are right at the centre of university life and will remain so as we look to work with the Scottish Government to develop their plans for post-16 reform.

Universities Scotland's consultation response provides examples of learners at the centre of university activity - from widening access to research and knowledge transfer to university governance.

Universities Scotland shares the central tenet of the Scottish Government's white paper - that the learner should be at the centre of any reform. We believe the learner should be the focus of, and reason for, any and all necessary change to Scotland's post-16 educational landscape.

The Scottish Government has committed to a funding settlement for universities until 2015 which will secure universities' quality and international competitiveness. The white paper makes many references to universities' central role in Scotland's knowledge economy and in helping to forge Scotland's place in the world and we welcome this recognition. However, even with this, we accept that the Scottish Government has to assure itself that universities continue to deliver across all areas of our activity in a way that makes best use of this public investment. We are pleased to have the opportunity to respond to this programme of intended reform and welcome the Scottish Government's commitment to a consultative approach as articulated throughout the paper. We look forward to continued engagement with the Scottish Government beyond the consultation deadline as proposals are worked up and as consideration is given to the drafting of a Bill.

This document is an Executive Summary of Universities Scotland's response to the white paper. As the consultation paper itself runs to 75 pages, our full response is considerably longer at 44 pages. This can be found at [Universities Scotland's website](#).

Our approach to the consultation

Just as we share in the paper's vision and over-arching theme, we believe that the broad direction of travel set in most of the policy strands of this paper is right and we want to work with the Scottish Parliament in achieving the broad policy objectives as articulated. Given this, our response is focussed primarily on how we might be constructive in regards to the development of aspects of detail rather than principle. Our response takes an evidence-based approach, not all of which has been possible to replicate in the executive summary for reasons of brevity. However, you will find further detail and evidence in the full version of the report.

Engagement with stakeholders

The consultation paper clearly articulates the Scottish Government's intention to take a partnership approach to this agenda, working with a range of stakeholders as appropriate. Given the breadth and scale of proposals in the white paper we think this is the right approach and such inclusiveness will be necessary. Universities Scotland has also taken a highly consultative approach in the development of our response in recognition of the inter-connectedness of the post-16 landscape in Scotland. The proposals in each policy strand have been considered in the relevant Universities Scotland policy committees over the autumn/winter. We have also consulted widely with our stakeholders as we developed our response including focussed discussions and engagement with NUS Scotland, UCU Scotland, Scotland's Colleges, Scottish Council for Development and Industry, the Scottish Funding Council and UCAS. This has been invaluable in better understanding the goals and perspectives of other organisations and has helped to shape our own response. In many cases, there is a great deal of commonality in position between ourselves and our stakeholders.

Efficient, flexible learner journeys

Our aim is that the learner's journey through school, college and university should provide the flexibility to support all individuals in their diverse choices, pathways and learning styles, and do so in a way which makes efficient and effective use of their time and of public resources. We are positive about change that supports this and we have articulated this since late summer of 2010 in our first contribution to a Scottish solution [1].

We strongly believe that Scotland should retain the internationally recognised four-year degree - countries across the world are moving to this model of higher education and it fits with our European partners. However, we believe the four-year degree structure has the flexibility to offer different entry points which can be built upon further and we are open to this as a sector. This has implications for learners entering university from college but also direct from school, which we believe needs to be factored into any reform of the learner's journey. Therefore, our response considers universities' interaction at each boundary point individually and suggests what constructive steps we consider might be taken to facilitate greater flexibility for learners as they progress through their compulsory, further and higher education.

The role of the senior phase at school in relation to entry to university

We feel it is important that the Scottish Government considers transitions between all levels of learning, not just between colleges and universities but between schools and colleges and also schools and universities. This would help to address the perennial issue of how to ensure that students do not unnecessarily or unwillingly repeat SCQF level 7 - part of which can be studied at sixth year at school and/or as part of an HNC/HND and in full at the first year of an undergraduate degree at university (see fig 1 for SCQF levels).

The Scottish Government should use the unique and temporary opportunity of implementation of the senior phase of Curriculum for Excellence, between now and 2017, to make a systemic examination of the scope for efficiency and effectiveness in the learner journey through the senior phase to college and university. This could include consideration of cases where it might be in learners' best interests to go direct from fifth-year at school into first-year university as well as ways to increase advanced entry direct into the second-year of university. Already, universities are a strong partner in contributing to the implementation of the senior phase (S4-S6) of Curriculum for Excellence. Universities Scotland's Learning and Teaching Committee, which comprises Vice Principals for Learning and Teaching at every Scottish university, has established a sub-group on the Curriculum for Excellence and Learner Journey to consider these issues further. The group is linked to the Curriculum for Excellence Management Board.

At present, there are many good examples of schools, colleges and universities working together to remove duplication at SCQF level 7. The Scottish Baccalaureate is recognised by all universities and there is potential for this and the Advanced Higher to offer pupils advanced entry into university. However, until there is more consistency in provision at the top end of SCQF level 7 in schools, in so far as availability of Advanced Highers and Baccalaureates both geographically and across a greater range of disciplines - this has the potential to advantage some learners over others. There is an important "widening access" dimension to this; schools in less-privileged areas are typically the ones which are unable to provide a wide range of Advanced Higher and Baccalaureate qualifications. The route from Highers to first year at university is still particularly important to ensure that learners from more challenged backgrounds can progress to the level of entry at university which best meets their needs. In order to ensure a broad equality of opportunity for school students across Scotland it is vital that discussions about the learner's journey take all three sectors into account and that schools become part of the overall discussion. We feel a Government-led initiative involving all three sectors - schools, colleges and universities - would pave the way for more consistency across Scotland.



Gemma Pittendreigh

Social Sciences student at Robert Gordon University

Gemma is a great example of a 'mature' student that has progressed through learning step-by-step and onto university without any duplication.

Gemma left Ellon Academy at 15 to go to college and from there she went into retail. After a few years of work she decided it was time to get back to studying.

Gemma went back to Aberdeen College and took an introduction course in social science, progressing to an HNC and then an HND. She then articulated into Robert Gordon University through the "uni-link" programme and entered straight into the third year of a BA (Hons) in Applied Social Sciences course. This highlights the flexibility that exists within Scotland's four-year degree programme.

Entry from college into university

The sector supports further progress in developing articulation from college to university and recognises that this represents one route to further broaden participation for learners. This is still a developing area of activity between colleges and universities. Statistics from the Scottish Funding Council show the number of students articulating across the five articulation hubs has increased by 84 per cent since 2007-08, meaning a total of almost 3,400 articulating students were recorded by the articulation hubs [2].

There are a number of areas where we see the need for further consideration and action in order to realise the shared goal of increased articulation:

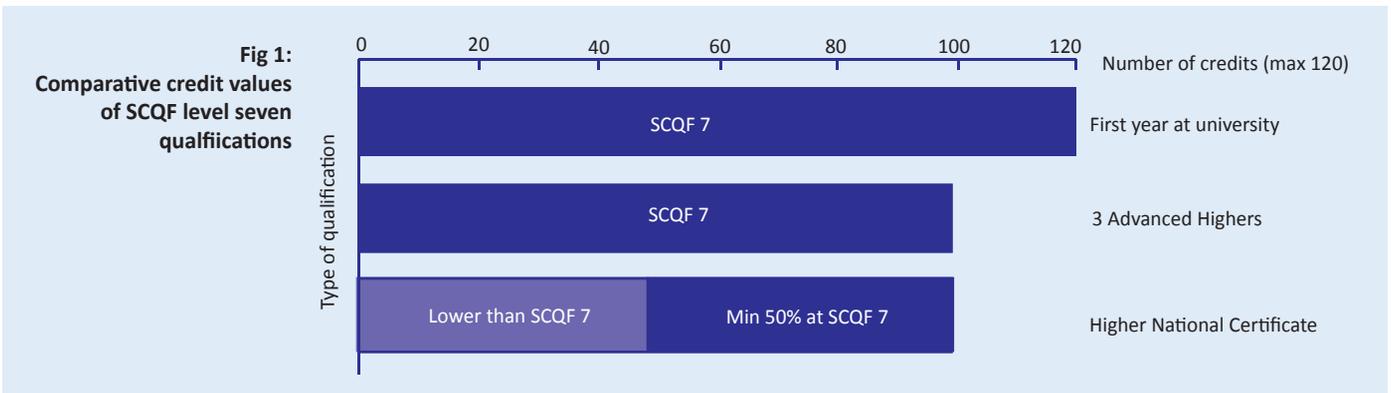
The importance of college provision for increasing entry with advanced standing. It is impossible to consider further expansion of articulation between college and university in isolation from other aspects of the post-16 reform paper which propose significant change in the college sector including a greater steer that the colleges should focus on opportunities for 16-19 year olds[3]. HN qualifications are the current means by which learners articulate from college into university and the average age of an HN student is much older than this. Universities' ability to grow the number of articulating students will be largely dependent on the continued availability of a steady supply of HN students from colleges. Whilst we recognise the reasons behind a focus on 16-19 year olds in the current climate we share the concerns of our college colleagues that their provision for more mature learners should not be overlooked as a consequence.

Balancing equality and availability of entry between school and college leavers. We think it will be necessary for the Scottish Government to undertake modelling work in order to balance the demand for HE participation by young people/school-leavers with the demand from those with HN-qualifications. The suggestion in the white paper that there may be a legislative guarantee of entry into university for HN-qualified applicants could be problematic on equality grounds as there are no equivalent guarantees for school-leavers, nor can there be. Furthermore, given the sustained high demand for university places in recent years, the likely impact of a guarantee for one group of entrants without the creation of additional and fully-funded student places would inevitably be to displace others. This problem is compounded by the fact that Scottish school pupils' tariff scores are increasing year on year so that even the projected demographic decline of school-leavers provides no relief on the competition for places as a higher percentage of them are achieving grades that make university a realistic option. This is surely only set to continue as improved attainment is a central objective of Curriculum for Excellence.

A focus on the individuality of the learner. Whilst articulation with advanced standing may suit many HN qualifiers, research has shown that some HN qualified students actively make the choice to enter university in year one. Their reasons for doing so include fear of struggling at an advanced entry point, a desire for the full university experience and a perception it would be easier to make friends. A large number were also applying for entry to subject which did not, or only partially related to their HN [4]. We have to ensure any expansion of the articulation model still respects the needs and wishes of each individual learner so that HN learners are free to change course and/or subject entirely and progress through learning at their own pace if they consider this to be an issue.

Use of SCQF as a route-map. As co-creator and co-owner of the Scottish Credit and Qualifications Framework, Universities Scotland and our member institutions are supportive of seeing greater use of SCQF as a route-map and to give recognition of prior learning. We think this could be of benefit in helping a greater number of students embarking on HN courses in college know what degree-level opportunities their course

may lead on to. However, it would be overly simplistic to say that a qualification at one level should automatically qualify a person for entry to a qualification at the next level. Other factors such as subject compatibility and the individual’s performance at the SCQF level, over and above successful completion, are also important factors. It should also be noted that whilst qualifications are placed at particular levels on the SCQF this does not mean that all qualifications at that level are exact equivalents. For example, the Advanced Higher, an HNC and the first year of university are all placed at a SCQF level 7 however, successful completion of an HNC requires only 80 per cent of the total number of credits needed of the first year at university and only 50 per cent of these need be at level 7 [see fig 1]. Though entitled to progress to the next SCQF level of learning, this example illustrates how the learner may have a credit deficit relative to students in their first year at university which can mean direct entry into year two of university for these learners is not without challenges for both learners and universities. This example also applies to learners with Advanced Highers entering direct into year two of university, depending on the number of Advanced Highers taken.



Review of the Higher National qualification.

We welcome the proposal to refresh the HN as suggested in the white paper. Given that the HN is increasingly being used towards an end it was not designed for, we think a refresh could better prepare learners for advanced study and so make the transition to university smoother than it is currently able. Any such consideration should involve universities as well as SQA and regulatory bodies, colleges and employers as we would want to ensure that employers still get the value they look for in this qualification. As explained above, it might also be worth considering the number of credits and at what SCQF level these qualifications expect of students if the goal is to improve the efficiency of the learner journey and to ensure that learners are adequately prepared for the demands of learning at university.

A need for legislation?

Rather than pursuing a legislative course of action which may have unintended perverse effects, as already discussed, we suggest that:

- As part of building better articulation pathways, there should be clearer signposting of the level at which HN students should expect to enter universities with courses which articulate;
- Universities and colleges should continue to work together closely on the selection of entrants to HN programmes, building on existing partnerships and good practice.
- To avoid detrimental impacts on other learners, additional funded places should be available to universities to enable increased entry of articulating students thereby reducing the pressure on places;
- Articulation benchmarks might be set for each university, taking account of changes in college-level provision and the relative starting positions of each institution. This could form part of the outcome agreements proposed in the Ministerial letter of grant and referred to in the SFC's indicative grant letter for academic year 2012/13.

Articulation benchmarks would be more consistent with the approach being developed by the articulation hubs which is largely judged to be successful by all partners. Indeed, the outcome agreements now require ring-fenced places be available at university, but the Scottish Funding Council recognises a variety of different options for how such arrangements might operate which include:

- a guarantee made to an individual (subject to achievement of certain outcomes in the HN qualification);
- course-level guarantees where there are a set number of places available to students on the HN course to articulate;
- college-level guarantees where there are a set number of places for students from a particular college to articulate; and
- institutional-level guarantees where there are a set number of places for articulating students.

This approach allows for flexibility and responsiveness to evolving circumstances and to local situations, whilst also giving students guaranteed access. We would contend that this flexibility is crucial to getting the right deal for learners.

Careers Services

We support on-going developments to careers services in schools and colleges. Reliable and customised support and information on available options is important to all students but perhaps even more so for prospective students whose friends and family have not previously attended university. This will support universities' own efforts to enhance information for prospective students, widen opportunities and help applicants make informed choices about the appropriate learner journey for them.

UCAS admissions review

Universities Scotland will be working with UCAS and other partners, including Universities UK in contributing the Scottish sector's input to this review. The timing of this review sees it take place prior to the implementation of the senior phase in CfE and the potential greater diversity in the pattern with which school pupils will take their qualifications and related variance in when learners will attain the set of qualifications with which they may wish to apply under an applications with results system. The needs of learners need to be first and foremost in considering UCAS's proposals. University leaders see merit in principle in post-qualification applications where these best serve learners' needs, but the detail of this requires further consideration.

Recognition of Prior Learning (RPL)

We welcome the importance the White Paper attaches to Recognition of Prior Learning (RPL) as far as opening up educational opportunity. RPL can be particularly useful as part of universities' strategies for widening participation and there is potential to strengthen universities' use of RPL for people already in employment but who wish to upskill or retrain at university.

Scotland's universities are active in promoting the development of RPL; Universities Scotland and Quality Assurance Agency Scotland have a joint RPL Network to help shape sector developments. Universities Scotland believes there would be merit in HEIs working together to produce a resource or a national framework using the SCQF that helps institutions to streamline what is a resource intensive process and enhance RPL practice.

Student Partnership Agreements (SPAs)

Universities Scotland welcomes the proposed development of Student Partnership Agreements. Distinct from England, where Student Charters characterise students as consumers, we believe consumer-oriented documents should be avoided. Our discussions with NUS Scotland suggest they have no appetite for replicating the English model in Scotland either. Instead, we have a shared view that the role of the student as a partner in learning, is more appropriate. This builds on existing initiatives, pioneered in Scotland, to engage students in the quality and assessment of their higher education including the model of the Scottish Quality Enhancement Framework which has student engagement as one of three key principles. Student reviewers also had a place in Enhancement-Led Institutional Review (ELIR) teams in Scotland some considerable time before this became mandatory in other parts of the UK.

Much work is needed to bring together best practice that already exists and we would be pleased to work with NUS Scotland, the Scottish Government and other partners on the potential for developing SPAs in a way which affirms the interdependence of universities and their students.

Widening access

We are very keen to work with a range of partners to ensure that people from the most deprived backgrounds can benefit to the fullest possible extent from the social mobility and economic, social, cultural and health benefits university study can bring to an individual. We look forward to further work with schools, colleges and students associations in order to promote this.

The white paper is right when it states that universities cannot alone redress the circumstances that narrow people’s life chances many years before the point at which they can even start thinking about applying to university [5]. This is evident in looking at attainment rates in school as linked to a pupil’s socioeconomic background. As shown in figure 2, disengagement from learning typically starts many years before entry to university and there is a correlation between deprivation and attainment at both standard and higher grade. More stark than this is the tragic fact that in Scotland by the age of five, there is an 11-19 month age gap in the expressive vocabulary of children from the most advantaged and disadvantaged families [6].

Fig 2: Attainment of Scottish school-leavers shown by deprivation decile (highest qualification on leaving school)

| | A | B | C | D | E |
|----------------|---|--|---|--|--|
| | Decile of Scottish Index of Multiple Deprivation (SIMD) | Proportion of school-leavers with 5 or more Highers (SCQF level 6) % | Proportion of school-leavers with 1-2 Advanced Highers (SCQF level 7) % | Proportion of school-leavers with 3+ Advanced Highers (SCQF level 7) % | Total proportion of school-leavers attaining university entry requirements by deprivation decile % (B+C+D) |
| Most deprived | 1 | 3.1 | 3.9 | 0.2 | 7.2 |
| | 2 | 4.5 | 5.2 | 0.2 | 9.9 |
| | 3 | 6.1 | 6.8 | 0.7 | 13.6 |
| | 4 | 7.6 | 8.6 | 1.1 | 17.3 |
| | 5 | 9.1 | 11.5 | 1.5 | 22.1 |
| | 6 | 9.8 | 14.1 | 1.8 | 25.7 |
| | 7 | 11.7 | 16.4 | 2.1 | 30.2 |
| | 8 | 13.6 | 18.8 | 2.6 | 35.0 |
| | 9 | 15.2 | 21.4 | 3.1 | 39.7 |
| Least deprived | 10 | 17.1 | 27.6 | 5.7 | 50.4 |

Effective intervention and on-going support from birth, through pre-school and into adulthood is essential to make a substantial step-change in this area. Therefore we see a holistic approach that involves schools, colleges and universities as the best way ahead and we support the Scottish Government’s focus on early-years investment and intervention. We would also be supportive of the development of a coherent strategy from the early years right through to university to ensure that every learner’s potential can be fully realised. This builds on recent evidence from the Sutton Trust that argued for a system-wide approach to widening access as the effects of high-quality teaching at school are especially significant for pupils from disadvantaged backgrounds.

Of course universities do have an important role in this and we want to make further progress. However, we do not believe that statutory targets for universities’ admissions and a system of fines, is the answer to this challenge. We fully recognise the seriousness which the Government places on this issue and its will to press ahead with some form of new regime for widening access. Universities too, are serious in their commitment to work constructively with Government on this issue.

Widening access to university needs to include potential students from all backgrounds from school-leavers to mature and part-time students.



Chris Jowers

Ten years after leaving education without any qualifications, Chris decided he wanted to change his career and wanted to study Chinese at the University of Edinburgh.

He needed to do an Access course first as he didn't have the entry qualifications necessary. He successfully completed one with Stevenson College, through the Scottish Wider Access Programme (SWAP) and was accepted by Edinburgh University. In June 2009 he graduated with a MA (Hons) in Chinese and is now working for HarperCollins as a translator from Chinese into English.

Chris says: *"Looking back, without a doubt the Access course was one of the best things I have ever done. In the end of the day it is up to you how much work you put into it, and there were some amongst our year who worked less than others, and thus were not able to cope with the workload that is required at University."*

"I very strongly encourage anyone wanting to take on an Access course to give it a go. There is nothing more satisfactory than graduating after a 5-year project and a lot of hard work."

A constructive way forward

The Scottish Funding Council (SFC) has already developed outcome agreements with eight universities specifically to enhance wider access, retention, flexible and part-time provision and articulation. We feel it would be productive to assess the effectiveness of these arrangements rather than proceed to legislation for a new duty.

At a non-legislative level, the SFC's intention to move to outcome agreements with every Scottish university, as announced in December's indicative grant letter, presents an opportunity to include appropriate benchmarks for widening access activities and outcomes. This would give scope for a tailored approach which recognises differences between institutions, including the fact that not all start from the same place and that some institutions find different routes to widening access more successful for them than others. Placing this responsibility with the SFC rather than directly between Government and universities allows more scope for the setting of realistic timeframes for achievement. It is widely recognised that it takes years to see real progress and the non-governmental role of the SFC may alleviate some of the pressure to see results within election cycles.

Outcome agreements, negotiated with the SFC could also offer more flexibility than legislation in what is a complex and changeable policy area. An example of this sometimes unmanageable change would be the annual fluctuations that the Lothians Equal Access Programme for Schools (LEAPS) sees in its progression rates from school into university. LEAPS finds significant instability in year-on-year results and so evaluates progress using a more reliable five-year mean figure [7]. In addition to these inconstants, there is likely to be a need for greater flexibility over the coming years given the impact that potential changes to the college sector might have on student demand/supply into university via some routes.

Caution on targets and the use of SIMD

Although the Scottish Index of Multiple Deprivation (SIMD) is a more robust measure for the purposes of widening access to university than some other indicators including NS-SEC or HESA's POLAR II methodology, it still has inherent limitations as an indicator which will be of greater concern if this measure is to be used in conjunction with penalties or legislation. There is a need for a subtle and individual approach to identifying students from the most challenged backgrounds which is not always achieved from the SIMD data-zones. Even the most deprived postcodes can contain pockets of affluence and vice-versa. Rural deprivation in particular is poorly recognised by the SIMD.

The importance of mature students and part time learners

The lower levels of school attainment by children from the most deprived sections of society is a systemic issue and will require long-term intervention from multiple agencies if we are to address it effectively. In light of this, and in order to meet our skilled workforce needs, it is critical that we continue to offer opportunity to mature learners if we are to move quickly to further broaden the social background of our graduates. Articulation, recognition of prior learning, credit transfer, access programmes and part time opportunities will continue to play an important role in delivering on the Scottish Government's ambitions as students entering universities via these routes are disproportionately drawn from the most deprived backgrounds.

Contextual admissions

Universities already take account of contextual information including learners' personal statements in admissions decisions, particularly where there are judgements to be made at the margins about the potential exhibited by learners from different backgrounds. This should continue as a normal element of good practice in ensuring that learners' potential is recognised. A statutory requirement on contextualised admissions is unnecessary and potentially administratively burdensome if, for example, it required universities to develop further processes or collect additional data.

Capping of student numbers

The White Paper also proposes to explore a derogation on the capping system that would allow universities to "over-recruit" students from MD20 backgrounds. We recognise the rationale for this – without some measure to relax limits on recruitment further progress on widening access can only be made at the expense of opportunities for other learners at university. Universities Scotland's view is that it would be more relevant to promote recruitment of MD20 students through addressing issues of attainment at school, supporting universities' outreach to schools and colleges and potentially investing in further funded places to give universities additional capacity to admit students from the full diversity of backgrounds.

Aligning skills with jobs & growth



Jemma Geoghegan
University of Strathclyde

The Saltire Foundation, founded by the Scottish Enterprise, is a prestigious internship programme, promoting the best talent in the Scottish university system and developed to establish a pipeline of enterprising business leaders for Scotland.

Jemma, a forensic biology student, applied successfully through the University and worked with Genzyme Corporation, a leading biotechnology company in Boston, USA. Jemma gained hands-on experience, completing a project report on the research she accomplished and wrote Standard Operating Procedures for the experiments she designed.

Gemma says: "This was a once in a life time opportunity which I am truly grateful for. Having gained hands-on experience with one of the world's leading biotech companies, I am now more ambitious about my career. I am now involved with the Saltire Foundation Alumni, which includes the recruiting process for forthcoming students. I have learned valuable skills, not only in my degree area, but also have learned the importance of communication and networking."

The development of a highly skilled workforce is crucial to sustainable economic development. Scotland's greatest competitive advantage internationally is on the basis of our skills and knowledge. Universities in Scotland share the ambition that individual learners should have the opportunity to develop skills to the highest possible level in support of individual social mobility, improved individual life outcomes, increased social and cultural engagement and the competitiveness and productivity of the Scottish economy.

Whilst the majority of the chapter on skills within the White Paper relates to the college sector and not to universities, Universities Scotland is keen that higher-level skills at graduate and post-graduate level remain a central part of the analysis of Scotland's skills needs. Universities have an important role in the delivery of skills both at undergraduate, postgraduate level and in the training and updating of skills held by Scotland's existing workforce.

Skills at all levels will be important to Scotland's future but as OECD statistics indicate, Scotland's ability to compete globally for high-skill, high-value jobs will increasingly be under threat as significant numbers of competitor economies increase GDP investment in degree-level higher education and expand the percentage of their young people educated to degree level [8]. Similarly, a recent report from the European Commission to the Parliament warns that *"Europe is no longer setting the pace in the global race for knowledge and talent while emerging economies are rapidly increasing their investment in higher education"* [9].

We believe that the broad knowledge/skills base and flexibility provided via the four year degree structure, the rapid skill enhancement provided by the Masters degree and the specialism of the PhD will be increasingly critical to maintaining and developing the skill levels in Scotland's workforce as nations elsewhere up-skill. In light of this, we would be keen to work with the Scottish Government to raise Scottish employers' recognition of the benefits of higher-level skills and their contribution to productivity.

The university contribution to skills development is part of a continuous spectrum of opportunity from Modern Apprenticeship onwards. Universities are keen to continue to support the work of other partners in the education sector to develop non-advanced skills and routes into university level education. Initiatives such as the MA2MA programme, a collaborative initiative between Heriot Watt University, Forth Valley College and INEOS Ltd delivering a route from modern apprenticeship to masters qualification and the Aberdeen "Uni-link" programme with opportunities for Aberdeen College students to gain an Honours degree with the Robert Gordon University, illustrate the role universities can play.

The Confederation of British Industry has itself identified that success for the UK in the global economy will depend increasingly upon the development of high-value added sectors in services, which require a highly trained workforce rich in graduate-level skills. The role of Scotland's universities delivering on all of this is critically important, and this is something which must be recognised – as it has been for instance in the City of Glasgow's current decision to invest £10 million in the creation of graduate opportunities to drive the city's economy.

To give some examples, the provision of effective medical and scientific services in Scotland relies absolutely on a highly trained workforce in both academic and technical terms, and at a level only achievable in a university setting. In the environmental sector, too, with the development of "cleaner coal" technologies, renewables, and infrastructure expansion projects, the unfulfilled demand for graduate-level skills stands at around 45 per cent and is forecast to rise even more between now and 2020. There is also evidence to suggest that over the next ten years the UK could run short of people who can really tackle the urgent challenges from environmental risks to human health, and those associated with

safe carbon capture and storage and the development of new energy sources, unless the supply of graduate-level skills – and in the science, technology, engineering and mathematics subjects in particular – can be guaranteed. Further evidence to support this comes from the identification of skills shortages in such things as high-level numeracy, computer modelling and conducting field research, as well as softer skills like translating research into plain language. These are skills which are predominantly obtained within a university setting, and are absolutely required by businesses as well as government in order to encourage economic growth.

Other research identifies that high-level skills shortages in the areas of science, engineering and technology (SET) actually threatens the capacity for growth within businesses, (especially those in the science, high-tech and IT sectors), which has led to a suggestion by the CBI that one in five undergraduates should be encouraged to study SET subjects at university. In terms of the science-based industries more widely, the majority of employers – around 80 per cent – place a high level of importance on the supply of graduates to their workforce, and these employers have predicted that the demand for management-level as well as competence-based skills to increase in the coming years. The pace of technological development will particularly require Scotland to ensure the supply of chemical and biological sciences graduates with good analytical and practical skills.

Youth employment

Despite real challenges in the job market and the highest levels of youth unemployment since records began, graduates from Scottish universities continue to show resilience. They have the lowest levels of unemployment in the UK, are the most likely to be in positive destinations, including employment or further study, six months after graduation and have the highest starting salaries in the UK [10].

Yet the recession has been hard on all young people and graduates have not been totally immune. We're united in the belief that no young person should be left behind and universities want to do all we can to ensure that students leave university with the knowledge, experience and attitude that employers are looking for. Acting on the call for a national response to youth employment, Universities Scotland has a programme of sector-wide engagement with business and industry planned for 2012. This will start with an employer's summit in February which will bring employers from Scotland's key industry sectors together with every university at the same time, to focus on what more can be done to give our students the best chance in the jobs market.

This activity complements that undertaken by the Scottish Higher Education Employability Forum (SHEEF) which is a sector-wide network which works to co-ordinate and share good practice amongst institutions. Led by the Higher Education Academy it brings together Universities Scotland, the Scottish Funding Council, QAA Scotland, NUS Scotland, the Scottish Institute for Enterprise and the Association of Graduate Careers Advisory Services. Universities regularly work with business and industry bodies on a one-to-one basis as part of their strategy for teaching and employability strategy.

Maintaining Scotland as a global leader in university research

“Post 16 education in Scotland must be excellent: we set the highest ambition for our learners. It follows that the drive for quality and excellence should be core to all we do. In particular, we must recognise the importance of the link between teaching and research in our universities.”

Putting the Learner at the Centre, page 12

“The 2008 RAE results show that every Scottish institution is undertaking world-leading research and that the proportion of Scottish research graded at the highest level has increased since the previous RAE in 2001. Over half the assessed research in Scotland is either internationally excellent or world-leading”

Scottish Funding Council

Universities share the Scottish Government’s ambition to maintain Scotland’s world-leading position in university research and to maximise the contribution university research makes to sustainable economic growth. We are ambitious to maximise the impact of our world leading research and to maximise the sector’s knowledge exchange engagement with SMEs in order to provide a research and knowledge exchange base which supports indigenous SMEs to improve productivity and grow into companies of scale as well as Scotland’s interactions with leading global companies at home and abroad. We are also keen that the social, cultural, policy and health impact of the sector’s research be recognised for its inherent value as a public good.

We welcome the recognition the Scottish Government gives to the central role that research and innovation has in Scotland’s future and the Government’s recent investment in specific proposals including the Scottish Technology Innovation Centres and in international postdoctoral exchange. However, we are committed to building on our success in research and knowledge exchange and delivering more for Scotland.

Funding of research excellence

The SFC’s indicative grant letter for 2012/13 sets out plans to further concentrate availability of the Research Excellence Grant (REG) on areas of the best quality research. This builds on the steer given by the Cabinet Secretary in paragraph 19 of his Ministerial letter of guidance, dated 21 September 2011, and on proposals put forward in the white paper.

As a sector, we support the concentration of research funding on the best research, wherever it occurs. However, the 2008 Research Assessment Exercise found every one of Scotland’s universities to undertake world-leading research in some areas [11]. This achievement represents a distinctive quality of Scotland’s university sector, a strong pull-factor for student recruitment and a phenomenal asset when marketing Scotland internationally to global business and industry.

Despite further concentration of finite resource from 2012/13 onwards, we want to see the Scottish Government’s continued commitment to the *“indivisibility of teaching and research”*, as asserted in the New Horizons report of 2008 [12], evidenced by continued investment of Research Excellence Grant across all universities in proportion their own distinct areas of research excellence.

This funding is important for a number of reasons including:

- Students value the advantages of learning in a research-informed environment which enriches students’ learning experience. All of Scotland’s universities can offer this in a way that some in England cannot. The white paper does recognise this in saying *“we must recognise the importance of the link between teaching and research in our universities”* [13] and we hope to see funding remain in place for this to continue.
- The strong multiplier effect that this funding has in securing third party income to the sector and, indeed to Scotland, and its critical relation to universities’ knowledge exchange activities. Figure 3 overleaf shows significant increases in universities’ leverage of external research income over the last ten years. For this reason, it is important that the SFC considers any and all changes to REG funding in the round, not in isolation from potential impact on other areas.
- The Scottish Funding Council’s allocation of Research Excellence Grant (REG) to every university underpins research pooling activity which helps to build Scotland’s critical mass within disciplines even further.



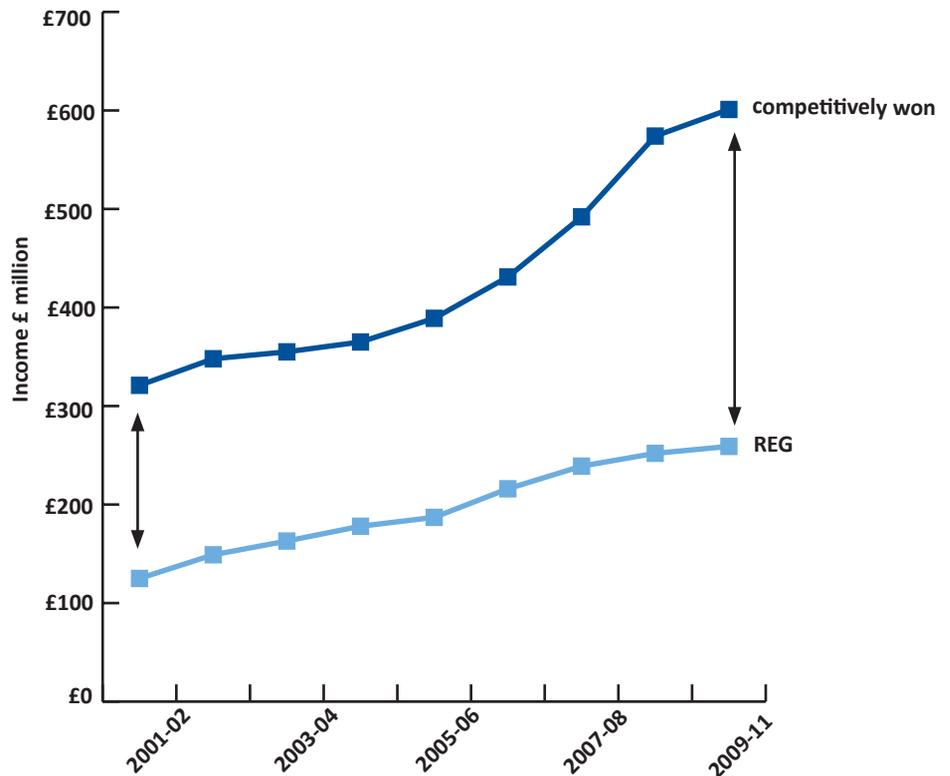
Dr Rashmi Chand
University of Abertay Dundee

Dr Chand is a former Research Student with Professor David Bremner at the University of Abertay Dundee.

Dr Chand and Professor Bremner were part of a research team who devised a method of killing bacteria in water using microbubbles and ozone that has succeeded in destroying 99.9999% of E.coli bacteria in water. This marks an improvement of a thousand times more than was previously possible.

She won the prestigious Willy Masschelein Award from the International Ozone Association which is given to the best PhD thesis within the past 4 years. The results also generated high levels of interest among manufacturers and the project was supported by the Food Processing Faraday Partnership Ltd.

Fig 3: Growth of competitively won funding for research relative to the Research Excellence Grant since 2001-02



The quality of university research in Scotland is a major pull-factor for foreign investment

Scottish Development International cites the quality of university research as a major reason for business to invest in Scotland. Citing seven “top reasons” to invest in Scotland, research and innovation features in three of them including:

- **academic achievement**, including one per cent of all the world’s research publications.
- **scientific success** including the University of Dundee and University of St Andrews named as amongst the best institutions in the world for scientists to work in.
- **pioneering innovators** including those within universities such as the the researchers behind the MRI scanner and Dolly the Sheep.

Scotland’s educational excellence and proportion of graduates is also cited as one of the seven top reasons.

Source: SDI, www.sdi.co.uk/invest-in-scotland/top-seven-reasons.aspx

Knowledge exchange

Students can play an important role in knowledge transfer between universities and business and can benefit greatly from the experience.



Jorge Omar Gil Posada

Jorge, a graduate in chemical engineering took part in a knowledge transfer partnership (KTP) with Lanarkshire based company Crawford Scientific and Professor Thomas Connolly from the School of Computing at the University of the West of Scotland. The project was to develop online training for the pharmaceutical industry in response to customer demand.

With the support of staff at the University, who helped supervise the KTP, Jorge built a state of the art eLearning platform for Crawford Scientific. Said to be the world's first comprehensive e-learning programme for lab scientists, it has since been used by 293 companies and over 3,000 scientists worldwide.

Jorge said: *"I was really pleased to be chosen as part of this Knowledge Transfer Partnership. It was a challenge applying my scientific knowledge to the creation of an e-learning programme."*

We are keen to respond to the Scottish Government's call for more knowledge exchange with business and industry.

Knowledge exchange is a core activity of every university. We are proud of our achievements in this area to date. Benchmarked internationally, Scotland's effectiveness and efficiency in translating knowledge into commercialisable opportunities far surpasses that of the top eleven universities in the US, with less than half the level of investment needed in Scotland to produce a spin-out company or licence [14]. We have a solid record of working together in the form of Interface, a free single-entry match-making service for Scottish small and medium sized enterprises (SMEs) that want to access the research and the knowledge found in universities. This has gone from strength to strength with tremendous client satisfaction (see fig 4) [15]. More recently, universities have taken steps to harmonise their processes for commercialisation with the development of a single standard set of commercialisation contracts, in late 2011, which any company wishing to engage with a Scottish university can choose to use. Similarly, the re-launch of the website www.universitytechnology.com serves as a single access point to a wide range of Scottish university-generated intellectual property and its value is recognised by Global Scots and SDI.

Fig 4: Client testimonials about Interface: the knowledge connection for business

| | | |
|--|---|---|
| <p>“ <i>The wealth of experience and expertise available through Interface is staggering, and I'd give them our highest recommendation.</i>” Alistair Cameron, Scotmas Ltd</p> | <p>“ <i>If you need someone who knows their way around the academic world and knows exactly where to find the resources you need, ask the Interface team.</i>” Mike Buckley-Jones, Merlin ERD Ltd</p> | <p>“ <i>My first meeting with Interface was straight to the point and worthwhile. The follow up was professional and well put together - a breath of fresh air.</i>” David Irvine, Maidsafe</p> |
|--|---|---|

However, any system is capable of improvement.

We are responsive to calls for further improvement and have engaged very closely with SCDI to better understand the subtleties of what it is that businesses want from universities in regards to ease of access. We recognise the advantages that a single-entry point can offer the business community. The success of Interface and the re-launch of University-Technology.com is testament to this as well as to the sector's willingness to respond. However, the success of Interface has been in large part due to the fact that it has sought to work *with* the knowledge exchange staff already embedded in universities; it has not sought to replace them. Universities' own knowledge exchange staff work at the coal-face and so know and can spot commercial opportunities of research teams. Research has found that greater decentralisation of knowledge exchange staff and infrastructure within universities yields greater results [16]. This is true at an institutional level not just at a national level and appears to be the trend in institutions such as the University of Cambridge and Massachusetts Institute of Technology. Going against this, by replacing institutions' own knowledge exchange infrastructure, to create a single, national and highly centralised knowledge exchange office in a single location in Scotland might halt, if not reverse, progress. Scotland's 19 universities each produce very distinctive intellectual property and the nature of relationships between business and academia is as variable as the universities and businesses themselves.

SCDI welcomes the significant progress which has been made by Scotland's universities in recent years towards greater collaboration, including the launch of Interface and University Technology as single point for intellectual property, and the introduction of standard contracts to address inconsistencies. The universities are clear that there are further improvements which can be made

Extract from SCDI response to the post-16 reform consultation

The cultivation of productive relationships between business and academia is most successful when that relationship actually grows between the partners involved and not through an intermediary or middle-man. In the case of Interface, it brokers the relationship - does the match-making - and then leaves the partners to get on with the knowledge exchange. The regional role that universities play as a hub for research and development and innovation and the strong ties to local and regional business might suffer if Scotland was to move towards an untested centralised model of knowledge exchange.

We are happy to work with the SFC and others in evolution towards a single "front-end" for business engagement with Scottish universities. We feel there is scope to build on existing activities to achieve this. However, we would be very concerned if this translated into additional bureaucracy or, worse, if this resulted in the diversion, diminution or removal of knowledge exchange staff, infrastructure or funding support away from institutions into a central model.

Technology Innovation Centres

We strongly support the proposals for "mini-TICs", ensuring continuity of access to RCUK funds and PhD students and we look forward to working with SFC and others in taking these forward. It will be important to define in further detail the mission and funding streams for these Scottish Technology Innovation Centres.

Research pooling

We welcome the proposal to encourage research pools to engage further in Europe and support with the development of research proposals to bid for EU Framework 7 funding. We feel that if such encouragement and support is extended to other research groups within universities and research institutes, as well as pools, Scotland could stand to benefit even more significantly from European investment.

Fair, affordable student support



Laura Howell,
Glasgow Caledonian
University

Availability of student support can be the determining factor in someone's choice to become a student in the first place as well as their ability to see their course through to completion. It is also essential that students have access to the right advice on student finance and support.

Laura studied an MSc in Occupational Therapy on a full-time basis at Glasgow Caledonian University. She started the course straight from her role within the NHS.

Before starting her course, the University talked her through all the funding options available to her - something she found very useful. Laura received a small bursary from SAAS, but wasn't eligible for loans and needed to work to live. Laura found it stressful to fund herself, work and study and felt she could do a lot better if she didn't have to juggle work and her studies.

Scotland's universities agree that all learners should be able to make their own decisions about their learning journey and fulfil their potential in a given subject area regardless of their, circumstances, background or financial means. For this reason it is critical that appropriate and readily accessible student support funding is in place.

Where economic circumstances dictate, such funding should be targeted at those who face the most significant financial impediments to maximising their personal learning outcomes and their related social, economic and cultural contribution to Scotland.

Full-time undergraduate students

Universities Scotland supports the proposal to move towards a £7,000 minimum income for Scottish full-time higher education students. Our commitment to this is part of our statement of common cause with NUS Scotland and UCU, agreed in the summer of 2011 [17]. We believe that work towards this goal should begin with students from families with the lowest incomes as this is likely to impact most positively on widening access to HE and enhancing student retention. We would also like to see targeted and enhanced student support in the college sector as this is likely to create a context in which more students are likely to consider further study at university.

Part time students

We are pleased to see mention of part time provision in the white paper. Just under 30 per cent of our undergraduates are on part time courses, as are approximately 50 per cent of our taught postgraduate students. This is an important route for students who wish to work as they study or who have other responsibilities that would make full time study difficult.

In relation to part time student support, the sector would welcome involvement in the development of new proposals in the first half of 2012. We believe there is merit in simplifying and expanding the current level of student support funding available to this group. With a dynamic and shifting global economy, an ageing population and decline in birth rate, we anticipate an increase in the number of mature students seeking to re-skill and up-skill with a consequent increase in demand for part time provision. The availability of student support would prevent up-front costs from being a barrier. This move would also support efforts to widen participation.

Postgraduate student support

Universities offer a wide range of postgraduate provision and as with undergraduate courses, student support funding plays a vital role in ensuring access to postgraduate qualifications. Appropriate access to financial support for fees and other expenses is crucial for those considering study. For this reason, we welcome the decision to convert the grant-based Postgraduate Student Allowance Scheme (PSAS) into a loan scheme which will allow more students to benefit and provide a greater level of income to these students.

Effective and sustainable delivery

University efficiency

Universities take their responsibility to operate efficiently and to make best use of valuable public investment very seriously. Scotland's universities already have a record of over-achievement in relation to the Scottish Government's annual efficiency targets. In order to build further on the sector's existing efficiencies and as evidence of the sector's own ambitions Universities Scotland established an Efficiencies Task Force last summer, which is led by the Convenor, Professor Seamus McDaid of the University of the West of Scotland [18]. Building from a shared vision defined in July, his group is currently developing substantive plans for a strategy which covers procurement, ICT, estates and finance functions. It will ensure that our universities administrative services are as efficient and collaborative as possible and that universities are prepared to meet continued efficiency challenges over the next five to ten years. We would be pleased to keep the Scottish Government informed of progress with this work stream.

Provision in our universities

Scotland's 19 universities have always been and should continue to be diverse in nature. This is one of the strengths of the sector and ensures that universities are delivering a broad range of outputs in support of modern Scotland. The consultation's support for this diverse institutional landscape and Ministerial support for institutions with the autonomy to identify and pursue distinct missions, as has been the case with the University of Strathclyde, will enable universities to maximise their contribution to Scotland and respond to the evolving needs of learners and the economy.

We welcome the intention, as indicated in the white paper, to grow expansion at both the University of the Highlands and Islands and for the region of Dumfries and Galloway. This has been realised in the SFC's indicative grant letter for academic year 2012/13 and we welcome the fact that additional student places have been created on a fully funded basis.

As institutions look to refine their missions and offerings at an institutional level we accept that care is needed to ensure that certain subjects are neither over-provided nor become too scarce. The white paper alludes to nursing and languages respectively as examples where this might be the case. Universities have agreed to discuss significant changes in provision with relevant institutions as part of a *Provision Monitoring Committee* within Universities Scotland and we recognise the statutory role the SFC already has in "securing coherent provision" [19]. The SFC is understood to have undertaken some "mapping" of provision across the sector in regards to duplication, the results of which have not yet been seen by Universities Scotland.

We do not recognise the statement in the white paper that there is significant unnecessary "duplication" or "overlaps in provision". We are also concerned to ensure that the complexity of determining whether a course is actually unnecessary duplication is not underestimated. Universities themselves should have a full role in any analysis of provision which must be sophisticated, robust and take full account of the potential impact on students, staff and on linkages between teaching and research in order to have the sector's confidence. It is also important that due consideration is given to wider interests to ensure that any changes adequately support universities' contribution to Scotland's social, cultural and economic future.

In the interests of making a constructive contribution to this process, we have set out some factors which we consider to be vital in any such analysis:

- a sufficiently detailed and sophisticated understanding of the courses under examination is needed to avoid the risk that superficial judgements of duplication could overlook significant differences in specialism or differences in the joint degrees on offer to students.
- the potential and varied impacts on students including those students already studying on a course to be discontinued, the impact on pressure on student places and the implications for widening access given evidence that students from deprived neighbourhoods are less likely to travel to study HE.
- changes in course delivery bring with it upfront staffing, infrastructure, space and cost issues both in regards to discontinuation, relocation and loss of income from RUK and international student fees.
- Subject-level philanthropic donations, including support for professorships, research and the establishment of whole departments in certain disciplines, are usually gifted to individual universities. Where this applies, this could make removal or transfer of provision between institutions highly problematic.
- the research contribution of the staff responsible for the delivery of the programme in question, including potentially any role played in pooling and potential for research expertise or specialist knowledge to be lost to Scotland.
- the specific links that some courses have with industry and with professional bodies who accredit courses which may make some courses unique despite apparent duplication.

“Regional university”

Universities Scotland neither recognises nor understands the term “regional university” as used in this document as a means of distinguishing between supposed categories of universities.

Every Scottish university is proud to play a significant role in their region but similarly every Scottish university has an important national and international role. We do not see any benefit to Scotland as a nation in artificially defining some universities as “regional” and others not. An attempt to box universities into singular categories can only serve to bring significant reputational and financial harm to our universities and to Scottish higher education as a national and international brand. At worst, the “regional” tag brings with it the implication of a two-tier university system and unfairly and inaccurately down-plays the important broad and international roles that those universities classed as “regional” currently play in teaching, research and knowledge exchange that would be a great loss to their regions. Categorisation of certain universities as “regional” also undermines the central contribution that others, not so defined, are proud to make to their region’s economic, social and cultural wellbeing. The University of Aberdeen is a case in point here as an institution whose mission and values as an institution proudly make mention of its dual role as an international and regional university; qualities that complement each other [20].

Institutional landscape: further collaboration and mergers

Universities Scotland believes that any mergers should be sector led, take place between willing partners and should make clear financial and academic sense. The sector in Scotland has been relatively dynamic in the recent past with fifteen mergers taking place in the last eighteen years. Where this has been organic and sector led, informed by the SFC's existing and comprehensive guidance on due process, it has created a number of successful new institutions following the appropriate consultation, due diligence analysis and due process in governance - all of which requires a considerable effort on the part of senior management. Whilst the process of merger must not be rushed if it is to be successful, we expect the organic and dynamic evolution of the sector to continue as it has done to date, driven by a creative response to the identification of new opportunities.

Whilst it is possible that further mergers may occur, it should be noted that government or Scottish Funding Council pressure to consider potential mergers can have a significant negative effect on the operations of the institutions concerned. Specific impacts include effects on student and staff recruitment, impact on the morale of existing staff and students, uncertainty on the part of grant awarding bodies and concerns which can compromise the support of commercial, philanthropic and alumni supporters looking to fund or endow our universities. Inevitably this results in the diversion of management and governance effort into managing such effects.

Bearing in mind the backdrop of a global market for staff and students and considerable pressure on Scotland's position as one of the world's leading research nations, Universities Scotland believes the powers proposed in paragraph 145 of the consultation document would create periodic and systemic uncertainty about the future of Scotland's universities. Such externally imposed uncertainty about the future of learning opportunities, employment, terms and conditions, staffing, the ability to deliver on research objectives or to deliver the terms of an alumnus' donation to support specific activity at their own alma mater would have the effect of diminishing Scottish universities' ability to compete for the very best staff and students, to attract inward investment and talented migrants, would ultimately erode the reputation Scottish higher education enjoys around the world and act against the sector's ability to support the government's stated objective of achieving sustainable economic growth.

In addition to these considerations, Universities Scotland's response to the Independent Review of Higher Education Governance highlights the existing mechanisms at ministers' disposal including the annual letter of guidance, SFC's conditions of grant, de-recognition, withdrawal of funding or withdrawal of an institution's status as a fundable body and subordinate legislation to bring about merger. There are therefore sufficient existing powers, which have been used when necessary, to enable re-configuration of institutions where that is desirable and is supported by their governing bodies.

Role of the SFC

The SFC plays a critical role as a depoliticised and expert body able to deal with those issues affecting higher education funding which are more technical than political. Nevertheless, Universities Scotland would be open to exploring the detailed role, duties and composition of the Council with other relevant stakeholders in order to ensure that it is best placed to carry out its functions.

A more directive role for SFC would be in direct contradiction to the strengths of university autonomy and should not be pursued, particularly if this is not recommended by the governance review.

Simplifying funding and increasing income generation

Bursaries and financial support for students from the rest of the UK

Scottish universities have brought forward a range of bursary provision for students from the rest of UK students. The level of support on offer compares favourably with that available from universities in England despite the lack of a regulator in Scotland to oversee this.

Across Scottish universities, the average fee RUK students will pay, after means-tested bursaries have been considered, is likely to be £6,270.

Students who will be eligible for means-tested bursaries will pay around £4,262 on average but many will pay significantly less. Based on the current profile of students from the rest of the UK, over 4,200 students are likely to be eligible for means-tested support.

All students from the rest of the UK, who are suitably qualified with a good set of A-levels, will be able to enter directly into the second year of a Scottish degree and in so doing pay considerably less overall for their studies than they might do in England.

These figures are based on the household income profile of current rest-of-UK students in Scotland to be as accurate as possible.

As a sector, only 46.3 per cent of universities' total income comes from the Scottish Government, via the Scottish Funding Council. We are determined to continue to grow our income generation as one strand in our efficiency strategy, with the understanding that our ability to do so is predicated on availability of public funding as a lever.

RUK fees consultation

Universities Scotland welcomes the early action taken by the Scottish Government to address the issue as presented by the UK Government's introduction of fees of up to £9,000 for all students at universities in England. As a consequence, action in Scotland was necessary and we maintain that the deregulation of fees for students from the rest-of-the-UK (RUK) domiciled students was the only workable solution. Whilst we recognise this route has been controversial it has the benefit of:

- ensuring the availability of places for Scottish domiciled students at Scottish universities
- ensuring Scottish universities continue to welcome RUK students at manageable levels
- delivering financial benefit to all universities in Scotland, not only those that currently see high levels of RUK students
- ensuring that any fee paid by an RUK student is received by the university at which the student studies.
- making a contribution to addressing the funding gap that would otherwise have widened significantly between universities in Scotland and England and so keeps Scotland's universities competitive

Changes to student fees and finance both in Scotland and the UK has inevitably brought unpredictability in student choice and behaviour - this is likely to continue beyond the transitional year. As the Scottish Government considers further legislation on this issue in 2012, it will be important to consider final UCAS data from the admissions cycle for 2012-13 as this is likely to indicate where some of these changes are occurring.

EU management fee

We note and support the Scottish Government's examination of how to ensure that students domiciled in the rest of the EU make a fair contribution to the costs of their Scottish university education. We look forward to seeing the Scottish Government's plans in due course. We would be pleased to work with the Scottish Government, SFC and NUS Scotland on examining the detailed implications and implementation of the proposals once published.

New income sources

We look forward to working with the Scottish Government to further encourage philanthropic giving although it is important to note that the shared Scottish Government/Universities Scotland Technical Group report commented on the increasingly difficult climate for fundraising, the lead-in time for such activities and the start-up costs involved [21]. It is therefore important that we do not over-emphasise the contribution that increased philanthropy is likely to make and recognise that the use of philanthropic gifts is typically restricted to specific uses.

We welcome the separate UK-wide consultation on incentivising legacies, which may encourage more people to leave legacy gifts to Scottish universities.

In both these contexts and as noted above, the prospect of merger may prove a disincentive to alumni donations and legacies, since such donations generally rely on a sense of connection with the institution. This is perhaps especially the case in an environment where externally imposed mergers are perceived as a possibility.

Efficiency savings

As referred to earlier in the response and as mentioned by name in the white paper, Universities Scotland has recently established an Efficiencies Taskforce. By Spring 2012, this group will have developed a three year plan identifying the areas with scope to achieve significant efficiencies. We already have a three per cent efficiency target for 2011-12, which we aim to meet and expect to exceed. This will be reported to SFC in due course. The sector has long been active in achieving efficiencies most notably through the Efficient Government Initiative (EGI) and its successor, the Efficient Government Programme (EGP), as shown in the recent Universities Scotland publication, *Working smarter: The Next Level of University Efficiencies*. These include:

- delivery of £143 million of cash-releasing efficiencies in the last three years;
- saving £17.5 million per annum through shared service procurement;
- developing over one-hundred examples of shared service and collaboration; and
- being recognised as an example of good practice on shared ICT infrastructure.

The sector is engaged with the McClelland Review of Public Sector ICT and the Scottish Government's Public Service Reform Board in seeking to deliver on the recommendations made by McClelland. Whilst the sector will continue to work hard to drive efficiency savings these cannot be regarded as a substitute for core funding of learning, research and capital investment in our universities.

SFC funding methods for higher education teaching and research

We are supportive of SFC's current plans to simplify the teaching funding methodology. We have been working with SFC through our Funding Policy Group and selected experts in the sector to shape these proposals and ensure the proposals are implemented in a way that supports the continuing success of the sector. We are, however, mindful of the need to keep a close watch on the impact of these changes, particularly in view of the other concurrent changes (including the new arrangements for RUK students).

If the SFC is to achieve a more strategic approach to funding, it must be one that recognises universities' autonomy, flexibility and responsiveness and builds on this in order to maximise the sector's contribution to the economic, cultural and social success of Scotland

As outlined elsewhere it is important that SFC continues to fund research excellence wherever it is found. The fact that all universities are engaged in both teaching and research is one of the distinctive features of Scottish higher education. It is crucial that important focuses of research excellence are maintained across the sector, for the promotion of our diverse research strengths, to sustain our knowledge exchange engagement with business, and to provide a rich experience for learners. Research-informed teaching is one reason for the popularity and reputation of Scottish university education.

Regional funding

As previously stated, we do not recognise the term “regional university”. All of Scotland’s universities are engaged with their local communities and regions, but all of our universities are also engaged in activity well beyond the local or regional area, looking internationally. We do not see any benefit to Scotland as a nation in artificially defining some universities as “regional” and others not. Indeed, we see great dangers as it may affect recruitment of international students or the ability of universities to compete for research funding, for example. In light of the fact that all universities provide services to learners, research funders and industry at national and international levels we do not believe that there is scope for a regional funding model for universities.

New income sources: Co-funding activity with employers

Currently, universities are able to offer bespoke and customised courses for businesses which are not eligible for SFC funding and are fully funded by industry. Data from HE-BCI indicates that every one of Scotland’s universities offers short bespoke courses for business on campus, which may range from shorter CPD to undergraduate and postgraduate level, and that 88 per cent of universities in Scotland offer bespoke courses on business premises [22]. Glasgow Caledonian University’s initiative in setting up “academies” at Masters level with ClydeUnion and Howden is a good example of this. Businesses are also able to support individual students with the sponsorship of their living costs or tuition fees (part-time students and/or postgraduate students) although there is no reliable data to record the volume of this at a sector level.

Universities are open to exploring bespoke provision or co-funding of delivery with businesses both for Scotland’s economic advantage and as a means of growing a source of income for universities but there is a need for realism in regards to the scale of new income this is likely to generate. Scotland’s business profile is overwhelmingly made up of small and medium enterprises which have less capacity to invest in customised training. Furthermore, a project in England to co-fund provision produced disappointing results even with pump-priming from the Higher Education Funding Council for England [23].

Performance, governance and accountability

Students, together with staff, make up around 40 per cent of the members on universities' governing bodies on average across the sector.



Tessa Birley
University of Aberdeen

Tessa is President of the Aberdeen University Student Association (AUSA). As such she is a member of the University's Court which meets four times a year and which has responsibility for the institution's strategic academic and business plans, and its key performance indicators to ensure that it continues to meet the interests of stakeholders, including students, staff, alumni, local and national communities and funding bodies.

At Aberdeen, students (and staff) also have a role in electing four other members of the Universities court, known as "general council assessors".

Tessa studies geography and international relations.

Universities are already subject to over 500 lines of accountability and we support continuous improvement of university governance, building on a robust framework of responsible autonomy. Nevertheless, we recognise every system is capable of further improvement and it is in this spirit we welcomed the review of university governance as announced in June 2011 and as led by Professor von Prondzynski, assisted by a panel drawn from students, unions, rectors and chairs. Our written response to the governance review made a number of specific proposals aimed at driving further improvement of the university governance regime. This can be found on Universities Scotland's website.

We welcome the Scottish Government's recognition in the white paper of the extensive benefits of an autonomous higher education sector and the corresponding and clear commitment to maintaining that level of autonomy. An autonomous sector, able to evolve with the fast-changing global context in which Scotland must compete, is an ambition we share with the Scottish Government.

Transparency, accountability and demonstrating outcomes

While universities are autonomous legal entities and formally independent of government and their other numerous stakeholders, we recognise that the ability to demonstrate accountability and transparency in relation to the public funds they receive is critical to all those who fund, learn or work at our institutions. The current mechanisms for demonstrating this accountability are exhaustive and proportionate. The chain of financial accountability involves the Scottish and UK Parliaments (for resources which come from devolved or reserved public resources), the Scottish Government, the Department for Business, Innovation and Skills (BIS), the Scottish Funding Council (SFC) and the institutions themselves. Scottish Ministers have (and use) the capacity to impose Conditions of Grant on universities through the SFC which institutions must comply with in order to receive funding.

In particular, the use of public funds by universities is regulated by the terms of the Financial Memorandum between institutions and the SFC. This document is crucial in the sector's accountability to the Scottish Government for the funds received and makes explicit that university governing bodies must ensure that:

- public funds are used in accordance with relevant legislation and only for the purposes for which they are given;
- the institution strives to achieve best value from its use of public funds from all sources; and
- the institution takes appropriate account of Scottish Ministers' priorities as expressed in the Council's further and higher education policies and drawn to the institution's attention by the Council

Additionally, the institution undertakes to adhere to the Council's mandatory requirements (as notified to the institution in circular letters) and to take account of relevant good practice in the management and governance of all its activities and resources including its:

- staff, human resources and industrial relations practices;
- estates and equipment; and
- finances, and risk and internal control procedures.

The SFC has responsibility for ensuring that institutions are making proper arrangements for financial management and accounting and are using public funds in ways which are consistent with the purposes for which they have been allocated. To this end, the SFC requires that all institutions comply with the requirements of the UK Combined Code on Corporate Governance 2008 (Revised May 2010). In so far as they relate to the higher

education sector, particularly in relation to processes of internal control and audit and the publication of accounts.

In addition to these lines of accountability to Scottish Ministers and the Scottish Parliament in relation to public funds received, universities publish audited accounts covering the full breadth of their income and expenditure and make these freely available on their websites. Universities are also subject to oversight and are accountable for their actions through the statutory powers vested in the Office of the Scottish Charities Regulator (OSCR), the Office of the Scottish Information Commissioner (OSIC), the Scottish Public Services Ombudsman (SPSO), and The Auditor General for Scotland. A wide range of reporting requirements are also placed upon them by funders, philanthropic donors, quality assurance bodies and a wealth of subject and professional bodies concerned with academic standards. In comparison to international standards, the level of reporting and transparency required is significant, even compared to jurisdictions with a similarly high level of autonomy.

The formal external mechanisms detailed briefly above, and more fully in the US submission to the review of HE governance, provide a suitably proportionate level of accountability for the level of public funds that universities receive and are supplemented by the internal scrutiny provided by the interlocking sub-committees of Senate and Court which provide a more detailed oversight of university activity. Arguably, they may be less useful in recognising the “social contract” that universities will deliver societal benefits in return for public investment. In recognition of the need to more explicitly demonstrate how this investment in universities secures economic, social and cultural outcomes for Scotland, Universities Scotland has already recommended to the current review of HE governance that key stakeholders should work together to agree a framework for the periodic updating and publication of indicators of universities’ economic, social, and cultural contribution. These should build on existing structures such as the Tripartite Advisory Group (TAG) and the sector-level outcome statement which was developed in 2010.

Role of the Privy Council

Another issue, first raised in the Scottish Government’s 2010 Green Paper *Building A Smarter Future: Towards a Sustainable Scottish Solution* and revisited here in *Putting Learners at the Centre*, is the role of the Privy Council in the governance arrangements of Scottish universities.

Scottish universities are generally supportive of any proposals to de-regulate higher education governance and remove, reduce or relax other regulatory and reporting requirements, including Privy Council controls. However, any changes must be carefully considered and consulted upon to ensure that the effort expended in delivering change is sufficiently balanced by the reward achieved. For example, change that resulted in efficiency gains in time and resource that can be reinvested in institutions’ core activities would be welcomed. It is important to recognise that the impact on institutional efficiency achieved by further limitation of the regulatory role of the Privy Council may not be significant. A greater level of benefit in this area may be achieved by minimising the regulatory burden on institutions from all departments and agencies under the Scottish Government’s control.

Scottish universities and their staff feel that, despite some frustration over what is inevitably a lengthy and bureaucratic process, engagement with the Privy Council at least allows for a thorough investigation of the logical and legal rationale for proposed governance changes. In considering any revision of the current role of the Privy Council in relation to Scottish universities, the Scottish Government should only consider alternative procedures that offer the same proportionate level of scrutiny, but that are more efficient, swift, and transparent. Universities Scotland would welcome the opportunity to engage

in further discussions with the Scottish Government about removing or further limiting certain Privy Council controls, where it can be evidenced that this will reduce the bureaucratic burden on institutions and deliver benefit for the sector.

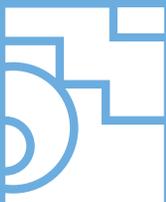
Quality and public information

We welcome the Scottish Government's acknowledgment that Scottish universities' quality enhancement framework is one which is distinctive, internationally-recognised and fit-for-purpose. Universities in Scotland recognise the need to provide all stakeholders, including students, with public information about quality. This is one of the key elements of the quality enhancement framework in Scotland. In addition, Universities Scotland is working closely with institutions and the Scottish Funding Council to determine the sector's response to the introduction of Key Information Sets (KIS) in England from 2012 so that learners have access to a relevant set of comparative information.

End notes

1. Universities Scotland (2010) *Towards a Scottish Solution: Universities Scotland's first contribution towards finding a sustainable Scottish solution.*
2. *SFC hub data*
3. *Scottish Government (2011) Putting Learners at the Centre, Paragraph 37*
4. Research undertaken for ELRAH by the Centre for Educational Sociology at the University of Edinburgh.
5. *Scottish Government (2011) Putting Learners at the Centre, Paragraph 69*
6. Bill Maxwell, transitional CEO of Education Scotland to the School Leaders Scotland Conference, November 2011
7. LEAPS, Common Themes and Impact, An updated report into the impact of the LEAPS Programme from 2001-2010, published March 2011.
8. OECD Education at a Glance
9. European Commission (2011) Report to European Parliament, p2. *Supporting growth and jobs – an agenda for the modernisation of Europe's higher education systems*
10. HESA Destinations of Leavers of HE. Data released in 2011.
11. 2008 Research Assessment Exercise
12. *Scottish Government (2011) Putting Learners at the Centre, page 12*
13. *Scottish Government (2011) Putting Learners at the Centre, para 21*
14. *Edinburgh University (2011) Exploitation Efficiency Report.* <http://www.research-innovation.ed.ac.uk/information/>
15. *Interface at www.interface-online.org.uk*
16. *Research report conducted by Lindsays WS and the University of Edinburgh. Not yet published.*
17. *Universities Scotland, NUS Scotland, UCU Scotland (2011) Statement of Common Cause - can be found here: www.universities-scotland.ac.uk/publications*
18. *Universities Scotland (2011) Working Smarter: The next level of university efficiencies www.universities-scotland.ac.uk/publications*
19. *Scottish Funding Council: www.sfc.ac.uk/about_the_council/council_board_committees/council_committees/QEGPC/council_committee_qegpc.aspx*
20. *University of Aberdeen Strategic Plan 2011 - 2015 Our Ambition, Mission and Values cites the University's ambition to be a global and internationally renowned university as well as embracing its role as "a regional university contributing to the community and making the most of our academic leadership and civic positioning." www.abdn.ac.uk/about/strategic-plan-mission.php*
21. *Scottish Government & Universities Scotland (2011) Report of the Scottish Government-Universities Scotland Technical Group on Higher Education*
22. *HEFCE (2011) Higher Education Business & Community Interaction Survey*
23. *HEFCE (2011) Employer Co-funded Provision http://www.hefce.ac.uk/pubs/hefce/2011/11_12/*

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