Institutions

Policy and background

With higher education devolved to Scotland there are a great many funding and policy issues that diverge considerably from the rest of the UK. There are, however, many challenges which are shared by the higher education sector across all four nations, for example supporting students with their mental health, working to prevent gender based violence within staff and student communities and achieving gender equality. Given current constitutional arrangements, it can be seen that Scottish universities operate within a Scottish, UK, European and international context.

Higher education in Scotland is part of a UK ecosystem for higher education in regard to UKRI, the Industrial Strategy and some aspects of innovation funding. Immigration policy is another reserved area that has a considerable bearing on the sector in Scotland. Policy and funding changes to higher education in one
part of the UK have both direct and indirect consequences for the rest of the UK because of the scale of interconnectedness. This is particularly the case for change driven by the UK Government on behalf of higher education in England given its large scale, relative to its neighbours. The UK Government’s Review of Post-18 Education is of significant interest to Universities Scotland and its members despite not directly affecting the primary means of funding teaching in Scottish higher education.

**The Scottish context for higher education**

Important factors to take into consideration when examining higher education policy in Scotland–

**Widening Access:** The First Minister’s emphasis on widening access to higher education with the goal that by 2030, 20 per cent of Scottish-domiciled entrants should be from the poorest 20 per cent of neighbourhoods. Institutions in Scotland, through their representative body, Universities Scotland, have responded to that challenge by working collaboratively across the sector to produce a set of 15 actions in the publication ‘Working to Widen Access’ that focus on admissions, articulation from college with advanced entry into university and bridging programmes with schools. including greater use of contextualised admissions and minimum entry requirements.

**The Skills and Enterprise Board:** This was created in 2017 to sit above the Scottish Funding Council and other skills and enterprise agencies and present Scotland with the opportunity of a more joined up approach to the shared challenges of economic growth and improved productivity. The board also presents higher education with the opportunity to be a very central part of the solutions.

**Sustainable funding in higher education:** The Scottish Government’s budget for 2018/19 was generally welcomed by the Scottish higher education sector as it marked a 1.1% increase compared to the previous year. Universities Scotland reported that its top priority from the budget was the real terms protection of the Teaching Grant. The revenue settlement was, however, still less than inflation and marked a continuous decline in higher education funding in real terms. Audit Scotland’s 2016 analysis of HE funding warned of ‘underlying risks’ to Scotland’s university sector as a result of mounting funding pressures. It called on the Scottish Government to ensure ‘its approach to funding higher education is sustainable in the longer term if it is to deliver its policy ambitions’.
Scotland’s universities face the additional challenge that additional investment in research and knowledge exchange in universities in England is not transferring into increased budgets for Scottish institutions, via consequential funding. This has the potential to erode its competitive edge. England’s Higher Education Innovation Fund will increase from £150 to £250 million between 2015/16 to 2020/21. By comparison, Scotland’s equivalent University Innovation Fund is down 22% over the four year period from 2015/16 to 2018/19. Funding for research and knowledge exchange in English universities, via Research England will increase by 20 per cent in real terms to 2020/21. Scottish universities have received no commitment that the consequentials of this funding will be passed onto research in Scottish higher education.

**Issues at a UK level**

The Review of Post-18 Education: The Review relates to higher education and technical education in England but any decisions taken as a result of its recommendations, will have implications for higher education providers in the devolved nations. This is not acknowledged or clarified in the Review’s Terms of Reference. Universities Scotland has written jointly with the representative bodies in Wales and the two universities in Northern Ireland to request that the Review gives full consideration to higher education in the devolved nations. Just under 50,000 students from England choose to study their undergraduate higher education in universities in Wales, Scotland and Northern Ireland every year. The current English tuition fee and funding model moves with them and has become a significant part of the funding mix of the institutions in which they study. Over 38,000 students domiciled in the devolved nations decide to study in institutions in England. This mobility offers great benefits to students and institutions, therefore it is desirable that this should continue with any reforms that are implemented.

Teaching Excellence Framework – subject level TEF: Five of Scotland’s universities decided to take part in the TEF; three received gold and two received silver medals. Even with this participation, it is important to note that every Scottish higher education institution remains committed to the existing system for teaching quality, the Quality Enhancement Framework, which pre-dates the TEF and has the full support of staff and students. Scottish institutions are engaged with TEF as it continues to develop for future years, but have a number of concerns about its development into subject-level assessment. These concerns centre around the credibility of the assessment process, the likely burden on institutions of both the subject-level TEF models being piloted.
Universities Scotland have express concerns that it is unclear as to how subject-level TEF could adequately take account of the multi-disciplinary nature of four-year Scottish degrees (the various pathways and flexibilities available to learners) and worried about the possible use of metrics for teaching intensity and grade inflation. The Department for Education’s technical consultation on subject-level TEF closes on Monday 21 May.

**UK Research and Innovation:** The Scottish higher education sector has concerns about the institutional structure of UKRI, which brings Research England into the UK-wide organisation. In launching the UKRI infrastructure roadmap, the Minister talked of “better alignment” of the Research Councils with Research England’s quality-related funding. That kind of purposeful alignment, whilst logical for institutions in England, could pose challenges for institutions in the devolved nations. Without robust processes institutions in devolved nations will not benefit from synergies created by this coming together of people and funding. Currently, Scotland wins 14.7% of total UK Research Council project funds due to research excellence across its institutions. Concerns have therefore been expressed that Scottish institutions’ competitive edge will slip away as a result of structural change rather than research performance.

During the passage of the Higher Education and Research Bill, which created UKRI, former parliamentary under-secretary of state at the Department for Business, Energy and Industrial Strategy (BEIS), Lord Prior committed to the possibility of developing memoranda of understanding (MoUs) and an intention to include the need to ‘regularly consult on strategy with devolved administration colleagues’ in UKRI’s guidance.

**Industrial strategy:** The Industrial Strategy presents exciting opportunities for Scotland. As sector deals are developed, they need to be genuinely UK-wide. As further waves of the Industrial Strategy Challenge Fund are developed, they need to reflect the industrial strengths across the whole of the UK.