

## By Email

Our Reference: 23-033

13 July 2023

Mr Graeme Dey MSP  
Minister for Higher and Further Education and Minister for Veterans  
The Scottish Government  
St. Andrews House  
Regent Road  
Edinburgh EH1 3DG

Dear Mr Dey,

## Independent review of the Skills landscape

I am writing to you in my capacity as Convener of Universities Scotland's Learning and Teaching Committee with an early response in relation to the recently published Withers report on Skills.

We broadly welcomed the publication of the Withers Review: you can find Universities Scotland's initial reaction [here](#). However the Review raises a range of implementation issues that will require very careful consideration by Scottish Government.

We are pleased to see:

- The learner centred approach.
- The emphasis on parity of esteem and recognition of the false dichotomy between 'academic' and 'vocational' education.
- The recognition of the breadth of universities' role in skills development.
- The support for lifelong learning and part-time learners.
- The call for a more flexible graduate apprenticeship model.

We would like to see clear joined-up policy-making from the Scottish Government in response to the recommendations in the Withers review, the purpose and principles work, the Hayward review, and the work to implement the careers review. The interfaces, interdependencies, and connections need to be identified to avoid potential duplication. We also see the need for this policy-making to make the necessary links with the innovation strategy and the entrepreneurial campus report so that any changes made by SG support universities' integrated contribution across teaching, research and innovation. We strongly believe that the integrated contributions of universities to the Wellbeing Economy across the breadth of their work need to be supported by fully-integrated policy-making across SG. We look forward to Ministers across the Scottish Government co-creating the policies to

achieve that, and co-owning the accountability of any new funding bodies set up in the light of the Withers review.

As the Scottish Government takes forward the opportunities in the report, there are some issues that we think will require sustained attention and we have set these out below.

We would welcome close engagement with you, your officials and public bodies as this work progresses.

### **Omissions**

The Withers Review makes no mention of research and innovation, despite the important connections between skills and innovation and between teaching and research. Research, teaching and innovation are deeply integrated activities at university, with many staff having commitments to all these areas of activity. In Scotland, we have always been committed to research-informed teaching so that students graduate with relevant leading-edge knowledge that will enable them to be successful in their chosen careers. This is important to our attractiveness to students from Scotland the UK and the wider world. We need to keep this connection, not least because of the opportunities research-informed teaching offers for developing the broad 'meta-skills' needed for success in a fast-changing economy. University research and innovation is a key part of the innovation strategy, and Withers Review implementation policy-making needs to be absolutely clear how any changes will support universities' integrated contribution across teaching, research and innovation.

The report also does not mention international students or rest of UK students who represent a sizeable number of students in our institutions. We cannot lose sight of their needs, particularly as some of these students are part of Scotland's future workforce. Scottish universities' provision must be supported to meet needs that are broader than intra-Scottish workforce development, and that bring wider benefits to Scotland including the talent and economic contribution of RUK and international students.

### **Single funding body**

We note the desire to create a single post-school funding body in both the review and the purpose and principles work. We think that this is a complex issue and we have serious concerns that a disaggregation of the public bodies funding university teaching, research and innovation will lead to less effective policy and funding support for universities' integrated contribution across these areas. We strongly value having a single public body, at arm's length from government, able to support the breadth of universities' contribution.

We are also concerned that research and innovation and other important areas of universities' contribution may be overlooked by a large (and potentially unwieldy) post-school funding body. For instance, taught postgraduate and research postgraduate students, small specialist institutions, and the needs of the creative sector are important but are largely overlooked in the Scottish Government reviews and papers that have been published this June. This gives us some concern in

case they are not fully reflected in implementation policy-making, or in the future priorities of a single post-school funding body.

There are risks that a complicated, drawn-out legislative and organisational process to change the funding bodies distracts the Scottish Government from other pressing issues in the education space. We would favour simpler less time-consuming and less resource-intensive solutions to supporting the breadth of universities' contribution. We are keen to work with SG on further enhancing universities' contribution to the Wellbeing Economy and do not see complex organisational change in the public bodies landscape as a priority for achieving that.

## **Funding**

We note the recommendation to look at one funding model for post-school qualifications. Whilst we obviously support fairness and clarity in how funding is distributed, we do not support simplicity at the expense of supporting excellent higher education provision in a way that reflects its cost. It is important that universities (and colleges) receive sufficient funding to teach and support students. [Audit Scotland](#) has previously identified that Scottish universities are underfunded for teaching, even before the current period of sustained high inflation, and that they rely on cross-subsidies from international student tuition fees to a degree that we believe is unsustainable in the medium term.

We would not welcome an extension of a commissioning model such as SDS currently use. This would be an expensive and bureaucratic way to distribute funding and gives institutions little security to make long term decisions. The majority of university provision is multi-year in nature, and has a multi-year lead time to develop, so annual commissioning is an inefficient way of supporting it.

We see opportunities for evolving how upskilling and reskilling courses are funded and how graduate apprenticeships and wider forms of work-based learning are funded. We would like to see more flexibility to offer work-based higher education where there is demand across a greater range of professional disciplines. This need not necessarily be confined to the current graduate apprenticeship model – we would like universities to be supported to work entrepreneurially with businesses to develop agile work-related provision that meets business needs not currently included in the graduate apprenticeship framework. Within the current graduate apprenticeship model we seek sustainable multi-year funding at a level that reflects the real costs of this provision. It is also important to have a longer lead-in time for funding to enable timely conversations with employers.

We think there is merit in exploring ideas for securing employer contributions to funding upskilling/reskilling provision or wider aspects of work-related higher education. This however needs to be done on a realistically affordable basis for business given the current economic climate and the preponderance of SMEs in Scotland, who typically have lower resources available to invest in workforce development.

Relatedly, we would be pleased to work with the enterprise agencies to ensure that their work can draw on the full range of courses (including graduate apprenticeships and upskilling and reskilling courses) that we offer.

We also appreciate the need to continue to work effectively with colleges in relation to the varied menu of skills provision that we collectively offer.

### **Student support**

We welcome the recommendation to look at maintenance support for part-time (PT) students. It would also be beneficial to look at support for PT fee costs. The eligibility threshold for the part-time fee grant has not increased in nine years and this is pricing students out of higher education. We are keen to work with you and SAAS to address these issues.

The cost-of-living crisis has been challenging for many students. Universities and students' associations are doing a variety of good work to support facing financial hardship. However, the more fundamental question is whether maintenance support for students is sufficient, and we would support work to look at this issue.

### **Skills planning**

We see skills planning as very complex and challenging. We note the difficulties that the Scottish Government has had in workforce planning for teachers and nurses, even when both the number of entrants and the number of jobs are largely within the public sector. Based on universities' experience we remain sceptical of 'planned economy' attempt approaches to align educational provision with anticipated vacancies. We do not expect this to be successful in an open economy where, as Withers recognises, the skills needs of the future economy are not predictable in any detail. We are also very conscious that many learners are mobile across Scotland, the UK and the world to seek the right course; and that many graduates are also mobile to seek the right professional opportunity. Intra-Scottish and intra-regional skill planning are therefore only a part of a much wider and more complex picture. (See [here](#) for AGCAS research on the 'stickiness'/ mobility of graduates in different parts of Scotland.)

We were pleased to see recognition of the important role of universities in regional economies. We are keen to understand more about how national and regional skills planning will interact and how funding arrangements will work.

We are keen to avoid any skills planning arrangements risking any ONS classification change for universities, which would be hugely problematic for universities and for government. Any changes that increase government influence/ direction over university provision will tend to increase the risk of reclassification of universities to the public sector.

### **Quality**

We would strongly suggest that the SFC's work in developing a common approach to quality (or tertiary quality framework) forms the basis for quality arrangements in colleges and universities. This approach has buy-in from both sectors and, crucially, it will continue to support our international reputation on quality by ensuring that we continue to meet the European Standards and Guidelines on quality (which are a critical indicator of quality for international partners, whether in Europe or not) and by continuing an enhancement-led approach.

SFC has recently commissioned the QAA Scotland to deliver the external reviews and enhancement sector across colleges and universities. We believe that this is the right approach with the right agency and will secure the internationally respected enhancement-led quality system, including external peer-reviews. Peer reviews and independence of quality processes from government are both important factors in meeting the European Standards and Guidelines.

We note that the purpose and principles is clear that the new qualifications body would have responsibility for post-school qualifications, except degrees. We agree, but not all university awards are degrees, and it will be important to clarify that the qualification body is not responsible for any qualifications where a university is the awarding body.

### **Data**

We note the desire to see more join up in data. We are concerned that there are several other initiatives to look at data for accountability purposes at present including data for the new quality arrangements, the purpose and principles logic model, and SFC's work to set up a national impact framework. We would like to see a more joined up approach.

Data needs to be interpreted and institutional context is an important factor in doing that. Although there is often similar data for colleges and universities, there can be important technical differences in the specifications which make direct comparisons misleading. Whilst one could revisit the metrics, there is value in time series and (in the case of university data), UK-wide data which is useful for benchmarking.

We look forward to engaging closely with the you, Scottish Government officials, and public bodies as you look to take these recommendations forward.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S. Olivier', written in a cursive style.

**Professor Steve Olivier**  
**Principal, Robert Gordon University & Convener of US Learning & Teaching Committee**