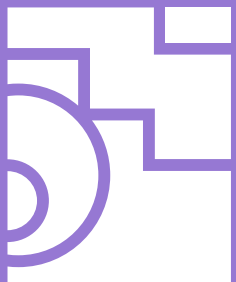
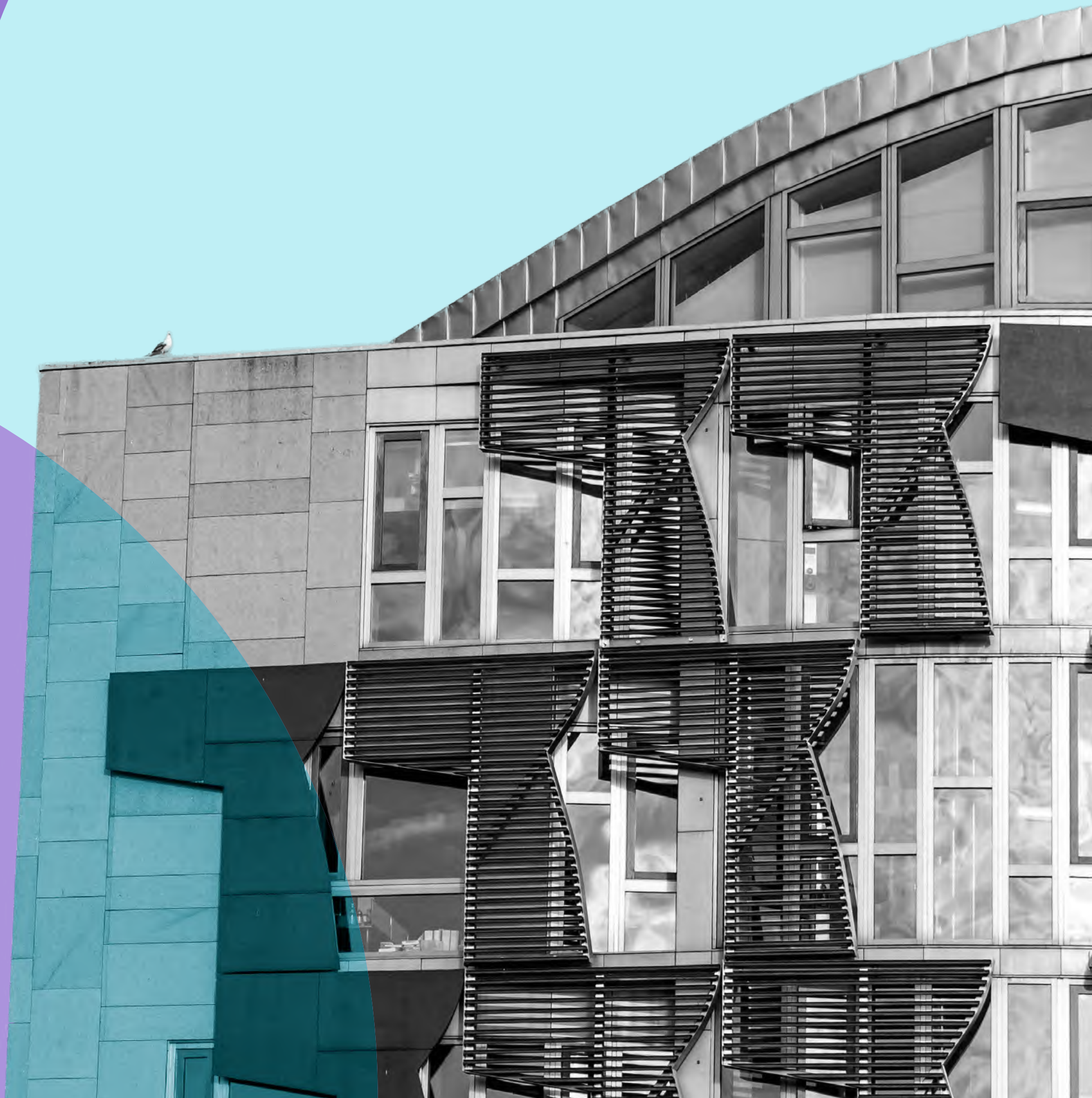


Universities
Scotland



Our universities in support of Scotland

A manifesto for the 2026
Scottish elections



Introduction

Scotland stands at a pivotal moment. At a time of global uncertainty, rapid technological transformation and national demographic change, the policy and funding choices made in the next Scottish Parliament will not only determine the country's immediate trajectory but will also shape the social, economic and civic fabric of Scotland for decades to come.

The question is not simply how to respond to today's challenges, but how to build the foundations for long-term prosperity, resilience and opportunity in every part of the country.

Universities are central to those foundations. The contribution they already make to Scotland includes:

- A collective economic impact exceeding £17 billion a year.
- Being amongst the country's largest employers in their regional economies supporting more than 55,000 jobs as well as being core to extensive supply chains and local spending. an exceptional return on public investment in

research and innovation, generating almost £11 for every £1 spent. This drives productivity, attracts international talent and capital, and converts ideas into solutions that benefit businesses, public services and communities alike.

- The backbone of our talent pipeline, universities make the single largest contribution to meeting the nation's high-level skills needs, educating students at undergraduate and postgraduate level, supporting lifelong learning, and enabling upskilling and reskilling across careers. This demand is set to grow with **88% of new jobs** forecast to be at graduate level by 2035.

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- An important role in social justice, widening and equalising access to higher education. University-led reform means that Scotland has the most progressive admissions policies in the UK and shifted the dial on access so unprecedented numbers of care-experienced people and students from the poorest 20% of areas across Scotland now enter university.

- A civic role extending far beyond campus boundaries, from city centres to rural and island communities: universities contribute to community development, cultural life and social mobility, while working in partnership with local authorities, third sector organisations and industry.

The single most important action that the next Scottish Government and Parliament can take in support of its universities, is to engage both meaningfully and timeously

with the final product of the *Future Framework for Sustainable and Successful Universities*, to see it through to implementation from late 2026 onwards. It will do much of the evidence-lead bold thinking over a 20-year horizon.

As that work is already in train, this manifesto seeks to avoid pre-empting the conclusions of that work. Instead, the policy proposals set out here are designed to sustain the sector’s significant contribution to Scotland, whilst paving the way for the bold, transformative change to come from the Framework.

We ask all parties contesting the 2026 Scottish elections to support universities in the same way.

If Scotland is to realise its ambitions over the next generation, the policy environment of the coming five years must recognise and enable the full contribution of its universities. Choices made now will determine whether these institutions can continue to power inclusive growth, opportunity and wellbeing for the long term.



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1

Support the Framework for the Future of Universities

Scotland's universities are facing an unprecedented level of financial challenge with 11 institutions in deficit and no certainty for the future.

Scotland urgently needs to chart a sustainable funding future that enables universities to thrive and that is future-proofed for the scale of demographic and technological change coming our way.

The Future Framework for the Sustainability and Success of Scotland's Universities

launched in December 2025. Jointly-led by the Scottish Government and Universities Scotland, it is backed by student and staff unions, employers and on a cross-party basis. It will report in the autumn of 2026. Working within the parameters of a public funding model, it will:

- quantify the scale of the funding challenge facing universities.

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- consult widely with stakeholders on evolving needs and expectations of universities over the next 20 years.
- consider sector-led transformational change and look to bring together all elements into a new Framework that can start to be delivered over the lifetime of the next Parliament.

We call on all parties to recommit to playing an active part in designing an ambitious and sustainable future for Scotland's universities and all who depend on them through the Framework process.

We ask for meaningful engagement with the report's conclusions from the next Government and Parliament and continued cross-party support for the development of an implementation plan within a year of the Framework's publication.

2

Re-introduce low interest borrowing for university estates

Universities are custodians of a significant estate, a central element of our students' experience as well as the working environment for our staff, belonging to their wider community and forming a significant part of Scotland's heritage and culture. Maintaining those facilities is expensive and institutions have carried unplanned costs due to RAAC and unsafe cladding. The backlog of investment needed to upgrade existing buildings

to 'satisfactory' condition is £850 million. Last year, public investment in university buildings was only £5 million, substantially reduced in 2023-24 by 77% with only small uplifts in subsequent budgets.

Low-cost loans like Financial Transactions, supported by Government, go some way to bridge this gulf and help universities to avoid borrowing at commercial rates in times of financial challenge and high risk.

Access to low interest borrowing routes, like financial transactions, at a scale of £100 million, would help institutions to invest and work towards achievement of net-zero climate goals for buildings, all with minimal impact on the public purse.

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3

Weave universities directly into skills narratives

Words matter when it comes to shaping skills policy. We ask all parties to respond to James Withers' call-to-action on skills head-on, to overcome the false dichotomy between vocational and academic skills, which he called "inherently problematic", by directly referencing universities and university skills provision when talking about Scotland's skills. Not enough action has been taken since then to address this culturally persistent and divisive approach to skills.

Universities develop highly-skilled graduates who will go onto be future leaders and change-makers. We would welcome clear recognition that universities are one of the core providers of skills provision in Scotland, alongside colleges, employers and other training providers.

Party manifestos for the next Parliament are an opportunity to signal a much-needed change to the skills narrative for the next Parliament.

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Make universities a key partner in regional and national skills planning

Universities are a key player in the skills landscape, offering degrees alongside a wide range of work-based learning and higher skill level programmes.

Post-graduates often go on to fill some of the most highly skilled posts in industry and only universities can provide these highly skilled members of the workforce.

This provision is crucial to Scotland's economy and it is vital that universities are represented in both regional and national skills groups as Scotland implements new approaches over the lifetime of the next Parliament.

5

Level the playing field for all earn-and-learn models at university

The Future Framework is the right process to determine the strategy for Scotland's high-level skills over the next 10-20 years but there are short term

wins to be had in this space too. Universities are ready and able to address existing skills shortages in our economy, such as town planners and our healthcare professionals in the NHS to name just two, but excessive red-tape and funding inconsistencies are currently hampering universities' efforts to do this via graduate apprenticeships and other earn-and-learn programmes. Quick action taken by the next Government to oversee a

leaner, more responsive process to green-light new graduate apprenticeships would strip away one barrier to growth of this provision. If we can get this right quickly after the election, it would also unlock another obstacle facing universities. At the moment, where a university responds to employer demand for earn-and-learn models, but can't get them badged as apprenticeships, the university loses out on £1,820 of funding per person, per year, to invest in

the apprentice's education and training. With serious funding pressures facing universities, this is a financial disincentive in an area of skills provision the sector would hope to see grow. There are bigger, systemic issues to address in order to fully unlock the potential of all university earn-and-learn models but addressing these two issues early on in the next Government, would be a strong signal of intent about doing things differently.

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Finance a Future Skills Fund

By autumn 2026, the Future Framework will have answered questions on how best to deliver Scotland's highly-skilled workforce over the next 20 years; anticipating and responding to changing needs over that period. The focus beyond that shifts to implementation but that will take time.

We also need to take action now, in support of our workforce in 2026. A co-designed £7.5 million Future Skills Fund should be created to support new, flexible and short courses at SCQF level 7+ which have a clear link to regional and national skills

needs to enable the retraining and upskilling needed to seize opportunities in emerging and fast-growing industries.

Available from the first budget of the next Government and on a recurring annual basis for at least the lifetime of the next Parliament, this would boost employer and university confidence to commit to five-year plans for workforce development in what has previously been a high-risk space for both actors given the unpredictability of funds.

This funding commitment should be made in addition to universities' core teaching grants.

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7

Create a new Cabinet post to champion research and innovation

Scottish research excels at quality and sets the standard for collaboration, with twice the global average rate of collaboration between universities and business. It is a major asset in shaping public policy and supporting public sector reform. Yet Scotland has never had a Cabinet position for research or innovation, which means this phenomenal national asset has not received the consistent support or profile within Government that it deserves.

Having research explicitly within a Cabinet portfolio will better connect discovery-led research to innovation policy, strengthening the link

between the Government's economy and higher education initiatives. The Scottish Government's convening power, influence with industry and ability to pump prime initiatives could help to galvanise the impact of this world class asset and advocate for Scottish research within the UK, in Europe and internationally, all of which hold the potential for greater leverage of investment into Scotland in support of economic growth.



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Invest to innovate

Scotland's universities are hugely successful in creating spin-out and start-up companies, but spin-out support can be patchy and inconsistent, with too many short-term initiatives creating confusion and inconsistency. The sector has welcomed the university **Proof of Concept Fund** introduced by the Scottish Government this year, which complements and enhances a similar UK-wide scheme. A strategic expansion of the Fund with an increased, multi-year investment would bring welcome predictability to a key source of business development support, and send clear signals to the innovation and investor

community about the Scottish Government's commitment to business growth. £30 million over the lifetime of the next Parliament would enable this growth and stability.

The Scottish Government must also make a sustained, coordinated effort to foster the conditions needed to enable scale up in Scotland, so that successful, growing companies and jobs stay here. Scotland's Innovation Strategy commits the government to working with the sector

to secure cornerstone investment in a new university Innovation Fund, specifically focused on late stage R&D with spin-out potential. This type of targeted investment vehicle is already delivering results elsewhere in the UK, as the success of Northern Gritstone and Midlands Mindforge demonstrates. We want to see commitment to a Scottish fund, working with the sector and potential investors to get it up and running as soon as possible.



9

Commit to keep the international fee levy out of Scotland

Adding a levy – essentially a tax – on international student fees would take at least £85 million of income off Scotland's universities at a time of financial precarity and cut across Scotland's values of being open and welcoming to the world.

Application of the levy could hurt international recruitment in a context in which institutions are trying to diversify their markets as part of risk management and financial resilience. Scotland has devolved discretion on whether to apply the levy.

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Support international growth



Scotland's universities are truly international and attract students from around the world. Almost 74,000 international students choose Scotland as a study destination and our partnerships reach across more than 150 countries. The wider economic benefit to Scotland is in the region of £4.75 billion. However, this level of success cannot be maintained in the current challenging environment without support and the Scottish Government has a key role in promoting Scotland as a destination for international students and academics.

There are 3 actions that would support more sustainability to internationalisation:

- Recognition from Scottish Development International that higher education is a key export sector in its own right would put it on par with the food and drink sector, or life sciences, and could create new opportunities for sustainable, ethical and responsible international recruitment and transnational education.
- Continuation of the "Destination Scotland" marketing budget through the Brand Scotland

partnership for the duration of the next Parliament. An increase of the budget to at least £600,000 annually would help Scotland to remain a destination of choice for international students.

- We want to see the role of International Trade Envoy for Higher Education continued for the lifetime of the next Parliament and more action taken in collaboration between the role of Envoy, Scottish Government and its agencies in support of growth for Scotland's economic benefit.

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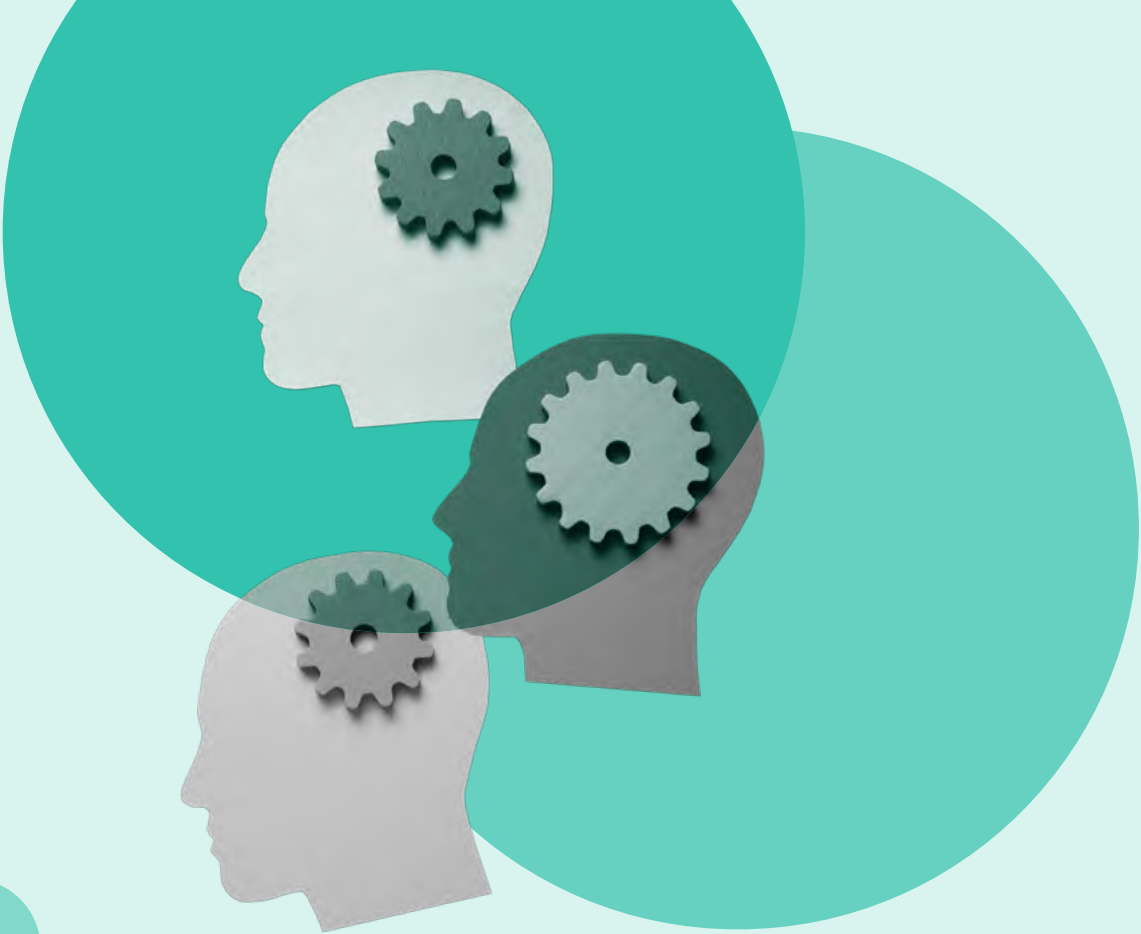


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Provide sustained investment for student mental health and wellbeing support services

The complexity of mental health and wellbeing needs, and the associated demand for support and services, remain high priorities for institutions in enabling the success of their students and staff. Every student should be able to access flexible and locally integrated support.

This means sustained investment to help institutions work closely with NHS Scotland and community services, enabling them to provide and/or access training as part of a coordinated offer.



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Introduce a unique learner number for learners

Starting in P1 and staying with learners throughout their life, a unique learner number would blend an individual’s record of achievement with their personal data to ensure learners get the right support at the right stages and transition points. This could build on the information sharing provision in the Tertiary Education and Training (Scotland) Bill in regard to data sharing between schools, colleges, universities and others. A unique learner number could improve learners’ journeys through education, particularly those underrepresented or

disadvantaged. It could help minimise duplication in all tiers of education and support the evaluation of interventions around equality and access.



13

Restore discretionary funding for students

Government-supported discretionary funds are a vital safety net for students from all walks of life who suddenly face sudden financial hardship. We want to see restoration of a £16 million annual Discretionary Fund available to students at university and to see this level at least maintained in real-terms (using CPI or higher) over the lifetime of the next Parliament so the scale of funds available tracks the cost-of-living as faced by our students.

14

Developing innovative student housing models

Affordability rather than availability is the biggest single issue now facing students in regard to accommodation in Scotland’s cities and regions. The convening power of the next Scottish Government will be key to leading work with the sector, local authorities, and housing providers to explore and develop innovative models of student housing to improve access to safe, suitable and affordable accommodation. This also means creating the conditions needed for investment.

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Reverse the decline in clinical researchers on the NHS frontline

Over the last ten years Scotland has seen a 30% drop in the number of clinical academics – the doctors and health professionals who work on the wards treating patients as well as in the lab doing the research that aims to improve patient outcomes. The positive impact these professionals have is measureable; patient outcomes are proven to be better in hospitals that have clinical academics and every £1 invested in medical research returns around £1.25 annually to the wider economy.

Scotland needs to deliver Professor Chinnery’s Roadmap of solutions to reverse this decline and secure the future generation of clinical academics. It needs a coordinated response from Scotland’s Chief Scientist, NHS Education for Scotland, universities and health boards.



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Invest to establish Scotland’s first biomedical research centre

Biomedical Research Centres (BRC) focus on developing and translating new, cutting-edge, life-saving medical interventions and treatments within a strong NHS-university research environment. They improve patient outcomes, including novel therapies and faster diagnostic tools, and the UK’s global health research standing.

The model is proven in England, where there are 20 BRCs in different locations, backed by investment.

Patient-focused breakthroughs from the BRC model include faster diagnostics in cancer treatment, work on diabetes and motor neurone disease and the key role the BRC players in the Oxford/ AstraZeneca covid vaccine.

The next Scottish Government should commit to exploring options to establish one or more BRCs in Scotland, bringing together relevant stakeholders from across the NHS and universities, with a focus on ensuring the Centre has a positive impact in all corners of the country.

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**Commit to
coordinated
collaboration
to strengthen
the NHS**

Scotland’s NHS faces complex challenges; an ageing population, rising demand, and the need for preventative, digital, and community-based care transitions requiring inclusive, coordinated solutions. There needs to be multi-stakeholder collaboration among health boards, local authorities, higher education, social care, third-sector and private partners, alongside patients and communities. Success depends on clear governance, shared data,

co-design, and strategic workforce planning to build a resilient, digitally skilled and adaptable health and care workforce.

Support from the next Scottish Government is needed for a coordinated national approach to placement provision and innovation to meet the clinical experience requirements of student medics and those on nursing, midwifery, and allied health professional courses.

At present, the lack of placement opportunities is limiting growth of the NHS’s future workforce. We believe by pooling expertise and resources, Scotland can create an NHS that is sustainable, equitable, and responsive to the needs of its people now and for generations to come.



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About Universities Scotland

Universities Scotland represents Scotland's 19 universities and higher education institutions.

We are their collective voice, bringing them together to pursue a common cause: thriving universities, serving society and the economy.

For more information:

www.universities-scotland.ac.uk

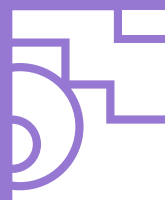
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