20 October 2016

James Dornan MSP
Convenor
Education and Skills Committee
The Scottish Parliament
Edinburgh
EH99 1SP

Dear Mr Dornan

Thank you for the opportunity to contribute to the Education and Skills Committee’s pre-budget scrutiny process on the Scottish Funding Council, as set out in your letter of 23 September 2016.

On behalf of the University of the West of Scotland, I provide some comments below (restricted to the SFC’s dealings with the Higher Education Sector) which we hope will be useful in informing the Committees deliberations:

**Scottish Funding Council as an intermediary between universities and the Scottish Government**

University of the West of Scotland believes that the Scottish Funding Council acts as a useful intermediary between Scottish universities and the Scottish Government. The SFC provides a conduit through which Government priorities are shared with the Scottish higher education sector which are subsequently reflected in the Guidance for the development of University Outcome Agreements.

We would, however, be keen to ensure that the Scottish Funding Council does not become the only route through which institutions engage with the Scottish Government; as there are many occasions when direct engagement with Ministers and / or Government officials is a more appropriate and efficient approach.

Having said that, the Scottish Funding Council needs to maintain a strong voice within the system and continue to use its understanding of the HE Sector to inform policy development and subsequent application – particularly through funding mechanisms.

**The Outcome Agreement process**

The process for negotiating and agreeing Outcome Agreements with the SFC has, since its introduction, gone through a process of continual refinement and improvement. The SFC is sensitive to the fact that Outcome Agreements are intended to complement and align with universities distinct strategic ambitions and plans; whilst ensuring universities are delivering against Scottish Government priorities.

University of the West of Scotland welcomes the professional relationship developed and the approach taken by the various SFC Outcome Agreement Managers that we have dealt with over recent years. Through the OA Managers we believe there is an appropriate degree of rigour and challenge through the negotiating process that leads to the submission of the Outcome Agreement.
The same applies to the Self Evaluation Reporting exercise, when universities are required to submit evidence to the Funding Council to demonstrate that the commitments set out in the Outcome Agreement have been met.

Advising on funding

It would be helpful if the Scottish Funding Council were in a position to provide confirmed information on funding settlements earlier than the current process permits; or to provide indicative allocations of funding over a longer period of time than one year – however we are aware that there are Government dependencies, particularly in the current environment, that mean this is not wholly within the control of the SFC. When there are adjustments to the funding model, as made for the 2016/17 year, it is particularly challenging for institutions to adapt, whilst maintaining the ability to meet the commitments set out through the Outcome Agreement process – that challenge is heightened if the notice of these adjustments are made relatively close to the start of the forthcoming funding period.

The Council needs to continue to be aware of the diverse nature of universities across Scotland and to ensure the methods used to determine the allocation of funding are adequately balanced so that all universities / HEIs are best placed to contribute to Scotland’s wider economic and social development. Particular care needs to be taken in determining how strategic funding is allocated.

I hope you find this submission useful – if there are any points of detail you would like to discuss further, please do not hesitate to contact me at marcus.ross@uws.ac.uk

Yours sincerely

Marcus Ross
Director of Strategic Planning and Development