

Ministear airson Foghlam Leantainneach, Foghlam Àrd-
ìre agus Saidheans
Minister for Further Education, Higher Education and
Science
Shirley-Anne Somerville BPA/MSP



Scottish Government
Riaghaltas na h-Alba
gov.scot

F/T: 0300 244 4000
E: scottish.ministers@gov.scot

James Dornan MSP
Convener
Education and Skills Committee
Scottish Parliament
EDINBURGH
EH99 1SP

9 March 2017

Dear James,

Following last week's debate on the Enterprise and Skills Review and the Scottish Funding Council, I want to provide the Committee with further reassurance regarding the Office for National Statistics (ONS) classification of Scottish Higher Education institutions.

ONS announced its intention to carry out a review of the classification of universities across the UK in January.

(<https://www.ons.gov.uk/news/statementsandletters/classificationreviewofuniversitiesintheuk>)

As noted in my opening remarks during the debate, my officials have been in close dialogue with ONS officials in the recent past. Prior to their press release being issued, ONS considered both the Higher Education Governance (Scotland) Act 2016 and the aims of the Enterprise and Skills Review and were satisfied that, on the basis of the information provided, neither the 2016 Act nor the Review will impact on whether HE bodies in Scotland are public or private sector.

The UK wide ONS Review will seek to determine whether universities are market or non-market producers, as opposed to whether or not they are private or public sector organisations. This is confirmed in their announcement. The anticipated outcome of the ONS review will be that individual institutions will either be deemed to be in the private non-financial corporations sector or will remain classified as (private) non-profit institutions serving households.

The Scottish Government has confirmed on a number of occasions that we would carefully assess all policy proposals to ensure that nothing jeopardises the current classification of Scottish universities as non-profit institutions serving households. I would not wish to see any change to the current classification and would take action as necessary to avoid any outcome involving change.

I hope this information will go some way to allaying concerns that have been expressed by members in the chamber and by stakeholders.

SHIRLEY-ANNE SOMERVILLE