

## **Universities Scotland scope for improvement for the Higher Education and Research Bill**

Universities Scotland is the representative organisation for the leaders of the 19 Scottish universities and higher education institutions. We welcome the invitation to give evidence to the Committee.

Higher education is principally devolved to the Scottish Parliament but certain aspects, including important elements of research and innovation funding, remain with Westminster. Changes to the regulation of teaching and changes affecting students also have direct impacts in Scottish HE because of student mobility and choice.

The Bill covers a range of issues, some of which are specific to England and other of which are of UK-wide scope. In broad summary, Universities Scotland's interests in the Bill are:

- Part 1: Quality and standards (clauses 23-27). These provisions apply to England only; however Scottish universities are currently considering their position about whether or not they would wish to participate in the Teaching Excellence Framework provided for under clause 25. We welcome the UK Government's proposal of an amendment to the Bill to enable Scottish participation in the Teaching Excellence Framework if Scottish institutions choose to participate.
- Part 1: Power to grant degrees/ powers in relation to university title (clauses 40-55). While these powers do not extend to Scotland, the international reputation of UK universities and degree-awarding bodies is valuable in our interactions with overseas institutions and students. We therefore have a shared interest with other UK universities in making sure that only institutions of proven and sustainable integrity have degree-awarding power or university title.
- Part 3: UK Research and Innovation (clauses 83-102). We have major interests, set out more fully below, in ensuring that UKRI operates in a way that benefits the whole UK and that its governance reflects this responsibility.

### **UK Research and Innovation**

The Bill makes significant changes to the research infrastructure including institutions of great importance to Scotland, the UK Research Councils and Innovate UK, into a new body. It also moves Research England from the current Higher Education Funding Council for England into a body with a UK-wide remit.

The Research Councils are the single largest source of research funding for Scottish universities. Last year £254.9 million of research grants were won by Scottish HEIs from the Research Councils (2014/15), enabling a wide range of fundamental and impactful research. This support is fundamental to Scottish universities' success: every university in Scotland undertakes research judged to be of world-leading quality and outstanding impact in the 2014 REF. 86 per cent of Scottish research submitted to REF was judged to have 'outstanding' or 'very significant' impact.

The Research Councils have a strong record of support for Scottish research projects, and on the basis of competitive excellence Scottish universities win around 14% of project funding. The Research Councils' investment in national facilities is more uneven with around 6.8% being invested in Scotland: the only major facility on Scotland of the Science and Technology Facilities Council is the UK Astronomy Technology Centre in Edinburgh.

Innovate UK is also an important contributor to Scotland's success. Scottish institutions are, for instance, major partners in Innovate UK Catapult Centres such as high value manufacturing, cell therapy and offshore renewable energy. Scottish institutions receive around 7% of applicable Innovate UK funding.

The importance of these functions means that UKRI needs to act in a way that benefits each part of the UK.

Specific areas where Universities Scotland sees scope for improvement of Part 3 of the Bill include the following:

#### General duty on UKRI (clause 85)

We believe UKRI should be under a general duty to discharge its functions for the benefit of England, Scotland, Wales and Northern Ireland.

#### UKRI membership (schedule 9, paragraphs 2 and 3)

We believe the membership of both UKRI and the Research Councils should include people with experience of research in England, Scotland, Wales and Northern Ireland.

#### Specific duty on Innovate UK (clause 88)

Innovate UK will continue as an entity within UKRI.

Innovate UK's mission is to work with people, companies and partner organisations to find and drive the science and technology innovations that will grow the UK economy.

It is important that Innovate UK's execution of its mission is informed by the different economic conditions in parts of the UK and the different economic policies of the UK and devolved administrations. For instance, the Scottish Government has a specific [Economic Strategy](#) with a particular emphasis on socially inclusive economic growth which should inform Innovate UK's priorities in Scotland.

We therefore believe that Innovate UK should be under a duty to have regard to the economic policies of the UK Government and the devolved administrations.

#### Duties on the Secretary of State (clauses 91 and 96)

We believe the UK research endeavour is deeply collaborative between UK and devolved-level actors, and that this needs to be reflected in the governance of UKRI and in relations between the UK and devolved administrations. For instance, the research endeavour is supported by Scottish sources including (per annum):

- £232m of Research Excellence Grant funding from the Scottish Funding Council for research staff and infrastructure, as part of the ‘dual support’ model<sup>1</sup>.
- c.£69m of health research investment through the Scottish Government Chief Scientist’s Office.
- c£73m of investment in environmental, food and agricultural research by Scottish Government-funded institutes including the Scottish Agricultural Science Agency, the James Hutton Institute and the Moredun Research Institute.

To ensure that the UK research endeavour remains complementary and collaborative, we believe:

- the Secretary of State should be under a duty to consult the devolved administrations before making a decision about approval of a research and innovation strategy proposed by UKRI (clause 91), and
- the guidance given to UKRI by the Secretary of State under clause 96 should be subject to consultation with the devolved administrations.

We welcome the UK Government’s proposed amendment to the Bill to enable UKRI to conduct activities jointly with the higher education funding bodies in the devolved jurisdictions so that, for instance, the Research Excellence Framework and the Research Partnership Investment Fund are able to operate as jointly-owned activities by the UK and devolved funding bodies. Our other concerns, however, are not yet addressed by UK Government amendments.

#### Research England (clause 93)

We have some concerns about the transfer of responsibility for funding universities’ research infrastructure from the Higher Education Funding Council for England to UKRI (through its constituent part ‘Research England’). One concern is that the location of Research England within UKRI may lead to an inclination to work most closely with the institutions that, through Research England, UKRI is most familiar. We have already seen examples of major strategic investments that are concentrated on a few universities: a recent example is the Royce Institute for Advanced Materials. A £235 million investment, it has 9 partners none of which are in Scotland. Without in any way criticising that investment, we need to have confidence that future investment decisions will not become increasingly concentrated on institutions with which UKRI staff have the closest relationships through their Research England work.

More specifically, we believe there needs to be a statutory ‘firewall’ between UKRI’s UK-wide funding streams and Research England’s England-only funding, to prevent diminution of the resources that UK-wide universities can compete for, and to maintain the ‘dual support’ system which successfully enables universities to compete for research funding. We believe any virement of

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<sup>1</sup> The key characteristics of dual support are:

- Relatively predictable institutional funding for research staff and facilities awarded on the basis of past performance and delivered through devolved mechanisms by the higher education funding bodies in each UK jurisdiction.
- Competitively awarded funding, to support specific future projects, such as the UK-level funding provided through the Research Councils.

funding between the rest of UKRI and Research England should require the agreement of the devolved administrations and approval by Parliament.

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