

SFC Board meeting minutes

The 131st meeting of the Scottish Further and Higher Education Funding Council was held on Friday, 6 May 2022 at 10.00am by video-conference.

Present: Mike Cantlay (Chair)
Karen Watt (Chief Executive)
Lorna Jack (Deputy Chair)
David Alexander
Sheila Duncan
Mhairi Harrington
Professor Ewart Keep
Dr Paul Little
Professor Irene McAra-McWilliam
Dr Veena O'Halloran
Caroline Stuart
Professor John Wallace
Professor Lesley Yellowlees
Professor Peter Mathieson (items 22/45 – 22/48)

Officers: Lynne Raeside (Secretary)
Dr Stuart Fancey
James Dunphy
Martin Boyle
Richard Maconachie
Morag Campbell (item 22/49)
Gordon Craig (item 22/50 and 22/51)
Kate Powell (item 22/54)
Angela Seymour (Clerk)

Observers: Matt Crilly (President of NUS(Scotland))
David Sweeney (UKRI/Research England)

Apologies: Andy Kerr

22/45 Welcome

The Chair welcomed all present.

22/46 Chair's business: Papers for discussion and declarations of interest

The Chair invited members to indicate if they wished to discuss any of the starred items on the agenda. The recommendations contained within papers SFC/22/42 to SFC/22/46 were agreed without discussion.

The Chairs of the Remuneration and Audit and Compliance Committees requested that an additional member was appointed to each committee.

Dr Veena O'Halloran was proposed, endorsed and appointed to the Audit and Compliance Committee. Mhairi Harrington was proposed, endorsed and appointed to the Remuneration Committee.

The Chair reminded Board members of their responsibility to indicate if they have, or may be perceived to have, a conflict of interest under any item.

22/47 Minutes of the 11 March 2022 meeting (SFC/22/Min02)

Subject to agreed amendments, the minute of the 11 March 2022 meeting was confirmed as a true record of the meeting.

22/48 Action Tracker (SFC/22/34)

The Board received an update on the actions from previous meetings of the Board.

22/49 Research Excellence Grant/REF Update(verbal) (SFC/22/40)

The Board received a paper seeking to agree final changes to the Research Excellence Grant (REG) distribution formula, in response to consultation processes to date; and to agree REG allocations for AY 2022-23 as recommended by the Finance Committee.

The following members left the meeting after the verbal update on REF and before the decision on the allocation of funds.

- Professor Irene McAra-McWilliam in relation to Glasgow School of Art and as an Advisory Board Member of University of Edinburgh.
- Professor Lesley Yellowlees in relation to Edinburgh Napier University.

In discussion the Board noted:

- The rigour and thoroughness of the process in developing the funding model and allocating the funds.
- The assistance and work undertaken by colleagues in UKRI.
- The scrutiny exercised by the Finance Committee after consideration by the Research and Knowledge Exchange Committee.

The Board:

- Considered the proposed changes to the REG allocation method and agreed the final REG funding allocations for AY 2022-23 as set out in this paper; and
- Delegated authority to the Chief Executive to finalise the REG funding allocations for publication, subject to the finalised allocations being materially consistent with the contents of this paper and Board discussion.

22/50

University final funding allocation for AY22-23 (SFC/22/39)

The Board received a paper setting out the proposals for final university funding allocations for Academic Year (AY) 2022-23; outlining the proposed changes from the indicative funding announcement that was published in March.

The following members left the meeting.

- Professor Irene McAra-McWilliam in relation to Glasgow School of Art and as an Advisory Board Member of University of Edinburgh.
- Professor Lesley Yellowlees in relation to Edinburgh Napier University

In discussion the Board:

- Noted that the indicative funding allocations for AY 2022-23 were approved by the Board at its meeting on 11 March and published on 24 March, to support institutions in planning their provision for the forthcoming AY.
- Noted that these final funding proposals were scrutinised and agreed by the Finance Committee at its meeting on 26 April and were now recommended for approval by the Board.

The Board:

- Considered the proposed changes to the indicative funding allocations and agreed the final funding allocations for AY 2022-23 as set out in this paper; and
- Delegated authority to the Chief Executive to finalise the university funding allocations for publication, subject to the finalised funding allocations being materially consistent with the contents of this paper and Board discussion.

The Board members returned to the meeting

22/51 The Board received a verbal update from Aiden Grisewood (Interim Director of Economic Policy at the Scottish Government) on the National Strategy for Economic Transformation.

In discussion, the Board noted:

- The breadth of the SFC mission and the importance of recognising that SFC will contribute to each of the NSET themes, not only the Skilled Workforce theme.
- The importance of engaging with the Chairs and CEOs of the enterprise and skills agencies as part of the governance process.
- The importance of engaging with employers and businesses.

22/52 **College final funding allocation for AY22-23 (SFC/22/38)**

The Board received a paper setting out the proposals for final college funding allocations for Academic Year (AY) 2022-23; outlining the proposed changes from the indicative funding announcement that was published in March.

The following members left the meeting.

- Professor Ewart Keep in relation to his role as a Board member of City of Glasgow College.
- Dr Paul Little in relation to City of Glasgow College, Glasgow Colleges' Regional Board.
- Caroline Stuart in relation to her role as Chair of Dumfries and Galloway College.

In discussion the Board:

- Noted that the indicative funding allocations for AY 2022-23 were approved by the Board at its meeting on 11 March and published on 24 March to support institutions in planning their provision for the forthcoming AY.
- Noted that these final funding proposals were scrutinised and agreed by the Finance Committee at its meeting on 26 April and were now recommended for approval by the Board.

The Board:

- Considered the proposed changes to the indicative funding allocations and agreed the final funding allocations for AY 2022-23 as set out in this paper; and
- Delegated authority to the Chief Executive to finalise the college funding allocations for publication, subject to the finalised funding allocations being materially consistent with the contents of this paper and Board discussion.

The Board members returned to the meeting

22/53

Strategic Framework refresh (SFC/22/36)

The Board received a paper providing an update on the refresh of SFC's Strategic Framework.

In discussion the Board noted / welcomed the following:

- The emphasis on flourishing students.
- The importance of showing the link between teaching / learning and research.
- The importance of extending entrepreneurship to include researchers as well as students.
- The shift towards a tertiary system.
- The forthcoming Adult Learning Strategy and growing importance of lifelong learning.
- The integral nature of culture and values as part of the Framework.
- That equality, diversity and inclusion should be at the heart of everything SFC does.
- The importance of reflecting objectively on progress made against the 2019-2022 Framework.

The Board endorsed the direction of travel and welcomed the opportunity for further discussion at the June meeting.

22/54 Review update (Presentation)

The Board received a presentation providing an update on the progress of the Review into Coherent Provision and Financial Sustainability.

The Board noted the update.

22/55 Chief Executive's report: items for report (SFC/21/35)

The Board received an update from the Chief Executive on current operational issues.

In discussion, the Board noted the outcome College Performance Indicators. It was reported that work is underway to develop a new assurance framework which will consider how SFC addresses College PIs among other things.

The Board noted the update.

22/56 Scottish Government Letter of Guidance (SFC/22/37)

The Board received a copy of the Letter of Guidance received from the Minister, Jamie Hepburn.

The Board noted the Letter of Guidance.

22/57 Use of delegated authority (SFC/22/41)

The Board received a paper noting the use of the Chief Executive's delegated authority during the period 18 January 2022 until 20 April 2022.

The Board:

- Noted the use of the Chief Executive's delegated authority from 18 January 2022 until 20 April 2022 under the Council's scheme of delegation.

22/58 Audit & Compliance Committee minutes (SFC/22/42)

The Council noted the minutes of the Audit and Compliance Committee held on 3 March 2022.

22/59 Finance Committee minutes (SFC/22/43)

The Council noted the minutes of the Finance Committee held on 25 February 2022.

22/60 Finance Committee minutes (SFC/22/44)

The Council noted the minutes of the Finance Committee held on 22 March 2022

22/61 Remuneration Committee minutes (SFC/22/45)

The Council noted the minutes of the Remuneration Committee held on 30 September 2021

22/62 Skills Enhancement access and Learning Committee minutes (SFC/22/46)

The Council noted the minutes of the Skills Enhancement access and Learning Committee held on 17 March 2022

22/63 Long-term agenda (SFC/22/47)

The Council received a paper informing members of substantive agenda items proposed for future meetings.

22/64 Any other business (Oral)

Board members received an update on the situation at South Lanarkshire College and it was agreed that regular updates would provide assurance about due process.

There was no other formal business.

22/65 Date of next meeting: 24 June 2022 (West Lothian College)