
Board Meeting Minutes

The 137th meeting of the Scottish Funding Council was held on Friday 5 May 2023, at 10:00 at Apex 1, 97 Haymarket Terrace, Edinburgh.

PRESENT:

- Mike Cantlay (Chair)
- Karen Watt
- Lorna Jack
- Ewart Keep
- John Wallace
- Lesley Yellowlees
- David Alexander
- Mhairi Harrington
- Irene McAra-McWilliam
- Paul Little
- Andy Kerr
- Sheila Duncan
- Veena O'Halloran
- Peter Mathieson
- Caroline Stuart (virtual)

OFFICERS:

- Helen Cross
- James Dunphy
- Richard Maconachie
- Lynne Raeside
- Morag Campbell (item 4)
- Gary Bannon (Item 5)
- Gordon Craig (items 6 & 7)
- Angela Seymour

OBSERVERS:

- Morven Pritchard (Staff UNITE Rep)
- Professor Dame Jessica Corner (UKRI)

APOLOGIES: Martin Boyle
David Blaney

23/44 Welcome

The Chair welcomed all present. He gave a particular welcome to Professor Dame Jessica Corner, Executive Chair of UKRI, who was attending the meeting as an observer.

23/45 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/23/40 through to SFC/23/41 were **agreed** without discussion.

Members were reminded that it is their responsibility to indicate to the Chair if they have or may be perceived to have any conflict of interest under any item on the agenda and to take appropriate action.

23/46 Minutes of the 10 March 2023 meeting (SFC/23/MIN02)

The minutes of the meeting held on 10 March 2023 were approved.

23/47 Action Tracker (SFC/23/32)

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

23/48 Chief Executive's report (SFC/23/33)

The Board received a report from the Chief Executive highlighting key operational activities, sector news and developments in the wider policy environment since the last Board meeting.

In discussion the Board noted:

- The pressures on public sector spending.
- The importance of protecting frontline learning and teaching, and foundational research and knowledge exchange funding.
- The Scottish Government announcement that the additional £46m for colleges and universities was no longer available for distribution and the subsequent disappointment of the sectors.

- The need to consider afresh how strategic change could be delivered without additional funding.

The Board noted the update and agreed that the Chair would write to the Minister to reflect the comments made during this discussion.

23/49 Future Research Assessment Programme (SFC/23/34)

The Board received a paper presenting the proposed initial decisions of the Future Research Assessment Programme (FRAP) Board on a future research assessment exercise; and setting out the high-level design of the proposed Research Excellence Framework 2028 (REF 2028), its purposes and underpinning principles.

In discussion the Board noted:

- The importance of Scotland participating in the exercise.
- The need for expediency to allow the sector to plan.
- The drive to reduce bureaucracy where possible.
- The change in weighting and any potential unintended consequences.
- The challenges of defining research culture.

The Board agreed to:

- Endorse SFC's participation in the next Research Excellence Framework (REF 2028) – subject to similar agreement by the three other UK higher education funding bodies;
- Delegate authority to the Chief Executive, drawing on the advice of the RKEC Chair, to approve any final modifications to the initial decisions document prior to publication in mid-June;
- Agree in principle the proposed indicative budget for REF 2028;
- Delegate authority to the Chief Executive, drawing on the advice of RKEC, to approve continuing development and specific decisions regarding the practicalities of REF 2028, with regular reporting to the Board.

23/50 Infrastructure Investments (Innovation Centres) (SFC/23/35)

The Board received a paper providing an update on the assessment process for determining which Innovation Centres (ICs) SFC will support as long-term infrastructure.

In discussion the Board noted the importance of leveraging other sources of funding into ICs and the place of colleges within future approaches to innovation.

The Board noted progress with the infrastructure assessment process and that recommendations from the assessment panel will be brought to the June Board meeting.

23/51 Final Funding Allocations for Colleges AY 2023-24 (SFC/23/36)

The Board received a paper setting out proposals for final college funding allocations for Academic Year (AY) 2023-24.

The following members of the Board with a conflict of interest left the room during this paper:

- 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:

- The challenges facing the college sector which are of a greater scale than previously.
- The decision of Scottish Ministers regarding the £26m uplift which would no longer be available for distribution.

The Board approved the final college funding allocations for AY 2023-24.

23/52 Final Funding Allocations for Universities AY 2023-24 (SFC/23/37)

The Board received a paper setting out proposals for final university funding allocations for Academic Year (AY) 2023-24.

The following members of the Board with a conflict of interests left the room during this paper:

- Lesley Yellowlees, Edinburgh Napier University
- Irene McAra-McWilliam, Glasgow School of Art

- Peter Mathieson, Edinburgh University

In discussion the Board noted:

- The decision of Scottish Ministers regarding the £20m uplift which would no longer be available for distribution.

The Board approved the final university funding allocations for AY 2023-24.

23/53 Outcome Agreements (SFC/23/38)

The Board received a paper outlining the proposed arrangements for the AY 2023-24 Outcome Agreements (OAs) with institutions and regional strategic bodies (RSBs).

In discussion the Board noted:

- The earlier publication of the OA Guidance to allow more time for institutions to develop their plans.
- The importance of understanding trends relating to retention and achievement.
- The importance of reflecting the financial sustainability context.
- How best to reflect digital platforms and modes of learning, noting the alignment with the student experience.

The Board noted the paper and asked that the summary of OA achievements be shared with them at the time of publication.

23/54 Delivery Plan (SFC/23/39)

The Board received a paper providing a copy of the SFC Delivery Plan and updating Board members on plans for performance reporting.

In discussion the Board noted:

- The need to keep the plan under review in case of any changing priorities.
- The frequency of updates should be considered as some metrics will only be available on an annual basis.

The Board noted the paper.

23/55 **Audit & Compliance Committee Minutes 28 February 2023
(SFC/23/40)**

The Board noted the minutes of the Audit and Compliance Committee held on 28 February 2023.

23/56 **Finance Committee Minutes 17 February 2023 (SFC/23/41)**

The Board noted the minutes of the Finance Committee held on 17 February 2023.

23/57 **Long-term Agenda (SFC/23/42)**

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

23/58 **Date of next meeting**

Members noted that the next meeting of the Board would take place on 30 June 2023 at Apex 1, 97 Haymarket Terrace, Edinburgh.