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# Outcome Agreement Guidance AY 2023-24



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## Outcome Agreement Guidance AY 2023-24

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Summary:	This guidance outlines the steps required to ensure an outcome agreement is in place between SFC and each university, college or college region during this transition year which captures, at a high-level, contributions, impact and outcomes and provides assurance on use of allocated funding in AY 2023-24.
FAO:	Principals and Chairs of Scotland’s colleges, universities and regional strategic bodies, and the general public.
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# Guidance for Outcome Agreements for College and Universities for the Academic Year 2023-24

## Introduction

1. This guidance outlines the steps required to ensure an Outcome Agreement (OA) is in place between SFC and each university<sup>1</sup>, college or college region which captures, at a high level, contributions, impact and outcomes for key priority areas for the use of allocated funding in Academic Year (AY) 2023-24, including the projections for the national measures. It also sets out the requirements for a self-evaluation and case studies that form part of the assurance over delivery of the outcomes set out in the AY 2022-23 OAs. The AY 2023-24 OA process is intended as a further transitional arrangement to future approaches to accountability as signaled in the SFC report *Coherent Provision and Sustainability: A Review of Tertiary Education and Research*<sup>2</sup>.
2. In response to the COVID-19 pandemic in 2020, the OA timescale was pushed to later in the academic year to allow universities and colleges to respond to the emergency situation. Following sector engagement, it is now the appropriate time to move the OA timescales back to earlier in the year, for them to provide a forward look to the academic year ahead as they were originally designed to do. Given the close proximity of the 2022-23 and 2023-24 OA processes, we are focusing the scope and scale of the OAs in a proportionate way to secure assurance on areas which are of particular focus for 2023-24.
3. We recognise that colleges and universities are operating in a challenging financial environment and that institutions are continuing to deliver a responsive learning approach, ensuring the well-being of students and staff, and delivering an education-led economic transformation for Scotland. Through this approach to the OAs, we are taking steps to support all colleges and universities during these challenging times.
4. As set out in our *Review of Coherent Provision and Sustainability*, we will work collaboratively with the sector and key stakeholders to develop our approach to accountability and the related impact framework, to ensure greater alignment with Scotland's National Performance Framework and the UN Sustainable Development Goals, and the Scottish Government's expectations for colleges and universities. This guidance and the associated priorities outlined in this document and supporting annexes cover OAs for AY 2023-24.

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<sup>1</sup> We are using University in the guidance to refer to all institutions in the university sector.

<sup>2</sup> Also referred to as the *Coherent Provision and Sustainability Report*, available at: <http://www.sfc.ac.uk/review/review.aspx>

5. We note that we have not yet received the Ministerial letter of guidance, as we have sought to provide the guidance to institutions as early as possible this year. Consequently, we may need to publish an addendum should the Ministerial letter of guidance highlight priorities for inclusion in the OAs that are not captured in this guidance.

## Arrangements for AY 2023-24

6. For AY 2023-24, SFC require universities and colleges to deliver four aspects of their OA:
  - A short forward-looking OA that sets out what commitments institutions are making in the identified priority areas.
  - A national measures table that includes forward-looking projections for the AY 2023-24.
  - A short self-evaluation that provides assurance over delivery of the outcomes set out in the AY 2022-23 OA.
  - Case studies to demonstrate ways in which funding has been used to deliver outcomes for students, research, economic transformation and social renewal.

## Outcome Agreement

7. The OA should include a brief summary of the institution's context (including financial sustainability) and then set out what commitments institutions are making for AY 2023-24 in each of the priority areas. The OA will be published in line with previous years to ensure transparency over the commitments that institutions are making in return for the public funding that they receive.

### Priority area 1: Fair access and transitions

8. This section should comprise up to a single page that sets out how the institution will ensure the delivery of the Commission on Widening Access (COWA) 2026 and 2030 sector target and engagement with the SFC funded National Schools Programmes. Institutions are welcome to outline other commitments to fair access and transitions, which respond to local and or regional need. As outlined in [Tackling Persistent Inequalities Together](#) (published by SFC in January 2023), institutions will not need to cover their contribution to the National Equality Outcomes in the OAs as these are covered in the [Public Sector Equality Duty report](#) published in March 2023.

### Priority area 2: Quality learning and teaching

9. This section should comprise up to two pages that sets out information on how institutions will demonstrate that students at all levels experience a high-quality, safe

and supportive learning experience that enables them to succeed. This should also include information on student participation and engagement in their educational experience and their plans to enhance the student experience, considering the evidence for enhancement.

### **Priority area 3: Coherent learning provision**

10. The SFC Review recommended a revised approach to strategic provision planning and skills alignment, placing emphasis on institutional ownership for delivery of coherent learning provision and the imperative of effective partnership and planning at local, regional and national levels to ensure the responsiveness and alignment of provision offered by institutions.
11. Building on strong foundations of existing partnerships, we expect institutions to assess demand and secure learning and skills provision that balances the needs of students, employers, and their local economy and society. Scotland's National Strategy for Economic Transformation (NSET) recognises the important contribution of the education and skills system in driving inclusive economic prosperity over the next decade and is a key reference document in this work.
12. This section should comprise up to a single page that sets out the institution's work to secure coherent learning provision planning and delivery. This includes information on how institutions are using data and intelligence and engaging with stakeholders to adapt, develop and align provision to meet the needs of students, industry and other stakeholders.

### **Priority area 4: Work-based learning and skills**

13. SFC is firmly committed to work-based learning as part of the wider curriculum offer and is supportive of Foundation Apprenticeships (FAs) and Graduate Apprenticeships (GAs) as a vehicle for increasing work-based learning pathways. This section therefore should comprise up to a single page that sets out:
  - Institutions' plans for work-based learning and apprenticeships, including areas of development or future collaboration.
  - How institutions will work with key partners to understand and respond to the current and prospective skills needs of individuals through all stages of life, address employer, industry and regional skills needs and contribute to workforce planning.

### **Priority area 5: Net zero and environmental sustainability response**

14. Institutions should provide commentary of up to one page on implementing a whole-institutional climate emergency response across all key areas of activity and may

wish to refer to current sector voluntary benchmarking frameworks. They should also include key operational measures undertaken in the current cycle or planned in the next towards compliance with the Scottish Government public sector carbon reporting and reduction guidance Public Sector Leadership on the Global Climate Emergency (October 2021).

15. We expect institutions to have or to put in place organisation-wide net zero and sustainability plans by the end of the calendar year 2024 if these do not already exist and to be able to highlight key priorities and dates for delivery of these. In the OA:
  - Institutions should provide the net zero target and commentary or data on progress in implementing a whole-institutional climate emergency response under each of the following areas including key priorities, linking with the UN Sustainable Development Goal (SDG) 13 “climate action” and other SDGs as appropriate: learning and teaching; skills; research, innovation and entrepreneurship; estates and supply chains; partnerships and place making; institutional governance and leadership; staff and student engagement and participation.
  - Institutions must profile their total estimated or actual baseline greenhouse gas emissions arising from their total operations and activities, any institution-specific net zero target, and a summary of emissions totals under scope group 1 and scope group 2 and for scope 3 business travel emissions. This relates to institutions’ contributions under the Climate Change (Scotland) Act 2009 and related legislation.

#### **Priority area 6 (Universities only): High-quality research and innovation**

16. Universities are asked to include a section comprising up to two pages focused on research as part of their AY 2023-24 Outcome Agreement (not including case studies which will be provided separately). Please structure this section using the headings below and provide direct answers to each question.

#### ***Effective use of SFC core research grants in AY 2023-24***

17. How do Research Excellence Grant (REG) allocations support the research capacity and strategy of your institution? Please provide a high-level description of how your institution will use and distribute REG funding in AY 2023-24 and the functions that will be supported.
18. How do Research Postgraduate Grant (RPG) allocations support the postgraduate research capacity and strategy of your institution? Please provide a high-level description of how your institution will use and distribute RPG funding in AY 2023-24 and the functions that will be supported.

***Supporting sustainability and future research excellence***

19. What are you prioritising/what are you doing to ensure your institution remains a viable research organisation into the future? Key elements that you might consider including in your response are approaches to: the management and development of your staff resource; ensuring the financial sustainability of research activity; and maintaining and building your standing with research peers, users and funders.

***Enabling an excellent research environment and positive cultures***

20. How is your institution creating an excellent research environment and positive research cultures? Please provide a high-level description of your institution's aims and plans for AY 2023-24 indicating priorities and key highlights. We envisage that this will include, but not be limited, to areas such as: promoting open research; valuing a broad range of research outputs, including civic and public engagement; promoting reproducibility; and supporting and empowering research-enabling staff.
21. **Concordats:** Please provide a link to the updated annual statement on research integrity on your institution's website.
22. If your institution is a signatory to the Concordat to Support the Career Development of Researchers, please provide a copy of your institution's updated report alongside your Outcome Agreement. If your institution is not a signatory, please provide a short overview of how the principles of the Concordat are being addressed.

**Priority area 7 (Universities only): University Innovation Fund (UIF)**

23. This section should comprise up to four pages that sets out the institution's planned contributions individually and collectively to UIF outcomes in line with renewed priorities. This will be final transitional year before we implement the Knowledge Exchange and Innovation Fund for AY 2024-25. [Additional guidance](#) has been published to help universities articulate the added value they will deliver from £5.5m uplift in AY 2023-24. This uplift will be used to help deliver Scotland's [Innovation Strategy](#) and [The Entrepreneurial Campus](#).

**National Measures**

24. Institutions will be asked to submit a national measures table with the latest data and projections for the 2023-24 year. To support institutions, we have maintained a pared back set of national measures, with a limited number of additions, and the focus on key priorities.
25. For colleges the national measures are (the bullets in bold are reinstated from the pre-pandemic table or new for 2023-24):
  - Activity - Credits delivered.



- Widening Access - Volume and proportion of Credits delivered to learners in the most deprived 10% postcode areas (SIMD10).
  - The volume and proportion of Credits delivered to care-experienced learners.
  - Senior Phase - number of senior phase age pupils studying vocational qualifications delivered by colleges.
  - Achievement - proportion of enrolled students successfully achieving a recognised qualification (FT & PT).
  - Articulation - the number and proportion of successful learners who have achieved HNC or HND qualifications articulating to degree level courses with advanced standing.
  - In work/destination - the number and proportion of full-time college qualifiers in work, training and/or further study 3-6 months after qualifying.
  - Satisfaction – using the Student Satisfaction and Engagement Survey - the percentage of students overall, satisfied with their college experience.
  - **Proportion of enrolled care-experienced students successfully achieving a recognised qualification.**
  - **Proportion of enrolled SIMD10 students successfully achieving a recognised qualification (FT & PT).**
  - **Number and proportion of FT FE learners aged 16-19 successfully completing courses.**
  - **Current total greenhouse gas emissions (GHGs) – estimated or actual baseline emissions, scope 1 emissions total, scope 2 emissions total, and scope 3 business travel total.**
26. For universities the national measures are (the bullets in bold are reinstated from the pre-pandemic table or new for 2023-24):
- Total number of Scottish domiciled undergraduate entrants.
  - The number and proportion of Scotland-domiciled learners articulating from college to degree level courses with advanced standing.
  - The number and proportion of Scotland-domiciled full-time first-degree entrants from the 20% most deprived postcodes (i.e. the COWA target measure).
  - The number and proportion of Scotland-domiciled undergraduate entrants that are care-experienced.
  - The number and proportion of full-time first year Scotland-domiciled undergraduate entrants returning to study in year two.
  - Satisfaction – the percentage of respondents to the National Student Survey satisfied with the overall quality of their course.
  - The number and proportion of Scotland-domiciled undergraduate qualifiers entering positive destinations.

- The number and proportion of Scotland-domiciled full-time first degree graduates entering professional occupations.
- The number of Scotland-domiciled qualifiers at undergraduate level.
- **The number and proportion of Scotland-domiciled entrants from the 20% most deprived backgrounds and from care experienced backgrounds returning to study in year two.**
- **The number and proportion of Scotland domiciled undergraduate entrants from the 20% and 40% most deprived backgrounds.**
- **Current total greenhouse gas emissions (GHGs) – estimated or actual baseline emissions, scope 1 emissions total, scope 2 emissions total, and scope 3 business travel total.**

**Please note that HESA Data Futures has now been implemented, and the appropriate measures are now derived using that terminology. This has been reflected in the technical guidance.**

27. Outcome Agreement Managers (OAMs) will issue a national measures table to each college, college region and university with key data, including AY 2021-22 baselines (where available). The Technical Guidance is attached at Annexes A and B and provides updates on the measures relevant for this year.
28. Continuing the transition year approach of AY 2022-23, we are asking institutions to submit one year of projections for the revised list of measures, for AY 2023-24. Discussion of outcomes for students will be part of our engagement with universities and colleges over AY 2023-24. These projections should simultaneously be ambitious yet realistic, accounting for the additional challenges facing institutions.
29. We will expect institutions to review and understand how protected characteristics and special interest groups (e.g. care-experience) impact on core measures. In particular, within institutional self-evaluations, we would expect institutions to account for any variance of outcomes by protected characteristic or special interest group (e.g. care-experience or deprivation) with any accompanying plan for improvement being considered in the OA commitments. SFC engagement through Outcome Managers will have particular interest on overall outcomes and outcomes by care-experience, deprivation, and protected characteristics.

## Self-evaluation

30. SFC requires a factual report, to be submitted with your AY 2023-24 OA, that comprises up to six pages of self-evaluation against the commitments made in the 2022-23 OA. We expect that you may have already prepared this information for internal reporting requirements and we can be flexible with regard to the format of these reports. This report will not be published and institutions are encouraged to reflect on how well these

have been delivered, identify highlights and challenges from AY 2022-23 and identify any areas for improvement and consider outcomes for all learners. This includes:

- A reflection on your available statistical/performance data for AY 2022-23. This recognises that, for the year in question, audited statistical data will not yet be available and that we will rely on institutions' own data at this point in time.
  - Reporting on qualitative and quantitative progress, including specific reference to published milestones and commitments in the OA for AY 2022-23, and the impact that the COVID-19 pandemic, the ongoing recovery, and the current economic pressure has had on achievement of these milestones and commitments.
  - Reflection on how learning and teaching strategies are adapting to the opportunities and challenges of digital and blended learning, and how they are considering utilising opportunities involving collaboration with other institutions in the tertiary education system.
  - Reporting on early mitigations in place to address challenges moving into AY 2023-24.
  - Reference to the top three key measures taken in 2022-23 towards full compliance with the Scottish Government public sector reporting guidance [Public Sector Leadership on the Global Climate Emergency](#) (October 2021).
  - Report on use and outcomes of UIF at an individual and collaborative level.
31. The self-evaluation report should be signed off by the principal or head of institution on behalf of the governing body.
32. Institutions should also use available evidence to report on the use and impact of any additional in-year funding allocated by SFC.

## Case studies

33. The case studies will be used to illustrate how colleges and universities use the funding that they receive. This is helpful in supporting a public articulation of the benefits of such funding and the use of taxpayer money as well as illustrating to Scottish Government and other key stakeholders the importance of continuing to fund Scotland's colleges and universities appropriately.
34. All institutions should provide two case studies on the themes of outcomes for students and outcomes for economic transformation and social renewal. The OAMs will coordinate these case studies with institutions to ensure that SFC receives a range of case studies that covers the breadth of the sectors' activities and use of public funding.
35. In addition, universities in receipt of Research Excellence Grant (REG) allocations will be

asked to provide additional case studies as follows:

- For institutions in receipt of REG allocations above £1.5m, we require two additional case studies that focus on uses of REG (see guidance below).
- For institutions in receipt of REG allocations below £1.5m, institutions should submit one additional REG case study (see guidance below).

### **Research case studies**

36. The research case studies should highlight where past use of your institution's REG and Research Postgraduate Grant (RPG) allocations has resulted in research impact. There is no specified time period for these case studies but examples that show the long-term nature of research investment and impact are particularly valuable.
37. Case studies will be used within SFC's work to demonstrate the value of undirected core university research funding. Case studies should be a maximum of one page in length and suitable for a non-specialist audience avoiding jargon or excessive acronym use.
38. We understand that institutional approaches to use and distribution of REG and RPG funding can make it difficult to track impact and capacity back exactly to these sources. Broad uses (for example as core funding for a School or research centre) are acceptable and specificity, where possible, is ideal.
39. Case studies should show clear alignment with Scottish Government priorities such as those outlined in the National Performance Framework and the National Strategy for Economic Transformation, as well as other national strategies.

40. The model below should be used for guidance:



41. As an illustrative example, a case study could outline how REG was used over a number of years to build up a new research area or facility which then resulted in leveraged funding from UKRI or another research funder and ultimately led to a spin out company or further developments or benefits to society.

### Discuss with your Outcome Agreement Manager

42. Institutions should liaise with their dedicated OAM on any issues or requests. [Contact details are available on our website.](#)

## Key dates

SFC Outcome Agreement AY 2023-24		
	What is required	Purpose
<b>Early May 2023</b>	<b>OA Guidance for AY 2023-24 published.</b>	Setting our guidance and priorities for AY 2023-24.
<b>May-September 2023</b>	OA drafting process by institutions. Institutions should share initial drafts with SFC OAMs in order to receive feedback before institutions provide signoff.	Allows for time to fine-tune submitted OAs before signoff by institution Board or equivalent.
<b>By end October 2023</b>	Self-evaluation for AY 2022-23 submitted. Case studies submitted. OA submitted. National measures tables submitted. <b>Requires sign-off by Board or equivalent. If the date proves difficult discuss with your OAM.</b>  Refer to Annex A for Universities Technical Guidance and Annex B for Colleges Technical Guidance.	Provides SFC with data and commentary on delivery in AY 2022-23 and notes any early signs for AY 2023-24.  Provides SFC with line of accountability for use of funding in AY 2023-24.
<b>November 2023</b>	Engagement between SFC and institutions to provide feedback on case studies where necessary for amendment.	To ensure case studies are ready for collation into report.
<b>December 2023</b>	OAs for AY 2023-24 published along with final report including case studies.	

## Further information

43. In addition to this guidance document, the following annexes are also available to support this process:

- Annex A: Outcome Agreement technical Guidance for Universities
  - Annex B: Outcome Agreement technical Guidance for Colleges.
44. Any queries/requests for further information should be directed to Jacqui Brasted, Deputy Director, Outcomes and Assurance, e-mail: [jbrasted@sfc.ac.uk](mailto:jbrasted@sfc.ac.uk).

## Future development of assurance and accountability approaches

45. As detailed in our [Review of Coherent Provision and Sustainability](#), SFC is developing a National Impact Framework and an associated Assurance and Accountability Approach. These will replace the current OA process. SFC will begin engaging with universities, colleges, regional strategic bodies and other stakeholders in the near-term and will publish further information in due course.



**James Dunphy**

Director, Access, Learning and Outcomes