

University of Stirling's Response to the Scottish Funding Council's Review of Coherent Provision and Sustainability in Further and Higher Education

Scotland's higher education sector is renowned for being a world-class system, with a tremendous diversity and quality of education underpinned by leading research. The sector already plays a pivotal role in the regeneration of regional economies and is well positioned to support local and national recovery from the COVID-19 shock through research and innovation; partnership working with business and industry; international collaboration; educating and upskilling school leavers as well as those who have already embarked upon their career journeys.

The University welcomes the first of many opportunities to engage with the SFC's Review of Coherent Provision and Sustainability in Further and Higher Education. The review and its outcomes should allow for institutions to build upon individual strengths and diverse approaches, while collectively contributing to governmental priorities for the sector. The review should consider the breadth and various components of the sector, including but not limited to HE and FE institutions, which contribute to the ongoing success and progressive enhancement of the tertiary education system. The broader system should support the inherent creativity present within institutions and remove barriers which inhibit delivery of innovation at pace.

This response is structured to provide a direct response to each of the SFC's six core questions (a-f) included within the call for evidence. The University of Stirling consents to publication of this response.

a) What do you think works well in the current further and higher education arrangements that we should keep in order to secure Scotland's inclusive social and economic recovery from the current pandemic? How can we best preserve and strengthen those features of education, research and innovation in Scotland that we most prize, in a very challenging funding environment?

Scotland's higher education sector is recognised as world leading for its high-quality teaching and impactful research. This is demonstrated by **eight institutions securing impressive ranking positions within the top 500 universities** globally (QS World University Rankings 2021), having a far greater impact than countries of a comparable size. The Scottish higher education sector is enabled and enhanced by a joined-up and collaborative approach, and with a shared understanding that education is for the benefit of all of society, the sector is playing a critical role in the economy's recovery from the context imposed by COVID-19.

Many of the sector's qualities have been identified by external observers¹ and have strengthened over time - such as the excellent teaching that students receive. Results from the **National Student Survey (NSS) 2020 demonstrate that the Scottish sector is excelling at providing a first-rate learner experience**. Stirling performed particularly well in this year's survey, scoring 87% for overall satisfaction and improving upon last year's performance in every question section. Scotland achieved an average overall satisfaction score of 85%, compared to the UK average of 83%, and of the top 25 Universities in the UK eight were Scottish². This is testament to the sector's innovative pedagogical structures that place the student at the centre of their own learning.

¹ Neil Kemp and William Lawton, A Strategic Analysis of The Scottish HE Sector's Distinctive Assets. British Council Scotland, April 2013.

² Excludes colleges and specialist institutions, to align with the institutions included in the Complete University Guide.

A central pillar to Scotland's approach to education is the tradition that education should be available to everyone, and the higher education sector has made substantial progress in **creating equal opportunities and widening access to education**. Following a trend of widening access successes, UCAS data³ evidenced increased numbers of SIMD20 and SIMD40 applicants placed for undergraduate study during the 2020/21 cycle. In 2019/20, 31% of Stirling's eligible undergraduate intake was recruited from the most deprived 40% of postcodes and 13% were recruited from the 20% most deprived areas. This significantly exceeded the Commission on Widening Access target for 2021 (CoWA target of MD20 entrants representing 10% of entrants at individual institutions) and reflects the strong commitment to fair access and opportunity.

The unique position that education holds within Scottish history as a public good is reflected in the more modern employability agenda. The sector benefits from thematic and strategic institutional approaches to **embedding employability in the curriculum**, through business engagement to support and inform the development of the curriculum, and by developing the social mobility of students in the workplace by offering credit bearing work-based learning. Further, the introduction and delivery of **Graduate Apprenticeships** has provided new opportunities for work-based learning and sustained commitment to this provision is welcomed. The Scottish sector's performance in the Graduate Outcomes⁴ survey of 2017/18 leavers demonstrates a focus on employability – 96% of respondents reported being in further study and/or employment, higher than the UK average. Stirling's survey outputs demonstrate that 97% of respondents progressed to further study and/or employment.

The **innovative and inclusive research environment within Scottish universities** enables the delivery of research that has economic and social impact at local, national and international levels. Scottish research pools create innovative opportunities that leverage excellence and stimulate integrated working between universities both domestically and internationally. Scotland's research intensive institutions continue to lead on **research at the frontline of the UK's response to the COVID-19 pandemic**. Stirling's response includes leading on [10 major Scottish Government funded projects exploring the COVID impact](#) and three UKRI-funded projects including a study considering the [impacts of 'new' working from home arrangements](#), as well as the [launch of a toolkit to help deal with isolation](#).

Whilst there are a number of characteristics that collectively mark the Scottish higher education sector as world-renowned, **each of the 19 institutions have distinctive qualities and priorities which they excel in delivering upon - this diversity can significantly contribute to Scotland's economic revival**. At Stirling, we strongly believe that our innovative and interdisciplinary research addresses the needs of society. This was evidenced in November 2019 when the [University's Institute of Aquaculture was awarded the Queen's Anniversary Prize for pioneering work in supporting sustainable seafood stocks](#). Further, the University is a **key partner in the Stirling and Clackmannanshire City Region Deal**, which will unlock the potential to drive economic growth, productivity and prosperity. [Research and innovation is central to this vision](#) with two new research hubs being created at the University - a £17m National Aquaculture Technology & Innovation Hub and Scotland's International Environment Centre (£22m) - introducing new opportunities for Scotland and creating high-value jobs.

Whilst acknowledging that governmental budget challenges exist and lay ahead, the review should take cognisance that each institution can positively contribute to the economic revival in distinctive ways, and this should be reflected in any changes to a supportive funding structure. Universities are major employers for their local areas, therefore funding and impact should be viewed as enabling

³ UCAS 2020 - <https://www.ucas.com/data-and-analysis/undergraduate-statistics-and-reports/statistical-releases-daily-clearing-analysis-2020>

⁴ HESA 2020 - <https://www.hesa.ac.uk/data-and-analysis/graduates/activities>, respondents with known outcomes, excluding 'other activities' and 'significant interim study'.

universities to support local employment and associated skills bases as much as the core deliverables associated with research and teaching.

Scotland is a culturally diverse country, open to international talent, and universities are no exception. Approximately 22%⁵ of students studying at Scottish HE institutions are international. The University of Stirling also reflects this, with c.24% of the student population carrying an overseas fee status, rising to c.33% with non-UK European students included. While international students undoubtedly add to the diversity and richness of university communities and the experience they can offer, international students are also a key component of the current funding model.

The current funding arrangements in Scotland have encouraged the growth of international and Rest of UK (RUK) student cohorts to cross-subsidise home student tuition, research activities and PhD study that are not funded at full economic cost. For example, Audit Scotland's report on *Finances of Scottish Universities*⁶ showed that in 2016/17, on average, universities recovered 92.4% of the full economic cost of publicly funded teaching and 80.1% of the full cost of research activities. The anticipated reduction in international student intakes as a direct result of COVID-19 would therefore have widespread impacts across all institutions. A sustainable funding model to mitigate this exposure, and to underpin and maintain the sector's world-class status moving forward, is critical.

b) What do you think colleges, universities and specialist institutions should stop doing, or do differently, in order to contribute effectively to an inclusive social and economic recovery? (You may wish to comment on teaching and skills development, sectoral and employer needs and employability, research, innovation and knowledge exchange, widening access and equalities issues.)

It is recognised that COVID-19 has caused societal and economic-related needs to change. **Scottish universities responded to the pandemic by rapidly transitioning to an online learning model which ensured that studies could continue; by changing 2020/21 programme portfolios to suit the needs of students and by refocussing research priorities to align with the COVID-dictated agenda.** At Stirling, almost 400 student nurses and 11 clinically trained members of staff responded to a call to provide frontline support to the NHS.

Whilst there has been lots of change in response to the pandemic, the existing core strengths of each university remain. The distinctive offering of each institution has proved highly successful for the sector and it is essential that this individuality is maintained to ensure its continued success. Institutions should be allowed to flourish in individual ways rather than having quality diluted by having to demonstrate step-change progress against the full gamut of Outcome Agreement sector targets and priorities. To this end, the University of Stirling welcomes the ongoing SFC-led review of the purpose and structure of Outcome Agreements.

Developing and deploying new types of innovative provision as a means to develop skills should be an ongoing objective of the sector. Progress associated with upskilling and 'micro-credentials', with sustained commitment from the Scottish Government, can be expanded further to focus on agile courses that are responsive to business needs through and beyond their recovery from COVID-19. The sector would welcome increased autonomy in terms of Graduate Apprenticeships, allowing for planned and sustainable cohort development on existing and new frameworks. This would enable institutions to focus on their own specialist disciplines and work with industries to fill any skills gaps.

⁵ Scottish Government - <https://www.gov.scot/publications/impact-international-students-scotland-scottish-government-response-migration-advisory-committees/pages/3/#:~:text=The%20latest%20available%20data%20suggests,the%20UK%20as%20a%20whole.>

⁶ Audit Scotland 2019 - https://www.audit-scotland.gov.uk/uploads/docs/report/2019/nr_190919_finances_universities.pdf

The model of largely being based in the workplace while undertaking a degree through work-based learning could be adapted more widely and, if done remotely, created and marketed in a global market.

There is a complex network of support and co-ordination around school and college students and leavers to support government strategy on 'Developing the young workforce' and 'Employability'. Through local and regional partnerships, the University is increasingly working on local skills analysis and joint promotion of services. Going forward, consideration could be given to:

- How universities can be an integral part of these networks on a regional basis and a sustainable part of discussions around employability and business support – linking with 'DYW'.
- Building into those networks, how student and graduate talent can be promoted to the business sector (all sectors and sizes) to raise the profile of such talent and how it can contribute to business/organisation innovation and growth while mutually benefiting our courses and students.
- Discussions are currently underway in relation to developing a robust institutional and sector message and offer to business in Scotland. Currently, it is thematically compartmentalised (e.g. research, consultancy, social responsibility, recruitment, professional body needs/compliance and work-based learning). We should consider how the sector can really establish its offer and contribution to economic recovery to businesses in an accessible, collective way.

The Scottish Government have been progressive in terms of setting a national direction for responding to the climate emergency, including the ambition of net-zero emissions across all greenhouse gases by 2045. Hosting the 26th UN Climate Change Conference (COP) in November 2021 demonstrates Scotland's commitment to the cause and universities undoubtedly have a role across many themes within the climate change and sustainability umbrella, including but not limited to energy policy, food sustainability and broader societal change. The University of Stirling, through the City Deal project for Scotland's International Environment Centre, expect to be at the forefront of research and policy development in this area. It must however be recognised that the core estates of much of the sector would need significant investment support to deliver against future emission targets, coupled with a maintenance backlog due to ageing buildings and a restricted sector capital funding envelope.

c) How can colleges, universities and specialist institutions best support Scotland's international connectedness and competitiveness in the post-pandemic, post-EU membership environment?

Scottish universities have an international reputation as being world leading and this has enabled the sector to attract staff and students from around the world as well as research collaborations and funding. The messaging that Scotland is open and safe must be collectively promoted to continue attracting such talent. With EU students no longer eligible for the home fee status from 2021/22, **it is vital that prospective students view Scotland as a welcoming destination**. It is also imperative that partnership working continues with EU institutions and partners to encourage international research collaborations and study abroad opportunities.

Maintaining strong links with partners further afield and creating new collaborations is also vital to continue promoting research and teaching excellence with a global impact. Through teaching partnerships, we can support ambitious students and equip them with the skills to thrive in our fast-moving world and transform it for the better. The opportunity to collaborate with partners through trans-national education should be expanded, as it means students can gain a Scottish education experience whilst remaining in their own country, reducing the institutional carbon footprint.

From an employability perspective, there are positive opportunities for students to access international prospects for employment, such as Going Global and the Riipen platform. With the advent of more remote working, there is an opportunity for the creation of global remote internships and credit bearing projects, whilst linking with global Alumni.

d) What opportunities and threats does the post-pandemic environment hold for colleges, universities and specialist institutions? For institutional leaders, how are you planning to address these challenges and opportunities?

The rapid developments of COVID-19 resulted in university communities pulling together to provide remote teaching for the remainder of 2019/20. **Universities have since developed their technology-enabled education in preparation for a blended learning approach in the first semester of 2020/21 and possibly beyond.** Whilst not taking away from the value of face-to-face teaching, this opportunity to evolve our learning techniques will have benefits going forward as it enables our excellent education to have a far wider reach. It must however be noted that other countries have also fully engaged with online provision and thus the Scottish sector may need to advance their online learning techniques even further to remain competitive in this evolving market.

The pandemic comes at a time when the **higher education sector has already absorbed and was continuing to respond to a range of well-rehearsed, complex and intertwined challenges presented by the external environment.** Audit Scotland's report, *Finances of Scottish Universities* (September 2019), showed the financial picture has worsened since 2016, with universities facing increased costs, further funding cuts and more reliance on borrowing. The report highlighted that funding for universities is decreasing at a faster rate than the Scottish Government's budget. The Government's budget decreased by 5% in the three years from 2014/15 whilst university funding decreased by 7%. The pandemic has brought new and unprecedented challenges and has impacted the sector in many ways - with the most substantial impact being a financial one. It is expected that Covid-19 will have cumulative, multi-year impacts beyond the 2020/21 academic year and thus we would support a funding model that is sustainable yet progressive and would enable universities to continue effectively contributing to the country's economic revival.

The impact of COVID-19 and the associated risks were well set out in the SFC's [COVID-19 Further and Higher Education Financial Impacts](#) briefing paper. Follow-up financial forecasts have recently been submitted to the SFC along with budget scenario planning which demonstrates on an institutional basis the actions which are to be deployed in 2020/21. **While measures such as the Coronavirus Job Retention Scheme (CJRS), the additional £75m in research funding and the additional £10m for FE/HE capital maintenance are welcomed, the overriding risk of significantly reduced unregulated student intakes persists and if realised would trigger significant cost-cutting actions across the sector.**

e) What forms of collaboration within the tertiary education eco-system would best enable a coherent and effective response to these challenges and opportunities?

As mentioned above, the Scottish higher education sector already thrives using collaborative approaches. Through research pools and funded projects, universities work to ensure their research is interdisciplinary and integrated, bringing together the experts who can make the most significant impact, whether nationally or internationally. Universities also work hard to ensure students enjoy an international experience by having close partnership links with institutions around the world.

Where institutions could expand their collaborations is with the further education sector, ensuring that any articulation routes and partnership provision are wide reaching and relevant to the needs of society. At Stirling, the strategic partnership with Forth Valley College has seen sustained success in the development and delivery of the Integrated Degree Programmes. In 2019/20, 110 students were recruited to these programmes. The first cohort of integrated degree students graduated in summer 2017 with a high rate of graduate-level employment and a number of students progressed to postgraduate study. The University is planning for deployment of a similar model in respect of STEM secondary education and could replicate this well-developed integrated delivery model across other disciplines should additional funded places be made available. In addition, the University has been working towards increasing the number of articulation agreements and articulation partners for entry in 2020/21. New developments target key priorities in STEM skills and increased the proportion of students articulating with advanced standing.

f) How can SFC, alongside government and other enterprise, skills and education-focused agencies, best support colleges, universities and specialist institutions to make their full contribution to Scotland's inclusive, green and education-led recovery? In particular, you may wish to draw out:

- *How scarce public resources should be prioritised to drive recovery*
- *Particular areas of collaboration between agencies that would best support the sectors' contributions*
- *Adaptations to SFC's funding and accountability frameworks to promote agile and collaborative action by the sectors to build Scotland's recovery*
- *How SFC's funding and accountability frameworks should ensure that equality and wide access to educational opportunity are promoted as key elements of the recovery for younger people and adults*
- *What support SFC and government could give institutions to adapt to a changed environment*

Public resources should be prioritised towards social and economic recovery in a way that maximises Scotland's competitive advantage. Developing the skills of Scotland's current and future workforce is central to reviving the economy and increasing productivity, supporting the Scottish Government's focus on fair, inclusive and sustainable economic growth. It is acknowledged that the Enterprise and Skills Strategic Board's strategic plan seeks greater collaboration between public and private sector partners to provide more agile support for employers and employees to upskill and reskill, increasing the provision of in-work learning using new models of provision. Higher education institutions have a substantial role to play in delivering learning which enables people to participate and progress in the labour market, prioritising flexible and agile provision which meets the new and known skills gap in the economy.

Innovative, mission-oriented research should also be prioritised as it can provide valuable information on the impacts of the pandemic and can inform actions on how best to move forward. Although COVID-19 is the current focus, research is necessary for other societal issues, such as addressing climate change and supporting health and wellbeing. Scottish research faces the double threat of a decline in funding from industry and charities as a result of the pandemic, and the potential loss of EU funding. The SFC and UKRI should therefore collaborate to develop funding streams for mission-oriented research that addresses the needs of society.

The Outcome Agreement process was introduced to assist in demonstrating the contribution of Scottish institutions to the Government's priorities and to demonstrate the impact of funding a diverse sector. Over time, however, institutions have been evaluated against a growing number of measures, which has made the process onerous and has limited institutions' ability to highlight their individuality. We would welcome an institution-led approach that recognises the distinct assets of each institution

and the contribution they can make towards Government priorities. Encompassing a refreshed Outcome Agreement process into a rationalised accountability framework would be welcomed.

A funding framework, tethered to a sustainable funding model, which allowed for flexibility to refocus allocated resources within reason, to enable individual institutions to support and deliver against agreed priorities would be extremely advantageous. Confirmation that the funding associated with the EU undergraduate student cohort will remain within the sector when the fee status of this group changes from 2021/22 is welcomed along with commitment to discuss the allocation of funding with the sector.

**University of Stirling
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