



Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

University Upskilling Fund AY 2023-24



University Upskilling Fund AY 2023-24

Issue Date:	22 August 2023
Reference:	SFC/GD/24/2023
Summary:	To provide universities with the updated guidance and updated allocations for AY 2023-24
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University Upskilling Fund for 2023-24

Purpose

1. I am writing to provide you with guidance on the Upskilling Fund for Academic Year (AY) 2023-24. In this, the fifth year of the Fund, the fundamental principle remains that the fund should continue to be used by universities to offer short, flexible provision to support people living and working in Scotland to upskill or reskill with higher level skills needs in strategically important curriculum areas. This provision should help facilitate continued economic recovery and transformation working urgently to deliver a Net Zero Scottish economy.

Context

2. This guidance for AY 2023-24 continues to be set within the context of our post-pandemic economy, exit from the European Union (EU), and the escalating climate emergency.
3. The Scottish Funding Council (SFC) is conducting an evaluation of the Upskilling Fund this academic session in line with our commitment in our Review of Coherent Provision and Sustainability with the final report and recommendations due in spring of 2024. One of the aims of this evaluation is to assess how the Fund has supported the recovery mission and whether it meets the future skills needs of our economy.

Policy Drivers

4. There are a number of strategic policy drivers that provide direction for the Upskilling Fund including SFC's Review of Coherent Provision and Sustainability, the Purpose and Principles for Post School Education (2023), Research and Skills, Fit for the Future: developing a post-school learning system to fuel economic transformation: Report of the Independent Review of the Skills Delivery Landscape (2023) and the National Strategy for Economic Transformation (March 2022). All recognise that learning throughout life is increasingly important and that the pace of change in the jobs market continues to require people to undertake more frequent reskilling and upskilling at various stages throughout their working lives. They also recognise that collaboration between employers and providers is key to ensure that people have the skills they need at every stage of life to have rewarding careers that meet the demands of an ever-changing economy and society.
5. The Upskilling Fund continues to play a key role in providing skills interventions that can be flexed to address the significant employability and skills needs that employers and employees will continue to experience over the coming period.

Upskilling Activity 2023-24

6. The Upskilling Fund activity across the sector should facilitate and focus on Net Zero skills needs and help drive Scotland's wellbeing economy, in line with the priorities identified in SFC's Review of Coherence and Sustainability, SFC's Ministerial Letter of Guidance and the National Strategy for Economic Transformation (NSET).
7. In AY 2023-24 the Fund should continue to support the following actions:
 - The skills transition to Net Zero – provide opportunities for upskilling and reskilling to support the development of green skills supporting the ambitions in the Scottish Government's Climate Change Plan, Just Transition and Digital Strategy.
 - EU Exit – help sectors that are experiencing skills gaps or shortages following the UK's exit from the EU to access talent and ensuring growth sectors are supported.
 - NSET – support and incentivise individuals and employers to invest in skills and training throughout their working lives, developing entrepreneurial people and culture, and helping to create a fairer and more equal society through the work of anchor Higher Education Institutions.
 - Emerge from COVID-19 to a 'new normal' – continue to help sectors which have been disproportionately impacted by the pandemic and those sectors that will see growth to adapt to the new labour market conditions facing them.
8. Upskilling Fund activity should:
 - Support identified needs for higher-level skills for the existing workforce, those who are seeking employment and those in employment that require these skills to progress in the workforce.
 - Tackle inequality, supporting those with protected characteristics who are most likely to be in sectors affected by COVID-19 and/or the EU Exit to further promote the Fair Work agenda and Just Transition to Net Zero.
 - Support sectors that have been disproportionately impacted by the pandemic and EU Exit through upskilling and reskilling interventions and the movement of workers into sectors where we are most confident of a strong recovery, or where demand has increased.

Aim/Purpose of Funding

9. We recognise that universities have been active in this area and, having had four years of development and delivery through the Upskilling Fund, will have strong, established

relationships with employers. These relationships should continue to be developed and expanded to respond to emerging and changing upskilling needs. They will also often - though not always - have the relevant curriculum content available as part of existing provision to meet those needs. The purpose of this funding therefore is to continue to innovate in finding new models to bring those things together, to ensure provision remains relevant and that the method of delivery meets needs in a rapidly changing economic situation.

Delivery of Activity

10. As with the previous four years, SFC is aware that no single delivery model will address all the upskilling and reskilling needs that we are seeking to address with this funding. People seeking to change careers or coping with redundancy and unemployment will have unique needs and distinct levels of prior education, and different professions or sectors of the economy will have different requirements.
11. Therefore, for AY 2023-24 our expectation is the sector continues to develop a range of provision and delivery models, whilst also taking the opportunity to continue to collaborate between institutions, and between institutions and employers. This should support - by design - provision coherence and the meeting of local, regional, and national higher-level skills needs and minimise duplication by geography, delivery method and curriculum area, subject to the following broad parameters:
 - Upskilling provision should be shorter in duration – usually significantly shorter – than a full AY. The rationale for this is that more traditional models of provision over a longer period already exist and that for some potential students the upskilling need might be specific and require shorter interventions.
 - Upskilling provision should be flexible in terms of start dates to enable potential students to access at any point in the year where there is demand. To enable this SFC will provide flexibility on the use of funding between AYs and details of this planned activity should be included in monitoring and reporting throughout the year and at year-end reports.
 - Universities must be able to demonstrate that all provision clearly addresses, and is strategically aligned to, key sectors providing a more rapid response to industry needs in specific areas such as Software Development, Data Skills, Cybersecurity, Engineering, Science and Care. The priorities for Scotland’s economy are outlined in [Scotland's National Strategy for Economic Transformation](#).

12. SFC will continue to engage with universities to understand the range of provision in AY 2023-24 and how it fits within the national picture of provision. We expect universities to continue to develop innovative and flexible models of delivery, including distance, online and blended learning, to make learning as accessible as possible to the broadest range of students.
13. We expect universities that are receiving a greater share of Upskilling funding to undertake a greater range of delivery methods and collaborative working partnerships.

Course/Provision Eligibility Parameters

14. The following eligibility parameters apply:
 - Level - Upskilling funding should be used to deliver or develop courses/provision focused at either undergraduate or taught postgraduate level (minimum of SCQF level 7).
 - Mode of delivery - Courses/provision can be full-time (short) or part-time and be delivered by day or evening and/or via distance learning/online/blended learning (as appropriate).
 - Accreditation - Universities should make every practicable effort to deliver accredited courses/provision that leads to a nationally recognised qualification which meets the requirements of an appropriate professional/industry/employer standard.
 - Certification - Universities must ensure that certification is provided for every learner.
 - Where possible, Upskilling funding should not be used to substitute for an employer's statutory obligations (unless there are exceptional circumstances which are agreed in advance with SFC).
15. Courses/provision should normally be credit-bearing and have some form of appropriate assessment built-in. However, this is not a necessary eligibility criterion and is at the university's discretion, based on the nature of the particular course/ provision and the needs of students.

Student/Learner Eligibility Parameters

16. The purpose of this funding is an investment in the skills base of the Scottish economy; therefore, the following student/learner eligibility parameters apply (unchanged from previous academic years):
 - Courses/provision is open to all Scottish-domiciled/'home fee' students, which is consistent with SFC's policy for core funded student places.
 - Students from the rest of the UK (rUK) are not normally considered eligible for SFC funding. However, if a university is working with a Scottish/UK employer which has a physical presence or operating in Scotland, rUK employees of that employer who normally work in Scotland would be eligible under this Fund.

Curriculum/Course Development

17. SFC expects Upskilling funding to be used to meet the cost of delivering courses/provision to learners; supported, as appropriate, by tuition fees. In this fifth year we expect universities to build on their progress from the previous four years, therefore we would expect development costs to be allocated only to new models of delivery. In AY 2023-24 this should be no more than **10%** of each institution's funding allocation.

Upskilling Fund Allocations for AY 2023-24

18. A breakdown of the Upskilling funding allocations for each university in AY 2023-24 was published as part of the University Final Funding Allocations for AY 2023-24 in [Table 4 – Grants for Teaching](#) (column 6). These allocations have now been updated following engagement with institutions.
19. Revised allocations are shown in Annex A of this guidance.

Timeframe for Delivery of Funded Activity

20. SFC expects provision to be delivered by universities within AY 2023-24. However, given the short, flexible nature of courses/provision that is being asked for, and the expectation that this funding will support individual and business needs, we are aware that delivery may fall out with that 12-month period and span AYs.

Further Information

21. SFC reserves the right to recover funding in line with our general conditions of funding.
22. If you have any queries or require any further information, please contact SFC's Upskilling mailbox in the first instance by emailing: upskilling@sfc.ac.uk.

Annex A

Upskilling Fund allocations for Universities in AY 2023-24

Institution	Upskilling allocations for AY 2023-24
Aberdeen, University of	£620,211
Abertay University	£235,756
Dundee, University of	£351,339
Edinburgh Napier University	£261,935
Edinburgh, University of	£813,131
Glasgow Caledonian University	£302,703
Glasgow School of Art	-
Glasgow, University of	£896,790
Heriot-Watt University	£596,265
Highlands and Islands, University of the	£163,015
Open University in Scotland	£262,981
Queen Margaret University, Edinburgh	£189,554
Robert Gordon University	£381,015
Royal Conservatoire of Scotland	£359,541
SRUC	£137,468
St Andrews, University of	£192,660
Stirling, University of	£283,480
Strathclyde, University of	£681,753
West of Scotland, University of the	£240,416
Total	£6,970,013

Annex B

Monitoring Use of Funds / Reporting to SFC

23. While there are no funded student places allocated as part of the Upskilling Fund, SFC will monitor the delivery and uptake of activity through specific reporting from universities as detailed below.
24. As a condition of grant, universities are required to submit two monitoring reports to SFC; an interim report at the end of February 2024 detailing progress on the use of their AY 2023-24 Upskilling funding allocation and a final report at the end of October 2024. In AY 2023-24 templates for these reports will be based on HESA reporting fields, for both credit-bearing and non-credit-bearing activity. These reporting templates, which will gather both qualitative and quantitative data, should be sent to upskilling@sfc.ac.uk and should include:
- Details on the development and/or delivery of courses/provision and associated costs including the total amount spent and underspend. It is expected that institutions will be required to deliver content during the summer and early autumn period to meet student/employer demand, therefore this will not be treated as a normal 'carry forward' request, however we will require details of this planned activity and any projected underspend.
 - The uptake of activity, including the numbers of learners and details of protected characteristics.
 - The type of learners e.g., employer cohort, individual learners, Scottish-domiciled/'home fee' status or others.
 - The number/type/level of qualifications.
 - The hours/credits of learning provided.
 - Details of employer engagement including cohorts trained with employers, bespoke courses developed and courses where employers contribute a fee.
 - Lessons learned through development and delivery of provision, including details of where institutions have developed new capabilities or established new partnerships.
25. In addition, in line with normal HESA reporting requirements, all HE level credit-bearing activity completed using Upskilling funding should continue to be reported through HESA. However, a reduced set of fields will only be required to be returned to HESA.

Annex C

Teaching Subject Prices

26. As part of SFC's ongoing consideration of value for money, we will look at the volume of activity delivered by universities from their Upskilling funding allocations, including the cost per full-time equivalent (FTE) student. This will be considered against our core teaching subject prices and tuition fee assumptions which are set out below:

Subject Price Group	1	2	3	4	5	6
Price per FTE	£17,760	£10,077	£8,931	£7,775	£6,873	£5,601

27. SFC will look at how many learners have benefited to help inform our value for money assessment and wider evaluation of impact/success. We acknowledge that the new, innovative and flexible models of delivery that we are seeking to encourage may not fit or be applicable with SFC's existing teaching subject price group model.
28. Our gross subject prices for AY 2023-24 include the following assumed level of tuition fees for 'home fee' students, which are unchanged from AY 2022-23:
- Full-time First Degree: £1,820.
 - Other Undergraduate: £1,285.
 - Taught Postgraduate: £5,500.
29. It is expected that most courses aimed at individuals will be fully funded from university Upskilling allocations. Where bespoke courses have been developed with an employer, to be delivered to their employees, we would expect an element of co-funding through a contribution or fee. SFC has not set specific parameters on the fees that universities may charge individuals or employers, but we expect universities to have due regard to public value for money in decisions on whether to charge fees and the level at which they are set.