

A CHANGING LANDSCAPE FOR TERTIARY EDUCATION AND RESEARCH IN SCOTLAND

A Response to the Consultation Paper on the Merger of The Scottish Further Education Funding Council and The Scottish Higher Education Funding Council.

Preamble

The Coalition of Higher Education Students in Scotland (CHESS) represents the interests and views of its member institutions; the students' associations of the universities of Dundee, Edinburgh, Glasgow, St Andrews, Strathclyde and the Open University in Scotland. CHESS represents around fifty percent of students studying in Higher Education institutions in Scotland.

Introduction

CHESS welcomes this opportunity to contribute to the consultation process. Having been satisfied by a number of the issues raised at the Edinburgh stakeholder meeting, we have chosen to highlight a few key concerns and leave a number of others to those bodies we believe better placed to make them. In light of this considered approach, we very much hope that the Executive will carefully deliberate over the comments below.

Accountability Structures

CHESS welcomes the commitment to accountability as one of the three keys aims of the bill¹. As a principle, CHESS believes that increased responsibility should be followed by an increase in accountability. However we would suggest that whilst that new Funding Council maybe accountable to Ministers and Parliament, it should be equally accountable to students and institutions.

Efficiency gains are cautiously welcomed, but only a massive increase in investment can sustain Scottish Higher Education.

The decision to extend the necessity for "adequate and efficient provision" to all STEPs is also welcomed. However, we are wary of the word efficient being interpreted as purely having regard for economic purposes. Although it is excellent that the Executive is seeking to make Higher Education funding more efficient, the key issue is not the utilisation of existing resources, but the total amount of resources that institutions have.

Naturally we appreciate that 'efficiency' will always have economic connotations, however we would not wish efficiency gains to supersede a commitment to quality and lifelong learning as the driving forces behind the new funding council. Furthermore, we would suggest that a prime opportunity to enshrine quality has been missed. A legal commitment to quality would perhaps be more pertinent than a commitment to being "adequate and efficient".

CHESS is less enamoured by s.1(2) of the bill which allows Scottish Ministers to "do anything which is necessary or expedient." This one phrase appears to shatter any latter assurances that institutional autonomy is not threatened. We accept that this terminology is not new in light of provisions of the 1992 Act², however in this context it appears to create an unfettered power for Ministers to exercise at will. Although this may not be the intention of the Executive – creating such a principle in law would allow Ministers in the future to misuse the power. **If it is not the intention of Ministers to challenge institutional autonomy, then it may reasonably be asked why the provision needs to be in the Bill.** CHESS therefore strongly urges the Executive to revise the extent of this provision.

¹ Executive summary of the consultation document

² s.1 - Further and Higher Education (Scotland) Act 1992

If the power were qualified by the proviso "as far as this Act allows it to do so" to s.1 (2). This would avoid the situation whereby other provisions essential to the ethos of the bill were overridden by such an imposing clause.

Private Institutions – s.22

CHESS believes firmly that all tertiary education should remain in the public domain. Any development which would allow the private sector into tertiary education would dramatically increase the possibility of top-up fees or an equivalent being introduced into publicly funded institutions, and would end any attempts to make access to education on the basis of academic potential.

We note that the concept of ministers being able to designate any institution as eligible for funding existed in the 1992 Act³ and this bill is perhaps an attempt to tighten the procedure in light of the increased chance of the provision being exercised. Nevertheless we would re-iterate our opposition to this provision, and would highlight that the international context has changed since 1992, as a result of the General Agreement on Trade and Services (GATS). We would point out that Scottish Ministers have no control over the development of GATS and therefore are potentially in a position where they will not have the power to discriminate between the public and the private sectors. This would surely have devastating funding implications for public institutions and is therefore a key concern.

CHESS further notes that Annex A to the consultation document outlines a number of conditions of STEPs status. This is not followed by equally stringent rules within the bill itself. We understand that it is neither necessary nor conducive to legislate to such a comprehensive level but are concerned that conditions such as to the appropriate student involvement in corporate governance have been omitted.

'STEPS' Terminology

CHESS unreservedly welcomes a commitment to creating a parity of esteem between the further and higher education sectors, yet are indifferent towards the concept of 'STEPS'⁴.

We believe the use of the term 'tertiary' will help attempts to widen access, but we would prefer terminology which was more in line with the Executive's commitment to lifelong learning.

Having understood the introduction of the term STEPs to aid and promote parity, is perplexing that under that four categorisations of STEPs are created; particularly as it allows for different notions of esteem to develop. It is our understanding that this exists for the purposes of SAAS. This categorisation creates a fatal flaw though in the attempt to achieve parity of esteem as it doubles the very binary divide it seeks to diminish.

CHESS wishes to emphasise that such a key concept is therefore defective before it is even implemented and that perhaps the administrative logistics for SAAS should give way to this superior objective.

Future Skills Needs of Scotland – s.17

CHESS is by no means satisfied that Scottish Ministers are best placed to address the future skills needs of Scotland. The case is certainly not made in the consultation document and we find it difficult to accept that the Executive could accurately anticipate the employment market up to seven years ahead. Furthermore, these decisions are for the institution to make freely as part of its strategic planning process or indeed for the students

³ s.44 – Further and Higher Education (Scotland) Act 1992

⁴ s.21 of the Bill

who choose to partake in the courses that they offer. **This bill reforms the funding council; it should not subversively create a planning council.**

CHESS believes that there are more pertinent issues in relation to the skills agenda. The key to addressing the future skills needs of Scotland is flexibility, ensuring access and promoting lifelong learning. This would create the ideal framework for individuals to re-skill throughout their working life. This revised framework would not be on the basis of speculation from Ministers. CHESS believes that a commitment to Lifelong Learning is the key to address Scotland's future skills needs.

CHESS is further concerned by the consultation document's reference to 'local needs'.⁵ Whilst it is undoubtedly true that tertiary education providers must be aware of, and respond to, local needs, it is also necessary that they have an international outlook and this does not appear to be reflected in the Bill. Indeed both the Bill and the consultation document lack a distinct reference to diversity. Education plays a wider role empowering and developing the population so as to benefit society as a whole, not simply to make graduates employable.

However, if this must remain as a provision, then we would wish some degree of accountability to ensure that ministers have a duty to consult relevant bodies such as Futureskills Scotland, Careers Scotland etc, in addition to the institutions own strategic plans.

The Single Budget

Although we can appreciate the efficiency gains of running a single budget, it is difficult to see how collaborations between institutions can be promoted when a single budget exists. If the Executive provided the new funding council with two separate budgets, it would naturally be more transparent and avoid the situation whereby one sector is deemed to be favoured over the other. We would not wish to see the necessary increases in Higher Education funding coming from Further Education, and we would not wish to see the necessary increases in Further Education funding coming from Higher Education. We are not convinced that a single budget would allow adequate scrutiny of this principle. CHESS is disappointed by the lack of consideration this concept was given in the consultation document.

We are not convinced that the new body producing an annual report⁶ of the activities it has funded will ensure parliamentary scrutiny of funds. Not least because an annual report is retrospective, and does not encourage in-depth accountability. Therefore we are proposing that Further Education Colleges, Higher Education Institutions and student representatives are involved in the decision-making structure. The Executive rightly see the virtue of institutions conducting their business in this way by asking that students sit on the board of governors, thus it is only logical to extend this right to the new Funding Council. Ensuring representation from both students and institutions on the Funding Council would significantly increase the accountability of the new body. It would ensure that stakeholders in tertiary education were involved in both processes and outcomes and would encourage a genuinely inclusive and collaborative approach to life long learning in Scotland.

'Quality of Learning'

CHESS believes that learners should be at the heart of the tertiary education system. We therefore welcome the commitment to strategic development of "quality of learning

⁵ s.23(2) of the bill and paragraphs 59 and 81 of the consultation document

⁶ Schedule 1 s.16(1)

provision."⁷ On that point, we would wish to see HMIE and QAA continuing to contract with the Funding Council. Furthermore, we welcome the development that quality and enhancement will be driven forward by "robust self-evaluations from Colleges and HEIs" and that this will be integrated into a condition of STEPs status.

Teaching Qualification

CHESS is in favour of the advent of a teaching qualification in principle⁸. However we are (in the absence of a memorandum to accompany the Bill) forced to speculate as to the extent of the impact that will have. We note though that any such qualification will require significant resources to fund it appropriately. This point cannot be emphasised enough as Scottish Higher Education looks like it will be distinctly disadvantaged by the Higher Education Bill south of the border, in terms of attracting the best teaching and research staff. Any new measure would have to take account of increased competition as a result of the UK government's Higher Education Bill and would have to be applied sensibly so that visiting academics and others are excluded where appropriate.

Student Support

We are unclear as to the relevance of the student support section in the consultation document⁹. Having been referred to the Funding for Learners Review, we can only assume that the proposed provision to allow the funding council to provide financial student support is designed to incorporate the outcome of that process. Like Universities Scotland however, we are concerned that an incomprehensive "informal review"¹⁰ could have such a significant effect. CHESS is unclear and deeply concerned by the potential consequences of this reference.

Conclusion

The consultation process would have been more comprehensive and effective if the bill had included a memorandum. Furthermore we would have appreciated a legal view of how the bill sits in the context of the existing 1992 Act which it supplements rather than repeals.

We understand that the Executive has been under considerable pressure in producing the bill and the timescale created for its implementation. However, we do not accept that this is an excuse for a process with such significant implication. Perhaps the Executive would have been subject to less criticism had the memorandum explaining its intentions been ready. However this would not have resolved the recurring issue in this process i.e. that the interpretation of the bill is often far from what was intended by the Executive.

CHESS accepts the majority of the bill's provisions but reiterates the point that the whole process is patchy; with some areas been considered in considerable depth whilst others have barely been skimmed. For example, the impact of increased ministerial involvement on institutions' ability to obtain funds from other sources has at no point in the consultation document been addressed.

The Executive state the objectives of the bill as ensuring transparency, value for money and accountability. Before this bill becomes legislation, CHESS would request a commitment from the Executive that the diversity of a Scottish Higher Education will not be materially affected.

Will Garton,

On behalf of the Coalition of Higher Education Students in Scotland, June 2004.

⁷ s.15 of the Bill

⁸ Para. 67 of the Consultation document

⁹ p.113 of the Consultation Document

¹⁰ Universities Scotland's submission to the Funding for Learners Review