

UKU RESPONSE TO THE SCOTTISH EXECUTIVE CONSULTATION ON THE MERGER OF THE FUNDING COUNCILS

- A1 GCU welcomes the proposed merger of the Funding Councils as an opportunity to present a more coherent tertiary sector to meet the needs of students and employers.
- A2 We welcome the intended reduction of barriers to articulation and the encouragement of mixed mode provision.
- A3 As a vocational/professional University responsive to the needs of both students and employers, we recognise and support the intention to encourage an even better match between Scotland's needs for graduate and postgraduate skill supply and University provision.
- A4 We see the coherent, integrated sector offering very similar benefits to the abolition of the binary distinction between Universities and Polytechnics in 1992 which has been a great success eg parity of esteem for vocational degrees and the encouragement of research in new subjects and multidisciplinary themes which are directly relevant to Scotland's needs. However, a coherent sector is not the same as a merged sector in which distinctions between integrated institutions have been eliminated.
- A5 We accept the referral of non-academic student complaints to the Public Service Ombudsman as an acceptable alternative to the existing sector wide voluntary arbitration scheme.
- A6 We regard the bureaucratic "Specific Tertiary Education Provider" approach as dangerously similar to a reintroduction of the binary divide. We note the stated intention to fund by type of institution and look for reassurance from the Executive that the intention is not to empower the merged Council to fund by new STEP category, not to introduce a damaging concept of research intensive institution, and in short not to damage the progress made over the past 12 years with widening participation, parity of esteem, and direct contribution to Scotland's needs from applied research and knowledge transfer that has been brought about by having a merged sector and a single HE funding council specifically for Scotland. The term STEP is unnecessary and the implications probably unintended; it should be dropped.
- A7i We share the Executive's concern to ensure that the whole tertiary sector meets Scotland's needs. However, we would note that this would be better done by giving the new Council a strategic leadership and facilitating role rather than a planning orientation. The "adequacy and efficiency" duty in FE is mere rhetoric. SFEFC cannot force students to study unpopular subjects and cannot square requiring Governing Bodies to ensure financial viability and simultaneously require provision of uneconomic, unfilled learning opportunities. It would be rewarding to study the history of the University Grants Committee which in 1979-89 during the Thatcherite era, adopted a "planning" mode which is widely regarded as having **failed** (eg Professor Topper, University of Sussex). It was marked by increasing bureaucracy, declining academic and institutional autonomy, and in the end the quango was faced down by University College Cardiff. Post 1989, in quango mode, the increasing frustration of Government with HEFCE and SHEFC's inability to carry through Government policy can be measured directly by the increasing length and detail of the letters of direction to the quangos. Since neither "planning" nor "buffer quango" mode seem to produce sufficient or effective adaptability to Government priorities, the combination of strategic direction proposed here plus contracting for marginal changes proposed in the consultative document should be given more serious consideration.

- A7 ii We are concerned that the Executive, in requiring Universities to provide three year plans for all learning and research provision by subject, is envisaging a more proactive planning role for the new Council than is necessary or deliverable. While we accept that the Bill contains at section 4(13) provisions to prevent Ministers interfering with academic freedom, it is not clear that their protection restricts the new Funding Council.
- A8 Similar arguments apply to mergers, collaborations, partnerships and rationalisation. We try to give great weight in considering such matters to meeting learner and employer needs, but mutual benefit to the providers concerned must also be taken into account to ensure effective implementation, value for money, and continuing viability. Mere "feasibility" is an odd and insufficient criterion to choose.
- A9 We are very disappointed that no further incentives to articulation are envisaged. To achieve a merged Council would only require a two line Bill. Officials have acknowledged that no new statutory powers are required to enhance articulation. Instead the Bill enhances the powers of the Council to interfere and regulate almost every aspect of the University's academic activity, changing our status to virtually a mini quango. How will "adequacy" of provision be made compatible with arbitrary caps on student numbers?
- A10 Instead we would urge a proactive approach to encouraging cohesion and fairness through funding. The recent SHFC grants for articulation were welcome and necessary because the University experience is deliberately designed to develop independent learners with the full graduate characteristics so prized by employers. The learner centred pedagogy is more expensive to deliver than simple vocational knowledge. This means that on articulation from FE learners need intensive help to change their learning styles, and this help needs to be funded.
- A11 More generally the concept of funding by credit or funding by levels needs to be examined very carefully. Already there are small premia eg for widening participation or for part-time which begin to recognise the additional costs of meeting the needs of particular types of students. If the Executive really believed in widening participation, access, and reducing drop-out by helping such students succeed, it would require the Council to increase the widening participation premium dramatically as has happened in England. Even more innovative would be to introduce a uniquely Scottish method of funding according to the educational value added or distance travelled. It is of far more benefit to Scottish society and economy if a student with few highers from a deprived estate is brought up to graduate standard, than someone from a privileged background and a full set of advanced highers. The former requires much more effort, support and cost on behalf of the provider. Yet the funding by level or funding by credit proposals ignores this. We would prefer to see positive incentives in any form to integrated coherent opportunities for students to progress across the whole sector.
- A12 There are other points about funding. First, funding Universities by block grant is a bulwark to autonomy and academic freedom. As an institution we have no objection whatsoever to the Executive or the Council offering a small proportion of the funding as a specific grant to obtain specific outputs of relatively immediate need in the Scottish labour market. Social workers, nurses and radiographers are all good current examples. However if all of the teaching grant were to be controlled and offered in this way, it would remove vital opportunities for Universities to behave entrepreneurially in spotting new trends and needs in student demand both at home and overseas. In a global economy we have to have an eye on trends in the labour market and in the professions worldwide.

- A13 Developing this point further, there seems to be some current concern to protect subjects with falling demand from students eg chemistry and pure economics. At the margin there is no objection to the same contract mechanism to offer incentives to institutions to keep open needed specialisms that can only attract uneconomically small numbers of students. However, we would question why the Executive should fund this for professions outside the public sector. Meeting the needs of the NHS is completely understandable, meeting the needs of private sector pharmaceutical companies is another, unless such companies guarantee jobs at the outset. Otherwise this could waste a lot of public money in attempting micro planning to meet perceived labour market needs.
- A14 The second point about funding is that we would not want the heavily bureaucratic and complex FE funding by micro learning episode to be extended to HE.
- A15 Thirdly, the consultative document reads very much like an initial tertiary education with little emphasis on lifelong learning or return to learn.
- A16 Fourthly, there is the question of funding research. At present this is heavily skewed towards research-intensive universities but SHEFC and the Executive have taken an enlightened approach to developing world class research in new subjects and in supporting multidisciplinary themes. We would not want to see that diluted. However, we think there is a role for scholarship funding for FE staff to assist them in knowledge transfer to SMEs. Funding for FE/HE partnerships to assist this process would be welcome too. However, these developments should not be at the cost of restricted budgets for or access to the Main Quality Research Grant (MQRG).
- A17 We would point out that the block grant approach and MQRG together with the original research development grants, and now the strategic research development grants have enabled GCU to lever approximately three to four fold other research and consultancy income and to attract thousands of international students to Scotland.
- A18 We note and consider unnecessary that many of the Council's proposed powers apply equally to the institution's private income and resources as those funded by the Executive.
- A19 More generally on funding for both teaching and research we believe further thought should be given to at least partially funding by mission. This would encourage distinctiveness not mission drift, and could be a much more useful tool in improving the Executive and Council's powers to give strategic macro leadership to the sector as a whole, in place of the micro planning function apparently envisaged. We would like to see funding by mission placed in the context of a 2020 vision from the Executive, to avoid being too seduced by immediate labour market concerns.
- A20 We are concerned that the Council's proposed unlimited powers to request information or require detailed plans will impose a new bureaucratic burden and imply an unnecessary degree of second guessing of institutions' independent decisions/plans. We would like to see more definition of how the new Council will provide a strategic lead or meet Ministerial priorities on such detailed internal matters specified in the consultative document as quality, progression, and articulation, and how this degree of intervention can be compatible with our Court's and Senate's responsibilities for strategic direction of the institution.

- A21 The University shares with the Executive the goal that new and existing academic staff should have an appropriate teaching qualification. However, we believe it should be the University not the Council which decides what is appropriate in the context of the standards set by the UK wide Higher Education Academy. We also expect the Academy to take proper account of accreditation of prior experiential learning. Moreover we think that proper programmes of continuing professional development for all teaching staff are at least as important as initial accreditation. Proper training, qualification and development are also vital for staff engaged in knowledge transfer and commercial development. Units of resource available for teaching and for research should reflect these staff development needs.
- A22 It would be helpful if it could be clarified as to which new providers will be funded. Is this intended to permit funding of private providers or corporate universities? Or is this simply an encouragement of new mixed mode entities? It would be helpful, also, if the Executive could confirm that it still adheres to the Bologna requirements for harmonisation of European Higher Education "space" and arrangements. In regard to promotion to overseas students, we would also seek reassurance that the definition of what constitutes a University in Scotland will not be changed.

IAJ/RMcM
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