

## **JOINT FUTURE THINKING TASKFORCE ON UNIVERSITIES: STAKEHOLDER SUMMIT AT GLASGOW CALEDONIAN UNIVERSITY ON 20 AUGUST 2008**

### **MAIN POINTS RAISED IN TABLE DISCUSSIONS**

#### **Overview**

- There are concerns about the potential impact of the new framework set out in New Horizons about institutional autonomy and academic freedom, with many asking for greater clarity about how the new arrangements will work.
- There are inherent tensions between the shorter-term focus of Government and the longer-term focus of universities. It can take at least 5 years to demonstrate the impact of universities and often considerably longer.
- There is also a tension between lighter touch and moving to an outcomes-based approach. How will the diverse missions of universities be accommodated within this new approach? How will the outcomes be measured?
- A lighter touch on the part of the SFC will have considerable implications for university governance.
- There is a need for greater clarity over the level of funding involved. Is it a zero-sum position or not?
- There should be an appropriate balance between the General Fund and the Horizon Fund. The General Fund should be formula driven and provide stability, to enable universities to be innovative and entrepreneurial. Areas of excellence, such as bio-sciences, often emerge organically rather than through planning.
- The Horizon Fund should be competitive and designed to stimulate new approaches, rather than rewarding past successes. It should not be micro-managed by the Scottish Government.
- There is broad recognition that universities can do more to engage with SMEs. However, this cannot be achieved by the supply side alone and there are some concerns about unrealistic expectations.
- Universities are not solely dependent on SFC funding. There should not be any constraints on the ability of universities to generate income from other sources.
- There are mixed views on the benefits of universities being recognised as a key economic sector. There is support for greater recognition of universities' broad contribution to the economy. However, there is uncertainty over what the implications for universities might be.
- There are concerns about the lack of consultation with staff and students. There are also concerns about the lack of focus on the student experience and widening access.

## **Summary of points raised under suggested headings**

### **1. Evidence of impact**

What robust sources of evidence could be used to demonstrate universities' contribution to higher levels of sustainable economic growth?

- This is a complex issue. Some impacts are easier to measure than others. Research pooling is an area where it might be possible to assess impact.
- It might be easier to identify impact at institutional level rather than at sector level, given the diversity of the sector. This raises questions about how outcomes or targets will be articulated at institutional level and how progress will be measured against them.
- There is a need to define short and long-term objectives.
- Impacts on culture, creativity and indirect impacts may take 5-10 years or even longer to be realised.
- There is a need to increase the understanding of impact, rather than focusing on gathering evidence of impact.

### **2. Universities' response**

How should universities and their governing bodies respond to a relationship which is lighter touch and more focussed on outcomes, giving greater autonomy in delivery?

- There are significant implications for governing bodies, which need to be thought through.
- There is a clear expectation that the Chairs of Court will be more accountable to the Scottish Government. Are Chairs expected to act as business managers for their universities?
- There is a need for dialogue between Chairs and the SFC.

### **3. Implications for Scottish Funding Council**

What will this new relationship mean for the Scottish Funding Council and its new corporate plan?

- There is a lack of clarity over the future role of the SFC. The Council does not act as a strategic body at the moment.
- There is support for the SFC remaining as an impartial, buffer body, between the sector and the Scottish Government.
- There is a tension between a lighter touch approach and the new focus on measuring outcomes. Universities already have considerable flexibility in how they run their affairs.
- It might be possible to fund universities by mission, with agreed KPIs set for a 5 year horizon. This would lead to a lighter touch approach.
- There are questions about how the SFC would respond to a failing university. What are the implications if the light touch approach goes wrong?

#### **4. Scope of funding streams**

What elements of Government funding for universities should be included in the General and Horizon funding streams?

- There is a need to clarify what “something for something” means. Will the Horizon Fund be new money?
- There is a tension between moving to an outcomes-based approach and incentivising through funding mechanisms.
- The General Fund should be large, stable and fund all non-optional activity. It should be formula driven. This will provide the stability required to enable universities to plan for the longer –term and take risks.
- The Horizon Fund should be smaller and based on competition.
- There is a danger of “short-termism” in the Horizon Fund, the priorities for which will be set by the Scottish Government. Government priorities focus on the short-term; universities have longer–term aspirations. The Tripartite Advisory Group should advise on the use of the Horizon Fund.
- There should be a flow of funding from the Horizon Fund to the General Fund.
- Should there be a greater focus on outputs rather than inputs in funding formulae?
- The size of the Horizon Fund should increase slowly, not rapidly. It could be exciting if it is used to stimulate new approaches, rather than as a reward mechanism.
- There is a need for greater clarity on the purpose of each fund. There is a need to focus on the “what” rather than the “how”.
- There are questions about how broad comparability with the rest of the UK will be measured and how any funding gap with England will be met.
- This is a return to a “top-slicing” approach.

#### **5. Businesses’ absorptive capacity**

How can our universities help develop the absorptive capacity of businesses, particularly micro, small and medium-sized enterprises?

- There is confusion over the term “absorptive capacity”. How is this to be understood?
- Universities have other roles beyond creating spin-out companies and stimulating the economy.
- There is scope for improvement. However, this cannot be achieved by the supply side alone. Significant cultural change will be required on both sides before this aspiration can be met.
- It would be more helpful to move from Knowledge Transfer to Knowledge Exchange, based on co-generation of knowledge between universities and other partners.
- The role of SEn needs to be better defined in this area.

- Links between universities and SMEs are not rewarded under the RAE.
- Student placements might be a means of increasing dialogue between universities and businesses. Working with colleges might also help strengthen university-business links.
- Informing undergraduates about research undertaken in their university might help increase business absorptive capacity, following their graduation.
- Fiscal tools could potentially be used to improve Knowledge Transfer.

### **6. Research and teaching links**

How can our universities maximise the benefits of undertaking both research and teaching (given the Taskforce's rejection of teaching-only universities)?

- It is not clear at what level research should be embedded within universities. It is unrealistic for world-class research to be undertaken in all Departments.
- How does this fit with the need to maintain world-class research? There are concerns about spreading research funding too thinly, if all universities are to undertake research.
- There is a need to broaden the student curriculum experience to promote rather than inhibit inter-disciplinary study.

### **7. Post-graduate students**

How best can we support a growth in the number of post-graduate students?

- This is a positive move. How will this growth be funded?

### **8. Universities as key sector**

What does the recognition of universities as a key sector mean in practice?

- There is no clear understanding of what this means.
- This is an issue of prestige.
- The sector produces exports, but also has a role to stimulate culture and creativity.
- What are the implications for universities? Does this mean that they will be viewed as businesses?
- This is the least important aspect of New Horizons.

### **Other points raised**

- There is a considerable gap between the challenges set by the Scottish Government and those set by Universities Scotland.
- The comparison with local authorities is not appropriate. Universities are not public bodies.
- There is an over emphasis on the economy.

- It is not clear how New Horizons fits with the Scottish Government's Economic or Skills Strategies.
- Graduate utilisation and developing skills for businesses are new aspects of a university's role. This needs to be supported financially.
- There is insufficient emphasis on learning and teaching and widening access. There is also little emphasis on co-operation and collaboration, for example on international issues. Fostering greater co-operation and collaboration could be a role for the SFC.
- No account is taken of the funding universities receive from other sources.
- There has been insufficient consultation with students, staff and other stakeholders.
- The Tripartite Advisory Group should include wider representation.
- The implications for the college sector need to be addressed.

Lifelong Learning Directorate  
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