

# **Scottish Trades Union Congress**

## **STUC Response to “New Horizons: responding to the challenges of the 21<sup>st</sup> century” The Interim Report of the Joint Future Thinking Taskforce on Universities**

### **1 Introduction**

- 1.1 The STUC is Scotland's Trade Union Centre. Its purpose is to coordinate, develop and articulate the views and policies of the Trade Union Movement in Scotland; reflecting the aspirations of trade unionists as workers and citizens.
- 1.2 The STUC represents over 644,000 working people and their families throughout Scotland. It speaks for trade union members in and out of work, in the community and in the workplace. Our affiliated organisations have interests in all sectors of the economy, including the representation of support and teaching staff in further and higher education. Through Scottish Union Learning, the STUC also articulates the views of learners and future learners within the workplace. Our representative structures are constructed to take account of the specific views of women members, young members, black/minority ethnic members, LGBT members, and members with a disability, as well as retired and unemployed workers.

### **2 General Comments**

- 2.1 The STUC and its affiliates had called for a review of Scottish Higher Education, which would be wide ranging, inclusive and focussed on addressing the many pressing challenges facing the sector in Scotland. We do not believe that the Joint Future Thinking Taskforce was the thorough, inclusive and in depth study that was required.
- 2.2 New Horizons makes no reference to the work of the Scottish Higher Education Review, the third phase of which was completed in 2004. The purpose of this review was to

"establish a robust basis of evidence in relation to the competitiveness of higher education in Scotland". The review operated through a Steering Group and technical sub-groups with membership of all relevant stakeholders including staff and students. The STUC is clear that the Scottish Higher Education Review is a good example of how the approach to informing policy development through the engagement of stakeholders and the collection of agreed evidence, contrasts with the Joint Future Thinking Taskforce, New Horizons, and its proposed Tripartite Group approach.

- 2.3 The content and tone of the New Horizons report very strongly reflects the membership of the Taskforce, and the lack of serious consultation with other stakeholders including staff and students. Before making changes to roles, responsibilities and funding structures within the sector, the STUC considers it essential that all players in the sector are consulted effectively, and that there is effective consideration and scrutiny of proposals.
- 2.4 We believe that the report lacks specificity, and whilst the intentions of the Scottish Government and the Taskforce, may be well meaning, it is unclear as to how changes are to be realised within the new framework of roles and responsibilities.
- 2.5 The Taskforce was set up on the back of a disappointing Comprehensive Spending Review settlement for the university sector. New Horizons provides no new or additional funding for the sector. What it does do is to offer University Principals more autonomy and greater influence.

### **3 A New Framework of roles and responsibilities**

- 3.1 Changing the role of the Scottish Funding Council is a key proposal within the New Horizons report, however, there is little detail set out in the report. The STUC has real concerns at what is meant by a "new 'lighter touch' approach" Scottish Funding Council, and by the proposals for "significantly relaxed" regulation from the Scottish Funding Council. We believe that

the Scottish Funding Council has a crucial role within the sector given its responsibilities for funding, quality, skills development and equality. The Scottish Funding Council also has a vital remit in advising the Scottish Government and in consulting with key stakeholders. It is important that any changes to the roles and responsibilities of the Scottish Funding Council are fully debated, scrutinised and consulted upon, and that changes enable the Scottish Funding Council to meet its requirements within the Further and Higher Education (Scotland) Act 2005.

- 3.2 New Horizons proposes greater focus on outcomes, and delivering the Scottish Government's Purpose and Strategic Outcomes, shaped by the Government Economic Strategy, Skills for Scotland, and other policy frameworks. There is little detail within the report on how adherence to these outcomes is to be measured and monitored. Indeed a "lighter touch" Scottish Funding Council, seems to contradict the desire to more closely align the outputs of the sector with the Scottish Government's aims and objectives.
- 3.3 The STUC is very mindful of the substantial debate, consultation and consideration that resulted in the passing of the Further and Higher Education (Scotland) Act 2005. The Act set out important parameters, roles and responsibilities for the Scottish Funding Council and for Scottish Ministers. The New Horizons report seems to over look much of what was set out in the 2005 Act, attempting to create new relationships and roles which may challenge or blur those as set out in legislation.
- 3.4 The STUC is concerned that the New Horizons report proposes to change the shape of the relationship between Government, Funding Council and fundable bodies, particularly in terms of the proposed Tripartite Advisory Group, without discussing fully the consequences and implications of these changes. Little detail is given on the weighting of representation on the proposed Tripartite Advisory Group. The 2005 Act set out that it is the statutory role of the Scottish Funding Council to provide Scottish Ministers with information, advice and assistance in relating to the provision and funding of further and higher education. The Funding Council has a duty to consult with

governing bodies of Higher Education Institutions, and with other key stakeholders including trade unions and representatives of students. There is a danger that the proposed Tripartite Advisory Group takes away from the Scottish Funding Council its legitimate role as an advisor to Ministers.

- 3.5 The STUC has valued the role of the Scottish Government's Roundtable Forum which brings together all stakeholders in further and higher education. In our view, the Roundtable is the means in which the key players in the sector – Scottish Government, Scottish Funding Council, Universities Scotland, STUC, NUS, and Committee of University Chairs – are able to meet to offer and exchange views. New Horizons fails to mention the Roundtable Forum.
- 3.6 New Horizons proposes extending the Ministerial Guidance to include advice from the Tripartite Advisory Group. This seems to blur relationships and the distinct roles of the Scottish Government, Principals and Scottish Funding Council. Over the years it has been essential for Ministerial Guidance to address aspects of people management in which the sector's performance has been lacking. This has included guidance in key areas such as compliance with employment law, equal pay and opportunities, and in reducing reliance on fixed term contracts. The STUC sees a clear role for the Ministerial Guidance, along with the Scottish Funding Council's regulatory and governance role in implementing this. Institutions already have considerable autonomy, and, therefore, the proposed "lighter touch" approach for the SFC, along with the proposal that "the business of how institutions run their affairs is better left to the institutions", gives us serious concerns.

## **4 New Funding Arrangements**

- 4.1 The STUC notes the proposals to stream existing funding from the Scottish Government into two funds. In the STUC submission to the Taskforce we called for a new funding model to facilitate broader and more effective contributions from

academics and institutions, funding that would value teaching and produce useful outcomes. However, we acknowledged that such revisions would require careful planning and the widest consultation to develop. We have concerns that the current proposals for a general and horizon fund, are being rushed into, without adequate consideration, monitoring and scrutiny.

- 4.2 We note that the Scottish Funding Council is currently in the middle of a review of its teaching funding stream, a process that began in 2006, with any changes taking effect from 2009. This timescale underlines the complexities involved in funding revisions. We have real concerns that the proposals in New Horizons are being rushed through without adequate consideration.
- 4.3 Whilst the greater flexibility and fewer restrictions on how universities spend money in the General Fund for Universities, may enable universities to better meet their priorities, the STUC would wish to be convinced that principles of transparency, accountability and best value are maintained in this new process, and that there are safeguards to ensure that institutions are delivering to the Scottish Government's objectives.
- 4.4 The STUC does not doubt the Scottish Government's desire to widen accessibility to higher education and lifelong learning generally. The STUC has welcomed the abolition of the graduate endowment, and whilst this has restored the principle of free education for full time learners, part time learners are still required to pay course fees. The conversion of the additional support of £500 for part time students from a loan into a grant for new and existing students earning £18K or less studying at 50% or more of a full time course is welcome. Nevertheless, most part time students still have no access to loans or grants. We are unclear as to how New Horizons and the proposed changes it is recommending, will improve access to higher education to non traditional learners. In its presentation to the Taskforce the STUC called for more radical changes in funding to provide greater support for those in the middle income range.

## **5 Delivering a Smarter Scotland**

- 5.1 The STUC welcomed the focus of the Taskforce on optimising the contribution of the sector to Scotland's economic, social, cultural and political development over the next 20 years. It is important that we do not lose sight of the value of higher education in terms of personal, social and cultural development, given the Scottish Government's emphasis on the economy and skills strategies.
- 5.2 The STUC believes that the Scottish Government could do more, within the powers that it already has, to incentivise employers to train their staff, engage in the lifelong learning agenda, and to work together with universities. Policy interventions should be designed to complement investment in skills in order that maximum benefit is derived. For example, workforce development programmes are the norm in "arc of prosperity" countries. The STUC is already urging the Scottish Government to introduce a right to request training for all workers in Scotland. We agree that improving the effectiveness of knowledge exchange is critical to our economy and must be a priority. Improving knowledge exchange will require further investment for the sector, and the addressing entrenched structural issues within the economy.

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