

## **NEW HORIZONS - INTERIM REPORT OF THE JOINT FUTURE THINKING TASKFORCE**

### **UNIVERSITY OF ABERDEEN RESPONSE**

The University of Aberdeen welcomes the strong positive commitment to Higher Education and the University sector by the Cabinet Secretary and her colleagues. We appreciate the level of unprecedented access the sector has been given, and the willingness of the Cabinet Secretary and the Scottish Government, to address the difficult issues facing the sector.

The report presents a number of proposals which will be very beneficial to the Scottish university sector. These include:

- The recognition of the university sector as a sector of the economy in its own right
- Establishment of the new Tripartite Advisory Group
- Maintenance of the dual support model
- Targeted and sustained growth in postgraduate numbers and sufficient funding to support this
- Recognition that the overall funding for the sector has to be internationally competitive

We welcome the recognition given to the success achieved by Scottish universities to date, in relation to their role, as autonomous institutions, in facilitating wealth creation and developing cultural identity.

We have a number of comments relating to specifics in the report detailed below.

#### **Challenges**

Notwithstanding the difficult short-term funding environment we believe the expression of the ambitions of the Scottish Government and Universities Scotland in explicit challenge statements, is very helpful, and provides measurable targets to monitor progress.

#### **Role of the Funding Council**

We welcome the proposal that the regulatory role of the Funding Council will be relaxed, as set out in paragraphs 3.8 and 3.9, and in particular, under 3.10, a recognition that in relation to the Funding Council, “..the business of how institutions run their affairs is better left to the institutions, and so a greater emphasis is placed on the role of the governing body in the future.” However, we note that the Funding Council is a funding body, not a planning body and would not wish to see any potential erosion of institutional autonomy as a consequence of the Funding Council “..being freed up to make decisions on delivering those key strategic initiatives...”

We welcome the move towards a “lighter touch” approach from the Funding Council and await the outcome of the Council’s review to see how this will be achieved whilst the Council simultaneously becomes more focused on monitoring outcomes.

#### **Funding Issues**

We note the reference under paragraph 2.52 of the need to ensure that “the Scottish Government investment in learning and teaching, research and knowledge transfer activities should maintain broad overall comparability with the rest of the UK.” This is the least that is required to enable Scottish Universities to be internationally competitive. Given that the Scottish Government has restored the principle of free education in Scotland, we seek assurance that this overall comparability or better, will include not only the direct teaching, research and knowledge transfer grant funding provided by both Scottish Funding and English Funding Councils, but also the income derived from tuition fees for home and EU students.

We note the proposal to divide and allocate funding through two new funding streams, the General Fund and the Horizon Fund. We are concerned about the balance of funding between these streams and would hope that funding for the HFU will be in addition to existing core funding. To meet the challenges posed, and be explicitly targeted at exceptional goals, universities need to retain the same level of core funding they receive currently, through the GFU, in recognition that, as autonomous institutions with diverse missions, they are in the best position to manage their resources as effectively as possible.

We are aware that there are some very difficult short-term issues for the university sector in relation to fulfilling the final part of the three year pay award agreement, significant increases in expenditure on utilities and pensions and the consequences arising from the results of the RAE 2008 exercise. It is essential that the continued success of Scottish universities is not threatened as a consequence of top-slicing existing funding to generate the Horizon Fund.

### **Process**

We recognise and understand the reasons and benefits of moving forward quickly, however we are concerned about the timetable for implementing the new funding proposals and the lack of clarification about any consultation with the sector on the proposals being presented to the Taskforce by the Chair of the Funding Council prior to their implementation.

We note the promise of a “light-touch” approach from the Funding Council. This needs to be translated into fine detail to be credible.

We hope that these comments are helpful and look forward to receiving the full report.