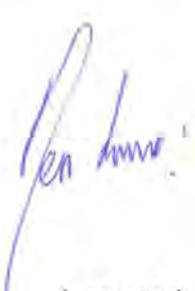


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In 2014 Scotland Welcomes the World



20th November 2014



SCOTTISH FUNDING COUNCIL – Advice on the 2015/16 Budget

I wanted to advise you of the budget available to the Funding Council for higher education in financial year 2015/16.

Next year our overall provision of funds for Post 16 education and training will rise – reflecting our commitment to new education and training facilities and the reforms that are part of “Developing Scotland’s Young Workforce”. To help us manage this improvement I write to advise the Funding Council to make firm spending plans now on the basis of £1041 million for HE Resource in financial year 2015/16, on the understanding that this will provide flexibility to develop our plans for Post 16 education and training as a whole.

I judge that this level of funding will enable the Funding Council to maintain the unit of resource for teaching in cash terms and provide a slight cash uplift in the unit of resource for research. It will also enable the Council to maintain delivery of key priorities including additional places for widening access and articulation and support for the network of Innovation Centres.

The Government remains fully committed to supporting our world class universities and research base. While I appreciate that it may not be possible to renew funding for the Global Excellence Initiative in next year’s initial spending plans, it is my intention that, if funds become available in my Portfolio during the course of the year, that these are dedicated to supporting research informed by the REF results in December.

The HE resource budget is complemented by an HE capital budget of £21 million. In allocating the capital budget for 2015/16 I would like SFC to prioritise match funding to maximise the ability to leverage UK research capital funding for the higher education sector. Looking to the longer term, I recognise the importance of achieving a sustainable level of investment in infrastructure and the important contribution public funding can make to supporting the sectors' ambitions. Investment in new facilities has a very positive impact on the student experience and on the quality of research. I am therefore asking you to work with both the further and higher education sectors to develop a ten-year investment strategy for infrastructure, to be ready in time for the next spending review.



MICHAEL RUSSELL

Professor Alice Brown, Chair of Scottish Funding Council
Stewart Maxwell MSP, Convenor of Scottish Parliament Education and Culture Committee
Professor Pete Downes, Convenor Universities Scotland
Shona Struthers, Chief Executive of Colleges Scotland