



The eightieth meeting of the Scottish Further and Higher Education Funding Council was held on Friday, 20 March 2015 at 9.30am, at the SFC offices, Edinburgh

**Present:** Professor Alice Brown (Chair)  
Laurence Howells (Chief Executive)  
Robin Crawford  
Audrey Cumberford  
Ali Jarvis  
Professor Maggie Kinloch  
Paul McKelvie (Vice-Chair)  
Lorraine McMillan  
Douglas Mundie  
Professor Anton Muscatelli (by teleconference)  
Dr Keith Nicholson (by teleconference) (item 15/11 to end)  
Alan Stannett  
Marlene Wood

**Officers:** Riona Bell  
David Caldwell (Interim Secretary)  
Martin Fairbairn (Secretary)  
Paul Hagan  
Richard Hancock (items 15/12 and 15/13)  
Paula Haynes (item 15/12)  
John Kemp  
Martin Kirkwood  
Wilma MacDonald  
Martin Smith  
Seamus Spencer (items 15/11 and 15/12)  
Sheila Meehan (Clerk)

**Observers:** David Blaney (HEFCW)  
Chris Millward (HEFCE)

**Scottish Government:** Rebekah Widdowfield  
Michael Cross

**Apologies:** Professor Albert Rodger  
Gordon Maloney (NUS Scotland)  
Sian McCleave (DELNI)

**15/06 Welcome**

The Chair welcomed David Blaney of HEFCW, Chris Millward of HEFCE and Michael Cross and Rebekah Widdowfield of the Scottish Government.

The Chair also welcomed David Caldwell who was to provide temporary cover for the 'Secretary to the Council' role, when the Secretary was on secondment, and members who were joining the meeting by teleconference: Anton Muscatelli; and Keith Nicholson (from item 15/11).

**15/07 Chair's business: Papers for discussion and declarations of interest**

The Chair invited members to indicate if they wished to discuss any of the starred items on the agenda. The recommendations contained within papers SFC/15/06 to SFC/15/12 were agreed without discussion.

The Chair reminded Council members of their responsibility to indicate if they have, or may be perceived to have, a conflict of interest under any item. The following members declared interests in paper SFC/15/04: Audrey Cumberford, Professor Maggie Kinloch, Douglas Mundie and Professor Anton Muscatelli.

**15/08 Chair's business: Items for report**

***SFC's Remuneration Committee***

The Council **agreed** that Robin Crawford would take over as Chair of SFC's Remuneration Committee.

***Meeting with the Chief Executive of Colleges Scotland***

On 9 February the Chair and Chief Executive met with the Chief Executive of Colleges Scotland and explored ways in which the two organisations could work more closely together.

### ***Meeting with the Chair of Highlands and Islands Enterprise (HIE)***

On 13 February the Chair met with the Chair of HIE and it was **agreed** that a joint meeting of SFC and Highlands & Islands Enterprise board members would take place during the summer.

### ***Glasgow Colleges Principals***

The Chair had a meeting with the three Principals of the Glasgow Colleges on 17 February and noted their keenness to move on positively and make the new regional structure work.

### ***Glasgow Colleges Regional Board***

On 23 February the Chair and Chief Executive had a meeting with some members of the Glasgow Colleges Regional Board, including the College Chairs and Advisor to the Board. They discussed the need to improve relationships, to understand the nature of the three tier level of governance arrangements, and to develop the regional structure .

### ***City of Glasgow College Board of Management dinner***

On 24 February the Chair was guest speaker at the City of Glasgow College Board of Management dinner.

### ***Strategic Group on Women and Work***

On 25 February the Chair attended the Strategic Group on Women and Work and confirmed that there was interest in SFC's work on a gender action plan.

### ***DHI Lecture***

Also on 25 February the Chair attended the DHI Lecture and the dinner following. The First Minister, Nicola Sturgeon, was the guest speaker and her lecture covered inequalities and education.

### ***Meeting with the University of the Highlands and Islands (UHI)***

On 3 March the Chair and Chief Executive met with Professor Clive Mulholland, Principal, and Garry Coutts, Chair, of UHI to discuss

progress. The Chair also attended a UHI reception at the Scottish Parliament that evening

### ***Glasgow Colleges' Regional Board***

On 16 March the Chair, Chief Executive and Director of Access, Skills and Outcome Agreements attended part of the Glasgow Colleges' Regional Board meeting. The Chair and Chief Executive addressed the Board drawing attention to their concerns regarding progress towards reaching fully operational fundable body status.

#### **15/09 Minutes of previous meetings: 19 December 2014 (SFC/14/Min06) and 16 February 2015 (SFC/15/Min01)**

The minutes of the 19 December 2014 and 16 February 2015 meetings were confirmed as true records of the meetings.

#### **15/10 Long term agenda planning (SFC/15/02)**

The Council received a paper informing members of substantive agenda items proposed for future meetings and minor formatting changes were agreed.

#### **15/11 Strategic Performance Management Framework (SFC/15/03)**

The Council received a paper introducing the latest version of SFC's performance dashboard.

In discussion on the performance dashboard Council noted that:

- The Council executive's assessment was that performance was 'behind'
- SEPA had found differences in the carbon reporting for the UK and Scottish grids, and that progress on targets may therefore be better than expected.

The Council also noted that:

- There had been significant improvement in the staff survey results on staff engagement

- Dame Ruth Silver had been appointed Chair of the Widening Access Commission and her appointment was positively welcomed by all. Commission members would be announced shortly and would be a combination of university, college, student, SFC, early years and other relevant stakeholders
- Clive Gillman had been appointed as Director of Creative Industries at Creative Scotland, a post part-funded by SFC. The appointment is expected to have a joint impact on SFC's and Creative Scotland's strategy going forward as well as supporting and promoting a collaborative approach with SDS and in relation to widening access.

The following four paragraphs are withheld from publication on the Council website under the Freedom of Information (Scotland) Act 2002, Section 30: Prejudicial to the effective conduct of public affairs

[ ] x 4 paragraphs

Having scrutinised and questioned the evidence, Council **agreed** the executive's assessment of progress.

The Council also **agreed** that:

- The SFC organisational carbon footprint be noted in the dashboard
- The Council executive would seek advice from SEPA on carbon reporting in relation to the differential carbon emissions for the UK-wide and Scottish-only electricity transmission grids.

## **15/12 Outcome agreements 2015-16: Final funding allocations (SFC/15/04)**

The Council received a paper advising on progress with the 2015-16 Outcome Agreements and on the progress with the aspirations in previous outcome agreements. It also recommended final levels of funding for colleges and universities for AY 2015-16.

Declarations of interest had been made by all members with institutional connections, but as discussion was expected to be high level, not at specific institutional level, it was anticipated that it would be unnecessary for members to withdraw from the meeting.

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[ ] × 1 paragraph

The Council **agreed**:

- That the outcome agreement remit paper at the June Council will also report on the overall quality of outcome agreements
- That the Council executive should consider:
  - linking regional skills assessments to the outcome agreements; and
  - supporting the coordination of work experience placements between schools, colleges, universities and SDS to prevent overloading the ask on employers
- The college and university budgets for 2015-16 as set out in Section 2 of the paper
- To delegate authority to the Chief Executive to agree and sign the final college and university Outcome Agreements for AY 2015-16 and to finalise individual funding allocations, taking into account the discussion at the Council board meeting and subject to satisfactory conclusion of the current discussions with the Scottish Government Health Department on Nursing funding.

### **15/13 Development of SFC's Strategic Plan 2015-18 (SFC/15/05)**

The Council received a paper on SFC's draft Strategic Plan for 2015-18.

The following paragraph is withheld from publication on the Council website under the Freedom of Information (Scotland) Act 2002, Section 30: Prejudicial to the effective conduct of public affairs

[ ] × 1 paragraph

The Council **agreed** to:

- Approve SFC's draft Strategic Plan 2015-18, following amendments as discussed at the meeting

- Delegate authority to the Chair and Chief Executive to make any necessary further changes to the draft and publish it for consultation.

**15/14 Use of delegated authority (SFC/15/06)**

The Council received and noted a paper reporting on the use of delegated authority during the period 1 December 2014 until 28 February 2015.

**15/15 Indemnities consent (SFC/15/07)**

The Council received a paper asking for formal consents to be granted to allow an institution to provide financial guarantees to the Local Government Pension Scheme (LGPS).

The following paragraph is withheld from publication on the Council website under the Freedom of Information (Scotland) Act 2002, Section 33: Commercial activity and the economy

[ ] × 1 paragraph

**15/16 Committee minutes: Access and Inclusion (SFC/15/08)**

The Council received the unconfirmed minutes of the Access and Inclusion Committee meeting of 19 February 2015.

**15/17 Committee minutes: Audit and Compliance (SFC/15/09)**

The Council received the unconfirmed minutes of the Audit and Compliance Committee meeting of 3 March 2015.

**15/18 Committee minutes: Remuneration (SFC/15/10)**

The Council received the unconfirmed minutes of the Remuneration Committee meeting of 19 December 2014.

**15/19 Committee minutes: Research and Knowledge Exchange (SFC/15/11)**

The Council received the unconfirmed minutes of the Research and Knowledge Exchange Committee meeting of 20 January 2015.

**15/20 Committee minutes: Skills (SFC/15/12)**

The Council received the unconfirmed minutes of the Skills Committee meeting of 11 February 2015.

The Council board **agreed** to the advice from the Skills Committee as follows:

**Advice to SFC and SDS Boards**

Both SFC and SDS Boards should:

On the SDS and SFC Commission for Developing the Young Workforce items: note the points raised by the Committee, in particular:

- Recommendations around working with Invest in Youth Groups, College Development Network, My World of Work, teachers and industry-led groups;
- On Foundation and Advanced Apprenticeships, note the risks identified by the Committee;
- Note the potential role of employers and parents;
- Note the potential role of the regional hubs.

**Advice to SFC Board**

The SFC Board should:

On Outcome Agreements – Progress and 2015/16

Recommendations: note the summary of the discussion of the Skills Committee, in particular:

- The effectiveness of outcome agreements in being a steering mechanism that can be used to bring about culture change;
- The need for institutions to identify how they are using SIPs and RSAs;
- The issue of a lack of employer engagement in outcome agreements.

**15/21 Date of next meetings**

The next meetings were planned to occur as follows:

Strategic Development meeting – 15 May 2015

Business meeting– 19 June 2015