



Scottish Funding Council

Promoting further and higher education

ACC/18/15  
Agenda item 6  
7 June 2018

## **SFC Legislative and Regulatory Schedule**

- To provide the Committee with an update of the SFC Legislative and Regulatory Schedule. The Schedule sets out our main legal and compliance requirements.

## **Recommendations**

- Note the amendments and latest update of the Schedule.

## SFC Legislative and Regulatory Schedule

### Purpose

1. To provide the Committee with an update of the SFC Legislative and Regulatory Schedule. The Schedule sets out our main legal compliance requirements.

### Background

2. The purpose of the Schedule is to ensure that we identify and understand the main pieces of legislation and regulation which affect the Council, and that responsibilities for compliance are properly allocated within the organisation. A copy of the Schedule is attached at Annex 1.
3. The Schedule is structured in the following way:
  - **Founding legislation:** legislation concerned with the powers and duties of the Council in relation to further and higher education, and the powers and duties of Scottish Ministers in relation to SFC
  - **Legislation where SFC is named in the enactment schedule:** legislation which gives the Council other powers or duties by virtue of the fact that SFC is named specifically in the legislation (in an 'enactment schedule')
  - Corporate governance legislation
  - Employment and equalities legislation
  - Budgeting, finance and accountability legislation
  - Other legislation of relevance to SFC.
4. The Schedule mainly contains legislation that impacts on the core functions of SFC – and with which it has to comply on a day-to-day basis. It does not include every piece of legislation that might potentially have some relevance to the Council, or to colleges and universities, or every change to such legislation, as this would be impractical to maintain and monitor. However, the executive receives:
  - Monthly information bulletins provided by our solicitors, which highlight any new legislation – or changes to existing legislation – relating to the business of the Council.
  - Monthly information bulletins relating to the decisions of tribunals that are relevant to the business of the Council.
  - Briefings from our solicitors on major new pieces of legislation that are relevant to – or might have an impact on - the Council, or colleges and universities.

- Regular letters, briefings or directives from our sponsor team in the Scottish Government about new compliance requirements, including changes in legislation or regulation.
5. This information is provided to the relevant staff within the organisation, disseminated more widely where appropriate, and saved on our intranet, so that it is accessible to staff. As well as these briefings, our solicitors also provide occasional presentations or staff training sessions on legislation which is relevant to the work of SFC; for example, in recent months they have provided briefings in the office on:
    - The implications of Brexit for colleges and universities.
    - GDPR and its implications for SFC.

### **Key changes**

6. In terms of new legislation, the last year has been relatively quiet with no significant new legislation passed in the Scottish Parliament, which is of relevance to SFC or to colleges or universities, with the exception of the Budget Bill.
7. The most significant legislative and regulatory change has come from the EU, with the introduction of the General Data Protection Regulation (GDPR), and the associated Data Protection Act 2018. The executive reported to the Audit and Compliance Committee on the implications of GDPR at its last meeting (ACC/18/06).
8. In the UK Parliament, the Higher Education and Research Act 2017 received Royal Assent on 27 April 2017 and key parts of the legislation came into effect on 1 April 2018. The Act has no direct effect on SFC, but is of interest because it brings together the seven Research Councils, Innovate UK, and the research functions of HEFCE, under a “single strategic research body” called UK Research and Innovation (UKRI). The executive have reported to the SFC Board on this development and its implications for Scotland’s universities.
9. Overall, the executive is satisfied that the organisation is complying with all the main legislative and regulatory requirements relevant to SFC.

### **New legislation or regulations**

10. As well as updating the Schedule to ensure that it captures relevant new legislation and regulation, we also continue to monitor new and proposed changes to existing legislation in the Scottish Parliament, the

UK Parliament at Westminster, and at the EU level, where relevant to SFC. Over the last year, these have included:

- The Gender Representation on Public Boards (Scotland) Bill – which aims to achieve boards that have equal representation of women and men.
- The Islands (Scotland) Bill – which aims to produce improved outcomes for island communities and offer greater powers to island local authorities, including the Western Isles, Orkney and Shetland. The Bill places new duties on SFC, which is listed as a relevant authority within an Enactment Schedule to the Bill.

11. The Council executive have also been monitoring developments around Britain's withdrawal from the European Union, including the UK withdrawal from the European Community (Legal Continuity) (Scotland) Bill. We received a communication from the Deputy First Minister on the progress of the Bill on 15 May 2018.

### **Recommendations**

12. The Committee is invited to note the update of the SFC Legislative and Regulatory Schedule.

### **Publication**

13. This paper and annex will be published on the SFC website.

### **Further information**

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