



The 115th meeting of the Scottish Further and Higher Education Funding Council was held on Thursday 7 November 2019 at 10.00am, at 99 Haymarket Terrace, Edinburgh.

**Present:** Mike Cantlay (Chair)  
Karen Watt (Chief Executive)  
Douglas Mundie (Deputy Chair)  
Professor Irene McAra-McWilliam  
Professor John Wallace  
Caroline Stuart  
Professor Lesley Yellowlees  
Andy Kerr  
Mhairi Harrington  
Veena O'Halloran  
Lorna Jack  
David Alexander

**Officers:** Martin Fairbairn (Secretary)  
Dr Stuart Fancey  
Maggie Wightman  
Sinead Griffin  
Lynne Raeside  
Richard Hancock  
Martin Smith  
Lorna MacDonald  
Angela Seymour (Clerk)

**Scottish Government:** Dr Linda Pooley

**Observers:** Andrew Youngson (union-nominated observer)  
Liam McCabe (President of NUS Scotland)  
Ewen Brierley (HEFCW)

**Apologies:** Sheila Duncan  
Professor Ewart Keep  
Professor Peter Mathieson  
Dr Paul Little  
David Sweeney (UKRI/Research England)

**19/89 Welcome**

The Chair welcomed Dr Linda Pooley of the Scottish Government, Liam McCabe of NUS Scotland and Ewen Brierley of HEFCW. He also welcomed the new Board Members. A round table introduction was undertaken.

**19/90 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/19/78, SFC/19/79 and SFC/19/81 were **agreed** without discussion.

The Chair reminded Council Board members of their responsibility to indicate if they had, or may be perceived to have, a conflict of interest under any item.

The following members noted a potential conflict of interest:

- Andy Kerr in relation to South Lanarkshire College
- Professor Irene McAra-McWilliam in relation to Glasgow School of Art
- Lorna Jack in relation to the University of Stirling.

The Chair introduced the Chief Executive who gave a verbal update on matters of current interest and answered members' questions on its content.

**19/91 Minute of the 5 September 2019 meeting (SFC/19/Min04)**

The minute of the 5 September 2019 meeting was **confirmed** as a true record of the meeting.

**19/92 Action tracker (SFC/19/70)**

The Council Board received an update on the actions from previous meetings of the Council Board and **noted** progress on those actions.

**19/93 Chair's report (SFC/19/71)**

The Council Board received and **homologated** the Urgent Action taken by the Chair to approve SFC's contribution to the Stratified Medicine Scotland Phase 2 Business Plan (of up to £7.5 million) and to delegate authority to the Chief Executive to agree, with the

funding partners, the final contractual arrangements, subject to Ministerial approval.

The Chair's recent external engagements were **noted**.

**19/94 Chief Executive's Report (SFC/19/72)**

The Board received and **noted** a paper providing a report from the Chief Executive on matters of current interest and her recent external engagements.

**19/95 Strategic Framework: Progress Report and Risk Register (SFC/19/73)**

The Board was provided with a report setting out progress with the delivery of the priorities in SFC's Strategic Framework 2019 -22 and a copy of the current SFC Risk Register

The Council **considered** the Strategic Framework Progress Report and the Risk Register noting that this was the first review of the framework following its publication in June.

In discussion the following points were made about how the Progress Report might be developed:

- Reflect the relative priority of different actions.
- Use of consistent colours for performance graphics.

**19/96 Financial Transaction Proposal (SFC/19/74)**

The Board was invited to approve funding for the University of Stirling under SFC's Financial Transactions (FTs) programme. This is to support the first phase of remodelling the University's Cottrell Building. The Board was asked to make this decision now in order that the building works are completed in time for the new intake of students in September 2020.

The Board noted that Lorna Jack's conflict of interest was indirect.

In discussion the Board:

- Noted the need to formulate a procedure for the handling of FT proposals out with the normal cycle.
- Received assurance that this transaction does not commit to funding subsequent phases.

The Council **approved** funding of [ ] for the University of Stirling under the FY2019 – 20 Financial Transactions programme, for the Cottrell Building (Learning and Teaching Spaces) project.

#### **19/97 Climate Emergency (SFC/19/75)**

Martin Valenti of Scottish Enterprise joined the meeting.

The Board received a paper setting out the scale of the Climate Emergency, Scotland’s legislated target to become a net-zero carbon nation by 2045 and the part SFC could play in this ambition.

Martin Valenti gave a presentation “Climate Emergency to Climate Opportunity” outlining the contribution SFC could make to Team Scotland’s Net Zero ambitions.

The paper and presentation were well received and the Council:

- Noted the scale of the challenge and opportunity that SFC shares with its institutions and with its partner organisations.
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- Supported the ambition and direction of travel.

Martin Valenti left the meeting.

#### **19/98 Spending Review update (SFC/19/76)**

The Board received a paper updating it on the latest information in relation to the Scottish Government Draft Budget announcements and on feedback from the Finance Committee in relation to the review of strategic programme activity.

The Board was informed of work between SFC and SDS to explore a blended model to fund, allocate and evaluate Foundation and Graduate Apprenticeships in future years.

The Council:

- **Noted** the paper outlining the potential delay to the budget and the preparations being made to respond to the uncertainty.
- **Noted** that the Council executive will take forward the advice on the drivers for strategic programme funds when setting the overall budget for Council approval. At a minimum the Council

executive will aim for the same level of funds as in AY 2019-20 to be available to support essential projects and address any emergency funding needs.

- **Noted** the further work with Skills Development Scotland on a new model of funding and delivery for FAs and GAs.

**19/99 Brexit update (SFC/19/77)**

The Board received a paper on the implications of a no-deal Brexit for colleges and universities.

The Council **noted** this paper.

**19/100 Audit and Compliance Committee minutes (SFC/19/78)**

The Board **noted** the unconfirmed minutes of the Audit and Compliance Committee meeting of 3 September 2019.

**19/101 Capital Decision Point Committee minutes (SFC/19/79)**

The Board **noted** the unconfirmed minutes of the Capital Decision Point Committee meeting of 21 August 2019.

**19/102 Finance Committee minutes (SFC/19/80)**

The Board **noted** the unconfirmed minutes of the Finance Committee meeting of 2 October 2019.

**19/103 Remuneration Committee minutes (SFC/19/81)**

The Board **noted** the unconfirmed minutes of the Remuneration Committee meeting of 16 October 2019.

**19/104 Long-term agenda (SFC/19/82)**

The Board received a paper informing members of substantive agenda items proposed for future meetings.

The Council:

- **Agreed** that the March and April meetings will be merged and 12 March 2020 be removed from diaries
- **Noted** that the papers on Indicative funding allocations and Outcome Agreements for next AY scheduled for January would not now take place due to the changed Spending Review timetable.

**19/105**    **Next meeting:** 5 December 2019