

SFC Corporate Publication Reference: SFC/CP/01/2025 Issue date: 30/04/2025

Mainstreaming and Equality Outcome Report 2025-29



Mainstreaming and Equality Outcome Report 2025-29

Issue Date:	30 April 2025
Reference:	SFC/CP/01/2025
Summary:	This is the SFC equality mainstreaming report for the period 2025-29. It details our activity to support the colleges and universities that we fund to meet the requirements of the Equality Act 2010. It also details our own work as a public body to deliver on the Public Sector Equality Duty. This report also details progress made against the Equality Outcomes set for the period 2021-25 and we set out our new Equality Outcomes for the period 2025-29.
FAO:	Staff and students of Scotland's colleges and universities, and the general public.
Further Information:	CONTACT: Erica Russell-Hensens, Deputy Director: Student Interests, Access & Quality; or Ryan Bell, Deputy Director: People & Transformation
	EMAIL: erussellhensens@sfc.ac.uk or rbell@sfc.ac.uk.

TABLE OF CONTENTS

SECTION 1: CONTEXT 4
About SFC4
About this report4
Public sector equality duty4
The Equality and Human Rights Commission and SFC Memorandum of Understanding4
Equality Outcomes5
SECTION 2: EMBEDDING EQUALITY IN OUR POLICY AND PRACTICE
Our approach6
Our evidence
Publishing our data and reports7
Equality Impact Assessment7
Capacity building in the college and university sector8
Sharing good practice and working collaboratively8
Mainstreaming equality in funding allocations8
SECTION 3: ADVANCING EQUALITY IN SFC
Our Board9
Equal Pay9
Gender pay gap9
Workforce profile10
Applicants to SFC11
SECTION 4: PROGRESS AGAINST OUR EQUALITY OUTCOMES 2021-202513
Sector-facing outcome13
SFC equality outcome to support the tertiary system13
SFC and EHRC's Memorandum of Understanding13
Tackling Persistent Inequalities Together: joint SFC and EHRC publication
Progress since the publication of the Tackling Persistent Inequalities Together report14
Data analysis and evidence15
Sectoral event
Development of two thematic reviews17
The development of guidance for data and reporting17
Assessing the impact of NEOs18
Next steps for the SFC and EHRC19
Organisational equality outcomes19

SFC organisational outcome 1	19
Ethnicity	20
Disability and long-term conditions	20
Key enablers	20
SFC organisational equality outcome 2	22
SECTION 5: SFC'S EQUALITY OUTCOMES FOR 2025-2029	23
Sector-facing equality outcome	23
Organisational equality outcomes	23
ANNEX A: THE PUBLIC SECTOR EQUALITY DUTY	25
The general duty	25
The specific duties	25
ANNEX B: OVERVIEW OF CURRENT STUDENT DEMOGRAPHICS (COLLEGE SECTOR)	27
Overview of success data	27
Disability	
Race	
ANNEX C: OVERVIEW OF CURRENT STUDENT DEMOGRAPHICS (UNIVERSITY SECTOR)	34
Overview of retention data	
Disability	35
Race	
ANNEX D: SFC WORKFORCE AND APPLICANT PROFILE	39
SFC directly employed staff	
SFC applicants	
Equal pay	43

Section 1: Context

About SFC

- 1. The Scottish Further and Higher Education Funding Council, more commonly known as the Scottish Funding Council (SFC), is Scotland's tertiary education and research authority.
- 2. We are an organisation of around 170 people. Our purpose is to sustain a world-leading system of tertiary education, research and innovation that enables students to flourish, changes lives for the better, and support social, economic and environmental wellbeing and prosperity.
- 3. Here at SFC we are committed to developing national equality outcomes that address persistent inequalities in the tertiary education sector as well as for our own organisation.

About this report

- 4. The purpose of this report is to set out the strategic equality outcomes set by SFC for the period 2025-29 and to reflect on the progress made in the period since our last equality update report published in 2023.
- 5. This report has five sections:
 - Section 1 sets out the context we are working in.
 - Section 2 describes the ways in which we mainstream equality in our work with the tertiary education system.
 - Section 3 gives an overview of the work that we do to advance equality, diversity and inclusion within our own organisation.
 - Section 4 outlines our progress in delivering our published equality outcomes from 2021-25.
 - Section 5 sets out our equality outcomes for 2025-29.

Public sector equality duty

6. The public sector equality duty (PSED) consists of a general duty and specific duties. The general duty consists of three main needs. The specific duties support delivery of the general duties and provide a helpful framework for SFC to demonstrate compliance with the PSED. The general and specific duties are set out in Annex A.

The Equality and Human Rights Commission and SFC Memorandum of Understanding

7. The Scottish Funding Council (SFC) and the Equality and Human Rights Commission (EHRC) entered a joint Memorandum of Understanding (MoU) in 2020. The main purpose of this MoU is to advance equality for college and university students and staff by strengthening joint working between EHRC and SFC. In conjunction with EHRC, we aim to work to update the MoU in summer 2025 to reflect progress made and capture ongoing work to embed the National Equality Outcomes.

Equality Outcomes

- 8. We published updated equality outcomes in our last mainstreaming report dated 2021, followed by a progress report in 2023.
- 9. In our MoU with the EHRC we had committed to developing national equality outcomes to address persistent inequalities in the tertiary education sector in addition to those for our own organisation. For this reason we had set one sector-facing equality outcome and two organisational equality outcomes.
- 10. Our progress against our equality outcomes from our last PSED reporting cycle, together with relevant data about the entrants to Further and Higher Education courses funded by SFC and data relating to our own workforce, is set out later this report.
- 11. Our analysis and reporting on progress in the tertiary sector extends beyond the protected characteristics covered by the PSED and includes data about care-experienced students and students from different socio-economic areas. This approach to reporting reflects the policy context in which we work and the targets that we are working towards, particularly with regard to widening access.
- 12. Our new equality outcomes relevant to SFC as a sectoral oversight body, funder and employer are set out in Section 5 of this report.

Section 2: Embedding equality in our policy and practice

Our approach

13. SFC is an evidence-based organisation. We work hard to consider how our policies, guidance and funding for the sectors can help advance equality and tackle exclusion in the tertiary education sector. Accordingly, our inclusion work extends beyond protected characteristics and we consider work that tackles disadvantage experienced by veterans, care-experienced people, adult returners, school children and people living in areas of socio-economic disadvantage. Through the process of equality impact assessment we consider how this work promotes positive outcomes for people from all equality groups.

Our evidence

- 14. SFC is a provider of Official Statistics. This means that we work within agreed frameworks to prepare robust data sets. We employ data analysts and data engineers so that we can develop profiles for staff and student numbers across the tertiary sector. We use this information to identify trends and measure progress against objectives. We publish a range of technical reports that can be used by SFC and others as a data source for the purpose of effective policy making.
- 15. The statistics are used in a variety of ways, such as:
 - National and Official Statistics Reports.
 - Providing advice to Ministers.
 - Informing the decision-making process on Further and Higher Education policy in Scotland.
 - Inclusion in reports, briefings and news articles.
 - Academic research and public enquiry.
 - Informing and measuring progress on the National Equality Outcomes.
- 16. Previously, SFC also published technical guidance for Colleges and Universities on the data that institutions should use to collect and report progress on in their outcome agreements. The introduction of the new Outcomes Framework and Assurance Model has replaced outcome agreements. Information on how the Outcomes Framework and Assurance Model uses and makes reference to data is available on SFC's website, www.sfc.ac.uk.
- 17. Our college data collection now asks for compulsory data on all nine protected characteristics. It also has a flag for British Sign Language (BSL) to monitor this outwith the disability categories. In addition to this and to recognise our wider role in widening access we also collect data on care experience, veterans, carers, estranged students¹ and service leavers.

¹ In this context estranged means that you no longer have contact with your parents or legal guardians due to a permanent breakdown in your relationship. If you are under 25 and estranged from your parents or legal guardians, we will not ask about their income when we work out the funding we give you. If you have had any one-off contact with your parents or legal guardians while you have been estranged, we will look at this on a case-by-case basis.

- 18. The Higher Education Statistics Agency (HESA) recently underwent a consultation on potential changes and additions to the information collected in their Student and Staff records relating to personal characteristics and equality data as part of the <u>Data Futures</u> programme.
- 19. These potential changes take into account changes to the information being collected in the national censuses and are further informed by discussions HESA have held with Advance HE about their proposed updates to questions, responses and guidance around the relevant fields.
- 20. One of the proposed changes was the addition of a new field to the student record to indicate whether the student was currently pregnant or had been pregnant in the last year. HESA have not implemented the collection of pregnancy/maternity status to student data collections for Scottish institutions due to the majority of respondents to their consultation being against the collection of this data.
- 21. Over the last two years we have continued to invest in our Business Intelligence tools. Staff at SFC have access to internal Power BI dashboards, allowing for deeper analysis of protected characteristics at the institutional level across intake, qualification outcomes, and destinations. This allows us to look at data by age, sex, disability, ethnicity as well as care experience.

Publishing our data and reports

- 22. We have made much more data publicly available via the Report on Widening Access background tables. This covers students, qualifiers, staff, retention and outcomes, as well as leaver destinations. That too is split by various protected characteristics.
- 23. We make reports like this one, and our technical data reports mentioned above, publicly available on our website. We raise awareness of our publications using a range of channels and offer to provide documents in alternative formats if required.
- 24. We feature blogs and news stories on our website that highlight the importance of advancing equality in further and higher education and make every effort to ensure that information about what we do is easy to locate.
- 25. We operate subscriber mailing lists and encourage staff, students and members of the public to register for updates relevant to their interests. We have a specific subscriber list for people interested in hearing more about our equality and inclusion work.
- 26. We also use social media to share information about our work, search for 'Scottish Funding Council' on LinkedIn, BlueSky and X or follow the links on our website homepage.

Equality Impact Assessment

- 27. We have integrated Equality Impact Assessments (EIA) into our policy development process. One of our organisational equality outcomes for 2021-25 was to improve our approach to equality impact assessment and you can find our review of progress in Section 4.
- 28. As part of our obligations to meet the requirements of the General Duty we will continue to critically review equality impact assessments provided to SFC in support of funding applications. Furthermore, we will ensure equality and inclusion considerations feature appropriately in evaluation and impact reports from partner organisations in receipt of our funding.

Capacity building in the college and university sector

29. In 2024 SFC worked with EHRC to run a workshop to provide good practice advice about equality outcome setting as part of the National Equality Outcome Sectoral Event. Following on from this event and in response to feedback from the sector, SFC developed <u>Data and Reporting</u> <u>Guidance</u> which was published in November 2024.

Sharing good practice and working collaboratively

- 30. We work collaboratively with a range of organisations to promote good practice and we involve a range of stakeholders in our work. Examples of these include our commitment to secure the Scottish Government's Programme for Government commitment of 80 additional mental health counsellors across the tertiary sector. We recently published an <u>outcome report</u> which highlights how the additional funding for counsellors was used.
- 31. As part of the National Equality Outcomes Sectoral Event, SFC invited institutions to present projects relating to equality work to share good practice across the sector. This provided a forum to share learning and insights with a video and written case studies of the projects now available on the <u>SFC website</u>.

Mainstreaming equality in funding allocations

- 32. The work our colleges and universities are doing towards the National Equality Outcomes have been captured within the Outcomes Framework and Assurance Model. In order to streamline reporting, these institutions have been asked to demonstrate their commitment to achieving the National Equality Outcomes through their Public Sector Equality Duty reports.
- 33. As part of our MoU with the EHRC, we have committed to reviewing the equality outcomes set by institutions. This work will be complete by Autumn 2025. We will use this review to share good practice and encourage institutions who could improve their outcome setting to do so.
- 34. SFC now has a standard process ensuring EIAs are undertaken prior to any organisation being considered for Strategic and Infrastructure Investment Funds (SIIF) and that equality considerations are demonstrated in the reporting on the impact of this funding.

Section 3: Advancing equality in SFC

- 35. Making SFC an excellent place to work is a priority in our Strategic Plan 2022-2027. Since our last progress report was published in 2023 we have continued to build on our work to ensure that equality, diversity and inclusion (EDI) underpins all that we do at SFC.
- 36. EDI is also integral to our HR and Transformation plan, ensuring that we embed the right culture, values and working practices, enabling colleagues to thrive at work and fulfil their potential in the workplace.
- 37. Much of this is described in Section 4 where we review progress against the specific organisational equality outcomes we set in 2021.
- 38. An internal audit in 2023 demonstrated that SFC has established good EDI practice, especially across HR processes, and this has supported SFC in meeting its legal obligations under the Public Sector Equality Duties.
- 39. This gives us a solid platform from which to further our longer-term goals to ensure SFC is a modern, inclusive organisation by taking a more refined and evidence-based approach to EDI.
- 40. In 2024 we brought on board a dedicated EDI Lead role. This enabled us to review our organisational maturity with respect to EDI, using evidence from sources such as our People Survey and candidate feedback as well as structured inputs from colleagues, senior managers and Board Members. From this we have created a road map to guide our ongoing work to mainstream equality within SFC over the medium term. This is discussed in more detail in section 5 where we have set out our organisational equality outcomes for 2025-29.
- 41. SFC has held the Disability Confident Employer status since 2012. We intend to work towards Leader status in the coming period. We were also pleased to uphold our Investors in People Silver status during 2024 and we are accredited as a Carer Positive and a Real Living Wage employer.

Our Board

42. SFC was one of the first public bodies to achieve a gender balanced board, and this has been maintained. Appointments to our board are made by the Minister for Higher and Further Education and are regulated by the Commission for Ethical Standards in Public Life. While we have no control of the appointments, we do work in partnership with the Scottish Government public appointments team to ensure that our skills matrix and succession planning takes into account the diversity, skills and knowledge needed to ensure our governance arrangements support us in all aspects of our work in a way that properly considers equality impact.

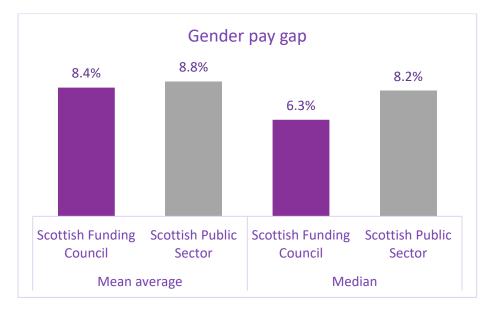
Equal Pay

43. SFC is committed to equal pay. We operate a Job Grading and Evaluation Procedure that ensures each role is aligned to the correct pay grade, together with a Salary Determination Procedure that is used to ensure that every employee is offered a fair salary relative to others with equivalent experience. Since 2003 SFC has reported on equal pay, initially through annual pay audits and now via the published Mainstreaming Reports.

Gender pay gap

44. As at 1 March 2025 SFC directly employed 171 staff. Of these, 112 (65%) were female and 59 (35%) were male. Using hourly earnings, the average gender pay gap was 8.4% whilst the median

gender pay gap was 6.3%. ONS data from the 2024 Annual Survey of Hours and Earnings indicated that the Scottish Public Sector Gender Pay gap was 8.8% (average) and 8.2% (median) in 2024.



- 45. These figures are part of a trend since our 2021 report that has seen a generally positive reduction in the gender pay gap both in average and median values for SFC. The 2025 figures show a slight upturn from those in 2024: this is largely attributable to an increased proportion of employees who are in receipt of a Recruitment and Retention Allowance (these apply to some of our technical job families in which we currently have a larger proportion of males than females) as well as differences at Senior Management level where longer serving (male) employees are, currently, at or near the maximum of the pay range compared with their female counterparts who have been in post for less time and have not yet progressed to the upper end of the pay range.
- 46. In terms of occupational segregation there are some comparative differences in the proportion of gender splits in some grade levels. We are exploring internal work to understand reasons behind this and undertaking targeted work to address any imbalances.

Workforce profile

- 47. SFC currently has a workforce of around 170 employees. Our employed staff update their own employee record on our HR system and this includes information related to protected characteristics. Employees are invited and encouraged to complete this data and keep it up to date to help us focus our improvement work on the areas of greatest need and impact.
- 48. The data we hold currently tells us about the characteristics of 74% of our workforce. Of this group:

17% of our staff identify as being from a **minoritised ethnic group**, compared with 13% in Scotland.

10% identify their sexual orientation as **being gay, lesbian, bisexual or another sexual orientation** compared with 4% in Scotland.



18% find their daily lives are limited by a **disability or long-term condition**, compared with 24% in Scotland.

21% are providing **unpaid care and support to others**, compared with 12% in Scotland.

49. Our workforce data is provided in more detail at Annex D. Note that in autumn 2024 we updated our data collection fields to enable comparison with the Scottish census data and staff were asked to input their data using these new fields. This means this data is not directly comparable with data from previous years and is provided as a baseline for evaluation of progress over the coming period.

Applicants to SFC

- 50. SFC implemented a new digital recruitment platform in January 2024. During 2024 we processed 1700 applications for 51 vacancies.
- 51. As part of the application process we invite applicants to give us information about their protected characteristics to help us monitor and evaluate our approach to equality, diversity and inclusion. We make it clear in the information for candidates that we treat this data confidentially and sensitively. This includes assurance that selection panels do not have access to the data.
- 52. In 2024 around 75% of applicants provided this data, although it is notable that fewer than half of those chose to disclose their ethnic status. This might suggest the need for further work to build SFC's reputation in the market as an inclusive employer.
- 53. Among other things, analysis of the data suggests that:
 - At both application and interview stage, SFC is attracting a higher-than-average proportion of LGBT+ applicants and a greater-than-average diversity of religion and belief.
 - While our workforce itself has a relatively high proportion of disabled people and/or people experiencing long-term health conditions, we have a relatively low proportion of disabled applicants.
 - Applicants aged 45 and over have greater success in securing interviews than those in the younger age groups.
- 54. Our applicant data is shown in more detail at Annex D. Note that this data is not directly comparable with the staffing data or Scotland's census data as the fields used pre-date those. From February 2025 the applicant data fields have been updated to enable consistency with those other data sets in future reports.

Case study: inclusive recruitment



Since we published our most recent progress update in 2023 we have transformed our recruitment and selection process, not only to improve the candidate experience and drive efficiencies but also to maximise the diversity of our candidate pool and to make sure the end-to-end selection process is as free of barriers and bias as possible.

In late 2023 we began piloting a digital applicant tracking system (ATS). Since February 2024 all roles have been recruited through the ATS. Using the ATS has enabled us to expand significantly the reach of our adverts, including across LinkedIn, Monster and Talent job boards, and improve the quality and timeliness of our engagement with candidates. In tandem we are building relationships with our local JobCentre and with universities and employment partners to help us engage more closely with less well-represented groups such as ethnically minoritised groups, disabled people and the long-term unemployed.

At application stage, candidates' personal details are automatically 'cloaked' by the system until candidates are invited to interview. This helps to reduce any unconscious bias in the shortlist process.

During the recruitment process candidates are invited to confirm whether they want to be considered under the Disability Confident Scheme and/or if they require any reasonable adjustments at application or interview stage.

In our online recruitment FAQ page we offer guidance on preparing for interview, and we are drafting guidance for prospective candidates on how to make their cover letter impactful. Prospective candidates are also signposted to a video tour of our office to provide assurance on its accessibility, including for those with sensory requirements. Such requirements might include spaces with gentle lighting, quiet spaces to work, the flexibility to work from home and/or in different spaces in the office, and additional reasonable adjustments for individuals as appropriate. At interview stage we ask again about reasonable adjustments, providing examples, and we are currently piloting the approach of providing interview questions to all candidates at least 24 hours in advance.

We are already seeing the impacts of this in the diversity of our workforce and through feedback from candidates and newly recruited employees, and we take value from constructive feedback to help us with our journey of continuous improvement.

"The candidate journey on pinpoint was seamless and easy to follow – the communication around interview and changes to interview for reasonable adjustments was really helpful too." (2024 applicant.)

Section 4: Progress against our equality outcomes 2021-2025

Sector-facing outcome

SFC equality outcome to support the tertiary system

55. To support universities and colleges to plan for how they will achieve equality outcomes and how they will track the effectiveness / impact their activities are having, we committed to a new Equality Outcome in our Public Sector Equality Duty progress report published in March 2023:

Sector-facing outcome (2023 onwards): the tertiary system will make progress on the National Equality Outcomes through our support, monitoring and reporting.

SFC and EHRC's Memorandum of Understanding

- 56. SFC was the first public body in Great Britain to enter a <u>Memorandum of Understanding</u> (MoU) with the Equality and Human Rights Commission (EHRC) in 2019. The MoU included a joint action plan that committed SFC and the EHRC to working together to establish National Equality Outcomes (NEOs) for the tertiary education sector and to ensure that our activities take all reasonable steps to advance equality, tackle discrimination and foster good relations between groups.
- 57. In Scottish Government's Letter of Guidance to SFC in 2025, the Minister has stated, 'I expect SFC to continue to work in partnership with the Equalities and Human Rights Commission (EHRC) in the coming year to enhance SFC's leadership and oversight in tackling persistent inequalities and to support SFC in its oversight role with colleges and universities.'
- 58. Additionally, the Minister for Equalities recognised the National Equalities Outcomes as good practice in a letter to all duty bearers in June 2024 and in March 2025.

Tackling Persistent Inequalities Together: joint SFC and EHRC publication

- 59. In January 2023, the SFC and EHRC published the Tackling Persistent Inequalities Together report which introduced the NEOs. These outcomes were set by an evidence group and were informed by data that identified the most persistent inequalities in the tertiary sector. As this report was published near the next PSED reporting deadline (April 2023), institutions were asked to recognise the NEOs and address how they might begin to align with them in their PSED reports.
- 60. In the 2023 reports, 10 out of 25 colleges and 5 out of 18 universities who have reporting responsibility for the PSED acknowledged the publication of the NEOs and how they planned to align their work in the coming years. This is not as high as we had hoped but it is likely reflective of the late stage that the NEOs were published. During our sectoral event, institutions also told us there was a need for additional support around expectations on reporting to be set by SFC and EHRC. This had also been our intention but it was delayed due to the pandemic. Further guidance on reporting expectations for the April 2025 PSED reports has now been provided in the <u>NEOs Data and Reporting Guidance</u>.
- 61. The NEOs are provided in Annex B of the publication and include consideration of:
 - Success and retention rates of students and seeks improvements, at a national scale, for older students in the university sector and younger students in the college sector.

- Satisfaction levels of disabled students in relation to the reasonable adjustments put in place to support their learning and student experience.
- The imbalance on courses by sex.
- The mental health of staff and students and seeks improvements in student learning outcomes and assurances of access to mental health support.
- The safety of students and staff and steps taken to address harassment particularly in relation to disability, race, sexual orientation, trans identity and religion and belief. Responding to the Scottish Government's Equally Safe strategy particularly in relation to prevention, support and response mechanisms.
- Proportionate representation of staff, Boards and Courts particularly in relation to race and disability.

Progress since the publication of the Tackling Persistent Inequalities Together report

- 62. Since publication of the report, the SFC has committed resource to developing an internal data dashboard to support our own equality outcome and monitor progress against the NEOs. We have also increased our staff resource to manage, support and progress this work from one full-time Senior Policy Officer to two staff members, a full-time Senior Policy Officer and a full-time National Equality Outcomes Coordinator (Policy Officer).
- 63. This has enabled us to:
 - Enhance our data analysis and evidence.
 - Organise and deliver a sectoral event in Spring 2024.
 - begin a programme of thematic reviews.
 - develop and publish the NEOs Data and Reporting Guidance.
- 64. More details on each of these areas is provided below.

Data analysis and evidence

65. As noted above SFC has developed an internal data dashboard that collates the equality data currently held for the sector. This will support SFC in measuring sector progress against the NEOs alongside the upcoming publication of institutions Public Sector Equality Duty (PSED) reports and as part of our broader Outcomes Framework and Assurance Model. SFC and EHRC will produce a summary of sector progress towards achieving the NEOs in Autumn 2025. Figures 1 and 2 below provide example snapshots of the dashboard interface.

Figure 1: College NEOs Data Dashboard

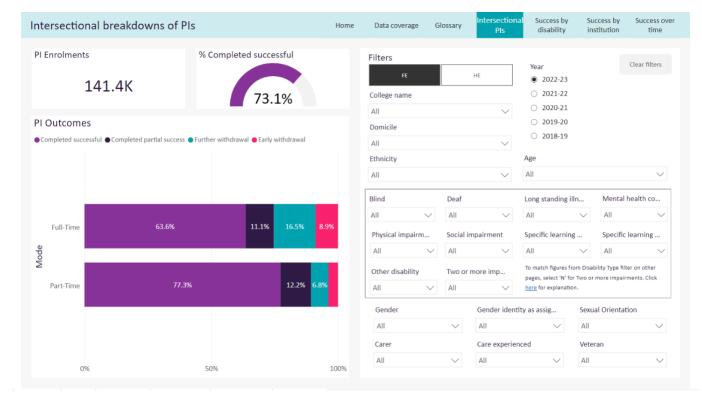
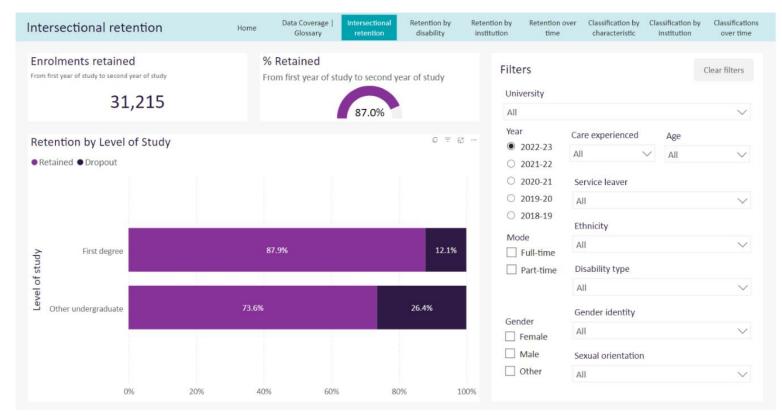


Figure 2: University NEOs Data Dashboard



Sectoral event

- 66. As part of the commitment in the Tackling Persistent Inequalities Together report to host a joint event, the SFC and EHRC held a sectoral event on 7 May 2024. The event brought together key sector colleagues and students to discuss the NEOs, progress made to date, and how institutions will work with SFC to further their impact on achieving the NEOs. More information on the event, including the event outcome report and case studies of good practice in the equality space from institutions, can be found on the Wellbeing and Equalities page on SFC's website.
- 67. As part of the national event, institutions helped identify gaps in knowledge and support for students with protected characteristics. This information has now been consolidated and SFC will focus on the following two topics of thematic review:
 - Feelings of safety/sense of belonging.
 - Staff representation.

Development of two thematic reviews

- 68. The feedback from event attendees and background to the thematic review on safety can be found in the <u>Sectoral Event report</u>. It is intended that by conducting a thematic review of feelings of safety and sense of belonging, SFC can support the tertiary sector in making progress towards multiple NEOs and enable institutions to create and maintain a safe and supportive environment for their students and staff. The initial scoping exercise for the feelings of safety/sense of belonging thematic review has taken place, and this review will continue to progress over the coming months.
- 69. Event attendees also identified the challenge of staff representation as another area where further insights could be beneficial. There remains work to be done to ensure fair opportunities for all and supporting a diversity of voices in staffing within institutions. This theme also links to pay gap reporting within institutional PSED reports and we will continue to work alongside EHRC to ensure that institutions are aware of, and are accessing, the most up to date resources to support this area of work.
- 70. Whilst acknowledging the autonomy of institutions and SFC's limited influence over the staffing of institutions, SFC will work with EHRC to identify how a thematic review on staff representation can be progressed.

The development of guidance for data and reporting

- 71. The most recent progress in SFC's work toward supporting institutions in achieving the NEOs is the development of the <u>National Equality Outcomes Data and Reporting Guidance</u>. This guidance was developed in partnership with EHRC and takes into consideration the support and guidance institutions asked for during sector meetings and the sectoral event. The guidance includes:
 - The process for adopting the NEOs as institutional equality outcomes.
 - A guide from EHRC on setting meaningful action plans to support achievement of the NEOs.
 - Reporting guidance for the NEOs.

 A table that maps the data available to institutions in relation to each NEO and how institutions can access this data. This table is intended to support institutions in measuring the NEOs and setting baselines.

Assessing the impact of NEOs

- 72. This section has outlined the progress made in supporting institutions to deliver the NEOs. Our equality outcome also commits us to monitoring this impact and the institutional PSED reports will be a key milestone in this process. However, the steps we have made to enhance our data analysis and evidence (outlined earlier) has also been a significant step enabling us to better understand student trends over time.
- 73. Annexes B & C have been provided to outline an assessment of student demographics split by protected characteristics relevant to the NEOs. This includes student retention and success data which allows for a more detailed understanding of the demographics within Scottish institutions. Due to the nature of the data SFC holds, we focus on 'success data' for colleges and 'retention data' for universities. The NEO for religion and belief is focused on report and support mechanisms. As SFC does not hold data on institutional support mechanisms, religion and belief has not been included in this breakdown.
- 74. The headline findings from within the annexes have been outlined below:
 - For both sectors, disability and mental health are prominent features: Students with disabilities and those declaring a mental health condition have lower successful completion and retention rates. The NEOs outline that disabled students should feel satisfied with the support and reasonable adjustments they receive. Institutions are also asked to address the retention rates for students with mental health conditions.
 - Gender Identity: Students who previously classified their gender identity as "other" had lower success rates (in the college sector) and retention rates (in the university sector) than those identifying as male or female particularly in AY 2021-22 i.e. at the height of the pandemic. It was notable that this is evident in both sectors and that the difference between those who classified as other and those who identified as male or female was more pronounced than differences seen in other characteristic groups. Within the National Equality Outcomes, there is an action that staff and students who identify as trans report feeling safe to be themselves within the tertiary sector.
- 75. In the college sector:
 - The success rates for both further and higher education in the college sector have improved after a period of decline during the pandemic years.
 - Care Experienced Students: these students have had the lowest successful completion rates, although there is an encouraging upward trend. The SFC is aware of the intersectionality between care experienced students and those with protected characteristics and has other workstreams to support these students.
 - Age Factor: students aged 19 and under have lower success rates compared to those over 19. This challenge is specifically addressed within the National Equality Outcomes (NEOs) for colleges.

- Ethnic Background: There is a mixed picture regarding the successful completion rates
 of students from different ethnic backgrounds. The variance in population sizes can
 lead to misleading comparisons. Institutions are directed to consider differential
 outcomes and ensure their curricula are diverse and anti-racist as part of the ongoing
 NEO work.
- 76. In the university sector:
 - Retention Rates: Retention rates have been lower in the sector since the beginning of the pandemic and we are committed to working with the sector to address this issue. The SFC monitors institutions through our OF&AM. Scotland's Tertiary Enhancement Programme, or STEP, as part of the new Tertiary Quality Enhancement Framework (TQEF), will focus on supporting learner/student transitions and navigating pathways in the first four year cycle.
 - There is a consistent gap in retention rates for certain groups such as mature students (aged 25 and over) compared to the sector average. The challenge for this group is specifically addressed within the National Equality Outcomes (NEOs) for universities.
- 77. These key issues highlight areas where the SFC and institutions need to continue to focus their efforts to improve student outcomes and ensure equality across different student groups. This analysis confirms that the NEOs continue to reflect the most persistent inequalities in the tertiary sector. We will continue to work with institutions in partnership with the EHRC as outlined in the MoU to address these issues.

Next steps for the SFC and EHRC

- 78. Institutions have been asked to adopt NEOs relevant to their institutions and set baselines to measure against in the future. Institutions have been asked to do this through their PSED reports. SFC and EHRC will review these reports after their publication in April 2025 and will provide a summary of sector progress made against the NEOs in Autumn 2025.
- 79. SFC will work with EHRC to ensure that the Memorandum of Understanding continues to reflect our partnership approach to tackling persistent inequalities. We will look to renew the MoU and action plan in late 2025 to capture ongoing work and reaffirm our commitment to the NEOs.

Organisational equality outcomes

SFC organisational outcome 1

80. We set the following Equality Outcome for 2021-25 to address the identified inequality that disabled people and people from Black, Asian and Minoritised Ethnic backgrounds were less likely to apply and to be appointed to SFC positions:

Organisational equality outcome 1 (2021-25): Over a four-year period the diversity of SFC will improve so that SFC better reflects the profile of staff and students that work and study in Scotland's colleges and universities.

81. The diversity of our workforce has increased since 2021. While the focus of our equality outcome for 2021-25 was ethnicity and disability, we monitor our diversity against all protected characteristics: this is shown at Annex D.

ETHNICITY

- 82. In 2021 we recognised that our ethnic diversity in particular was very low. We had no employees at that time who identified as being from a Black, Asian or Minoritised Ethnic background.
- 83. This is changing. Based on current data:
 - 92% of SFC employees are White, compared with 93% in Scotland's overall population.
 - 17% of our workforce belongs to a minoritised ethnic group (i.e. not White Scottish or White British) compared with 13% of Scotland's population.
- 84. Our data on applicants to SFC is less informative than the workforce data. During 2024, 64% of applicants chose not to disclose their ethnicity at application stage. This is despite our applicant information giving assurance that this data is not disclosed to selection panels. We need to learn more about applicant experiences to better understand why this is the case in order to address this difference in disclosure rates.

DISABILITY AND LONG-TERM CONDITIONS

- 85. 18% of our workforce is limited by a disability or long-term condition. This compares with 24% in Scotland's population (of which 11% are limited 'a lot' and therefore some are likely not to be fit enough to work and face significant barriers to entry). We are not in a position to compare this directly with our earlier workforce data (in which 10% declared a disability) as we have changed the definition to align with Scotland's census data.
- 86. Applicants to SFC are more likely to disclose a disability than their ethnicity. Of the 74% who disclosed this information in 2024, 8% declared that they were disabled. A similar proportion (7%) were selected for interview. Similar to our earlier workforce data, this uses an earlier definition of disability. From 2025 the definition of disability has been updated and will provide data that can be analysed in the context of our workforce data.

KEY ENABLERS

- 87. In the four-year period since 2021 we have continued to take steps to support SFC to develop as a diverse and inclusive organisation. We believe this is a factor in the improvement in diversity that is reflected in our data.
- 88. Key areas of focus in this period have included:
 - Transforming our approach to attraction, recruitment and selection with a strong focus on inclusion. This is described in more detail in the case study on page 11.
 - Transforming our approach to internal communications. While this has wider organisational objectives, it has made a substantial contribution to inclusion creation. For example, a new interactive communications platform is enabling communities of interest to emerge, and the Learning and Development Hub has created greater opportunity to share access to learning modules such as a recent series on neuro-inclusion in the workplace and to encourage colleagues to take part in interactive peer to peer learning sessions on a wide range of topics.
 - Helping to create the conditions for employee networks to take root and flourish. This includes our relatively new LGBT+ community (see case study on page 21) and our

recently established menopause community. We have also identified a need and an opportunity to create a community of carers and will be taking this forward in 2025.

- Localised training and awareness sessions with individual teams. During 2024 our dedicated EDI Lead provided tailored support to teams and individuals based on needs identified through staff focus groups and engagement with team leads and other individuals. This ranged from support to consider how EDI considerations could be further embedded across the work of a team/directorate to more specific support such as for neuro-inclusion.
- Involvement of student interns. In 2024 we hosted nine student interns, in most cases for a 12-week period. These project-based internships contributed to our sector-facing work as well as helping to develop our internal processes, including aspects of our work on EDI. Importantly this also helps to bring a diversity of perspective to our organisation in a range of aspects including age, ethnic background and cultural diversity – helping us to better reflect the range of communities SFC serves.
- 89. In our 2023 People Survey, 75% of our employees agreed that 'SFC respects individual differences and promotes equalities'. This compared with 68% in 2019. We will run this survey again in May 2025.

Case study: LGBT+ network



SFC's staff LGBT+ Network was officially launched in November 2023. The network meets monthly and provides a space for LGBT+ colleagues and allies to come together.

The aims of the group are to:

- Provide a safe environment to give peer-to-peer support, celebrate good experiences, express concerns, and share resources/advice.
- Organise opportunities to socialise and make connections with LGBT+ colleagues and allies such as facilitating group attendance at Pride events.
- Create a platform for raising awareness within the wider organisation, reinforcing a workforce culture that is positive and safe for LGBT+ colleagues.

The network provides a forum to discuss equality issues within SFC and provid<u>e</u> feedback on relevant areas of work within the organisation. This has also been expanded to consider how LGBT+ issues impact and are part of our equalities work with the tertiary education sector. Colleagues have used the opportunity to bring research and articles relating to LGBT+ experiences in tertiary education for discussion and allow for rounded conversations from across the organisation about how we as an organisation might want to engage. The network also provides a supportive and challenging environment for colleagues to discuss ongoing work which relates to the LGBT+ community.

The network also has a social element with opportunities for colleagues to come together outside of work and has organised events to celebrate LGBT+ history and culture including a LGBT+ walking tour of Glasgow.

SFC organisational equality outcome 2

90. Consideration of the needs of and barriers faced by individuals sharing a protected characteristic must be explicitly considered in our development of policy and guidance. We set the following Equality Outcome for 2021-25:

Over a four-year period SFC will improve its approach to equality impact assessment (EIA). We will produce reports that identify how effective EIA has influenced and informed the development of our policy and guidance. We will publish this analysis annually from September 2022.

- 91. We have made some good progress against this outcome, and it will continue to be one of our core equality outcomes as it remains a high priority.
- 92. In our 2023 progress report we described how our assessment of effectiveness had identified a need to shift our focus towards building confidence across SFC in undertaking EIAs. This included the need to develop a shared understanding of how to reflect lived experience as it affects the student population (as SFC does not support students directly) and a better understanding of what 'good' looks like.
- 93. This had led to the creation of updated guidance for staff and a resource bank on equality research relevant to the tertiary sector to support colleagues in considering specific protected characteristics.
- 94. In 2024 we created a new dedicated EDI Lead role which enabled us to provide more direct support for the EIA process. Initially this was targeted towards the most immediate needs as well as new major policies and funding decisions.
- 95. Feedback from colleagues indicates that while guidance and templates are helpful and provide a necessary foundation, for the more complex and interconnected policy areas it has made a significant difference to have dedicated support to help develop colleagues' skills in making the best use of the rich data sources available and making meaningful assessments of impacts.
- 96. In providing this support, the intention is to facilitate collective learning and upskilling. It is evident that this is taking effect as colleagues are now beginning to consider ways in which to use peer scrutiny from across SFC to enhance the quality of impact assessments. Further revisions have also been made to the guidance and templates to make them as simple and accessible as possible.
- 97. We will continue to build on this work as we give this priority continued focus from 2025 onwards.

Section 5: SFC's equality outcomes for 2025-2029

- 98. SFC does not provide services direct to the public. This means that when we set our equality outcomes we must consider how we can advance equality, tackle discrimination and foster good relations in our core activities.
- 99. Our equality outcomes for 2025-29 relate to our activities as a sectoral oversight body, a funder and an employer. Our equality outcomes for this period are set out below.

Sector-facing equality outcome

100. We will continue with the sector-facing equality outcome set in the 2023 progress report:

Sector-facing equality outcome: the tertiary system will make progress on the National Equality Outcomes through our support, monitoring and reporting.

Organisational equality outcomes

- 101. We have begun to develop a sustainable EDI framework to support our work to mainstream equality across SFC in the period 2025-29. In doing so we have drawn on previous EDI work, long term initiatives across a diverse range of sectors and best-practice from other public bodies and the Scottish Government. In particular we have utilised evidence-based models such as The National Equality Standard a world-leading standard for EDI developed by UK Government and we have benchmarked our approach with other public bodies across Scotland, especially those in the education sector. We have engaged with the Scottish Government's Mainstreaming and Inclusion Division to ensure any changes to our legal obligations and/or advancements in the Scottish Government's approach are reflected within SFC's plans, now and in the future.
- 102. Through consultation with staff across SFC through a series of staff focus groups and team workshops led by the EDI Advisor, three equality outcomes have been identified for 2025-29 underpinned by five key themes: core inclusion skillsets; recruitment and retention; inclusive practice; leadership; and culture and wellbeing.
- 103. Over the period to 2029 we will pursue the following three equality outcomes:

Organisational Equality Outcome 1: Our workforce will become increasingly diverse to better reflect the communities we serve and the general population of Scotland by 2029.

Organisational Equality Outcome 2: By 2029, our workforce culture and employer values will be more inclusive with employees from marginalised backgrounds and protected characteristics reporting they feel increasingly valued.

Organisational Equality Outcome 3: The effectiveness of our Equality Impact Assessment (EIA) process will be enhanced, ensuring that all policies, practices and services are systematically evaluated for their impact on equality and are responsive to the diverse needs of the partners and communities we serve.

104. A variety of approaches and interventions will be required to create a more inclusive workplace where people feel they can bring their whole selves to work and find joy in the work they do. This is why we have identified key themes and will use them as an agile and unifying framework upon which a suite of key actions will be developed, embedding inclusion considerations across different directorates and teams in how they think, practice and deliver. 105. We will utilise data, expertise and lived experience from colleagues across the organisation to help us develop meaningful and impactful outcomes, prioritise actions and set transparent and achievable targets. The equality outcomes above will be supported by specific measurable actions and indicators, which will be agreed by September 2025.

Annex A: The Public Sector Equality Duty

The general duty

106. The general duty requires SFC, in the exercise of our functions, to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
- Advance equality of opportunity between people from different equality groups, considering the need to:
 - Remove or minimise disadvantages suffered by people due to their protected characteristics.
 - Meet the needs of people with protected characteristics.
 - Encourage people with protected characteristics to participate in public life or in other activities where their participation is low.
- Foster good relations between people from different protected characteristics groups, tackling prejudice and promoting understanding between people from different groups.

The specific duties

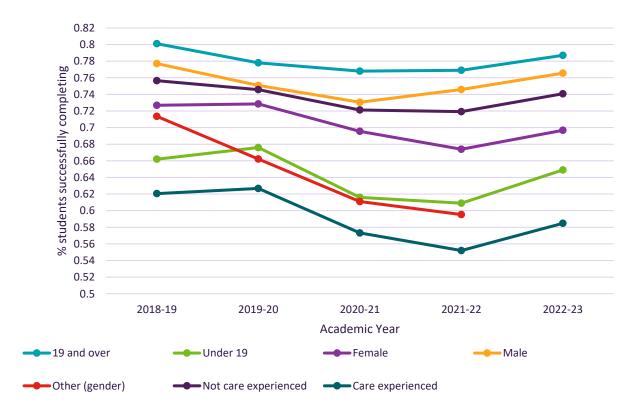
- 107. The specific duties exist to help SFC develop evidence-based policies and practices, improve transparency and accountability, and deliver better outcomes for everyone in Scotland. To meet the specific duties, SFC is required to:
 - Report on progress of mainstreaming the general duty into all functions every two years. Our last mainstreaming update report was published in 2023.
 - Publish and deliver a set of equality outcomes that cover all protected characteristics (or explain why not all protected characteristics are covered) every four years. We first published our equality outcomes in 2013. Following a review we updated our equality outcomes in 2017 and again in 2021 and this report provides a progress report against our equality outcomes.
 - Assess the impact of new and revised policies and practices against the needs of the general duty on an ongoing basis.
 - Gather information on the protected characteristics of employees and publish every two years, starting in 2013, as part of mainstreaming reports if not published elsewhere.
 - Publish board diversity information as part of mainstreaming reports from 2017.

- Publish gender pay gap information every two years, and publish statements on equal pay and occupational segregation for gender, race and disability every four years, starting in 2013.
- Have due regard to the general duty in specified procurement practices on an ongoing basis.
- Publish the above information in a manner that is accessible.

Annex B: Overview of current student demographics (college sector)

Overview of success data

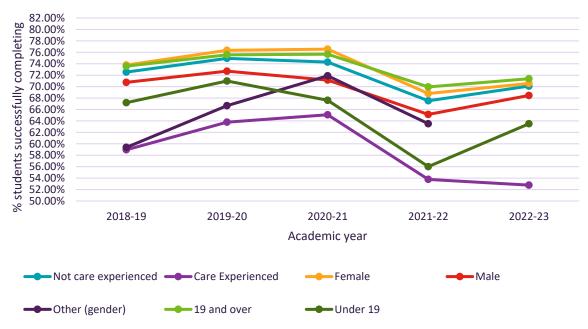
- 108. The figures below illustrate the percentage of students successfully completing further education (FE) and higher education (HE) courses in Scotland's colleges split by the protected characteristics relevant to the National Equality Outcomes. This data is held internally within SFC on a data dashboard allowing for detailed interrogation. This data is an aggregate for all students studying FE and HE courses and has not been split by mode of study (Full-Time or Part-Time) or student domicile for the purpose of these figures.
- 109. A detailed breakdown of the success rates for students on the basis of Disability and Race have been shown as separate graphs to show the difference in experiences across groups with these protected characteristics.



FE Successful completion rates by characteristic

Figure 1: Successful completion rates by characteristic for students studying FE courses in colleges

110. The further education data illustrates a reduction in the percentage of students successfully completing their course in academic years 2019-20 through 2021-22. During this time students faced significant challenges due to the COVID-19 pandemic. The percentage of students successfully completing courses did rise again for all groups where data was available in 2022-23.



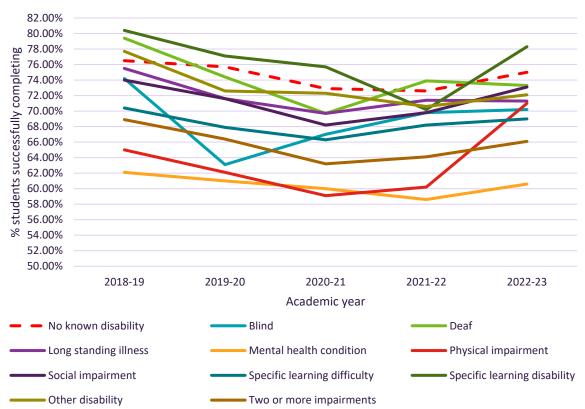
College HE successful completion rates by characteristic

Figure 2: Successful completion rates by characteristic studying a HE level course at college

- 111. The higher education data shows a reduction in the percentage of students successfully completing their course in academic year 2020-21 to 2021-22 with this rebounding slightly across characteristics, except care experienced, in 2022-23.
- 112. Students who are care-experienced have had the lowest successful completion rates across both FE and HE courses. This has begun to trend upwards for students on FE courses while the gap has widened for those studying HE courses. Although the NEOs do not have a particular outcome focused on care experienced students, SFC has other workstreams that aim to support these students, and we are aware of the intersectionality between care experienced students and students with protected characteristics.
- 113. Students who were 19 and under had success rates which have been lower than those who were over 19 across both FE and HE course. This challenge is specifically referenced within the NEOs and colleges have been asked to improve success rates for students under 19.
- 114. Until academic year 2021-22, students could choose "other" to classify their gender identity. We see lower success rates for these students than those who identify as male or female across both FE and HE course. The way this data is collected has now changed but institutions are still able to monitor the outcomes for students whose gender identity differs from that assigned at birth.

Disability

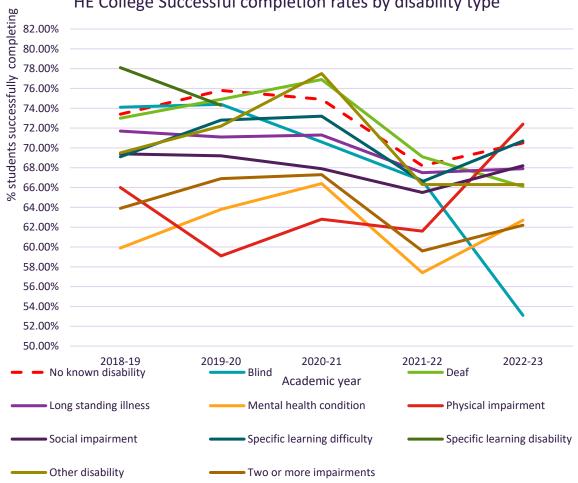
115. As shown above, successful completion rates for students with a disability are lower. A full breakdown of success rates by disability type can be found in figure 3 and figure 4. The red dotted line represents the success rate for students with no known disability.



FE College successful completion rates by disability type

Figure 3: Successful completion rates for students by disability breakdown studying a FE course at college.

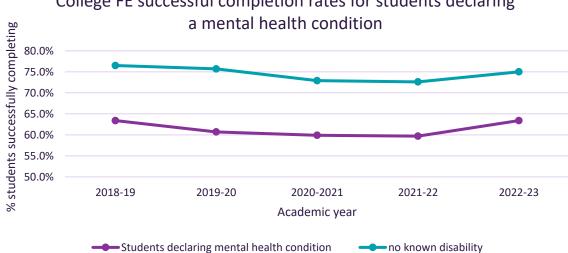
- 116. For students studying FE courses at Scottish colleges we can see that students reporting a mental health condition have the largest gap in successful completion rates in all years except 2020-21. Students recording two or more impairments also have a marked gap in successful completion rates.
- 117. Students with physical impairments appear to have been impacted by the disruption during the COVID-19 pandemic but this has improved significantly in 2022-23. It is also worth acknowledging that this is a smaller cohort of students which results in starker changes within the percentage model.



HE College Successful completion rates by disability type

Figure 4: Successful completion rates for students by disability breakdown studying a HE course at college.

- 118. For students studying HE courses at Scottish colleges the trend in successful completion rates for students reporting a mental health condition and those with two or more impairments has followed a similar trend to other (but not all) disabilities but with the exception of physical impairment and blind students have been consistently lower. In 2022-23 there was a significant drop in the percentage of students who were blind completing their courses. It is important to acknowledge that this is very small cohort of students which results in starker changes within the percentage model.
- 119. The NEOs outline that disabled students should feel satisfied with the overall support and reasonable adjustments they receive. Institutions are also asked to address the success and retention rates for students who declare a mental health condition which have historically been lower as demonstrated by figure 5 and figure 6.



College FE successful completion rates for students declaring

Figure 5: Successful completion rates by characteristic for students studying HE courses in colleges.

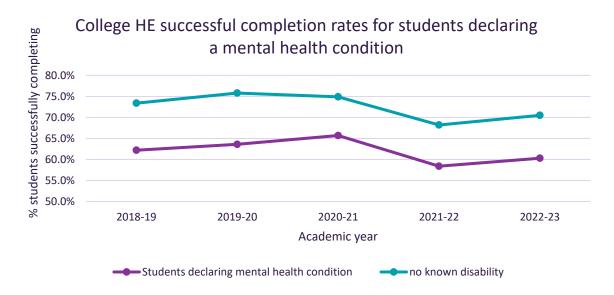
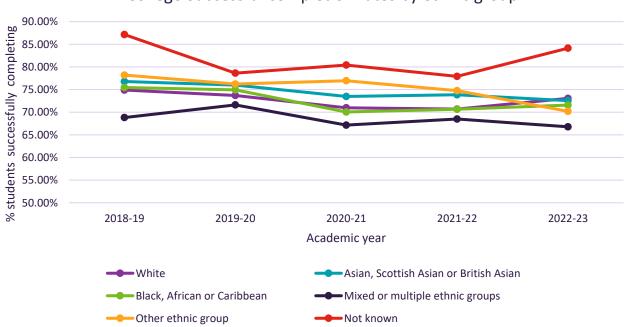


Figure 6: Successful completion rates for students declaring a mental health condition studying a FE course at college.

Race

- 120. Through the NEOs, institutions have been asked to consider differential attainment levels for students from different racial groups. There is also a call to action for anti-racist curricula, feelings of safety for students, and staff representation. For the purpose of this analysis, SFC has focused on the differential attainment NEO for Race. As SFCs internal data dashboard does not hold attainment data for the college sector, success data has been provided for below.
- 121. SFC recognizes the inconsistency in terminology between the NEO for Race and the data we hold which is categorised by 'Ethnic Group.' The terminology in the NEOs is reflective of the protected characteristics outlined in The Equality Act (2010) and as such, uses the term 'Race'. SFC understands 'Race' as a social construct and as being different from 'Ethnic group' and 'National Identity', which may evolve in social, cultural and political contexts, reflecting how people define

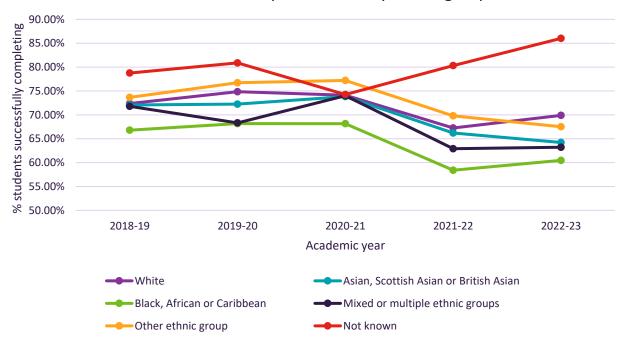
themselves, changing over generations and for various complex reasons. We recognise currently there is a risk of homogenising the lived experiences and barriers faced by those from diverse, intersecting and multicultural backgrounds. A full breakdown of which ethnic backgrounds are categorized into which overarching ethnic groups can be found on the SFC (for colleges) and Higher Education Statistics Agency (HESA) (for universities) website. SFC's approach to collecting college data is informed by guidance issued by Scottish Government on collecting and reporting ethnicity data. SFC will seek opportunities to better align terminology and data where possible in future reports so that we reduce the risk of homogenising experiences across different ethnic heritages and backgrounds.



FE College Successful completion rates by ethnic group

Figure 7: Successful completion rates for students studying a FE course at college broken down by ethnic group.

122. When considering success rates for students from different ethnic group studying FE courses in colleges there is a variance in population size (e.g. Asian, Scottish Asian or British Asian c5000 students in 2022-23 compared with Mixed or multiple ethnic groups c1200 students in 2022-23) which can create a misleading picture of success rates across ethnic groups. However, data provided above shows students who define into 'mixed or multiple ethnic group' have a lower success rate than all other ethnic groups across academic years 2018-19 to 2022-23. The highest performing ethnic group is students whose ethnic background is 'not known', having a success rate of 84.1% in 2022-23 compared to the next highest group of 'White' students at 73.1% and followed closely by 'Asian, Scottish Asian, or British Asian' at 72.6%.



HE successful completion rates by ethnic group

Figure 8: Successful completion rates for students studying a HE course at college broken down by ethnic group.

123. When considering success rates for students from different ethnic groups studying HE courses in colleges it is important to note there is a variance in population size of the groups which can create a misleading picture of success rates across ethnic groups. However, data provided above shows in every academic year students who define into the 'Black, African, or Caribbean' ethnic group have had the lowest success rates compared to other ethnic groups. In every academic year except 2020-21, students whose ethnic group is 'not known' have the highest level of success rate compared to other ethnic groups. The largest success rate gap can be seen in academic year 2022-23 with the 'not known' ethnic group having a success rate of 86%, with the next highest success rate ethnic group being 'White' students at 69.9%.

Annex C: Overview of current student demographics (university sector)

Overview of retention data

- 124. The figures below illustrate the percentages of students retained on courses at Scottish universities between the first and second year of study. This data forms the core of the university NEOs data dashboard as the NEOs focus on success and retention rather than intake or outcomes. The data considered comes from the HESA non-continuation dataset which only covers undergraduate level courses and does not contain post-graduate data. We hope to gain a better understanding of post-graduate experience in relation to protected characteristics for future reports and are currently looking into how we can do this. The data is split by the protected characteristics relevant to the National Equality Outcomes. This data is an aggregate for all students studying undergraduate courses for all domiciles. Disability and Race have been shown as separate graphs to show the difference in experiences across groups with these protected characteristics.
- 125. The years on the graph refer to the academic year undergraduate students were retained into their second year of study. Therefore 2018-19 refers to those students who entered in 2017-18.
- 126. The graph in Figure 1 outlines the retention rates over time for students studying for undergraduate degrees at Scottish universities. The red dotted line represents the average retention rate across the sector.

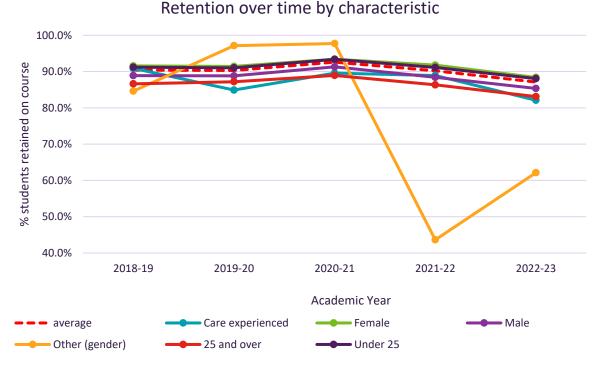


Figure 1: Retention over time of students studying undergraduate courses at Scottish universities broken down by characteristic.

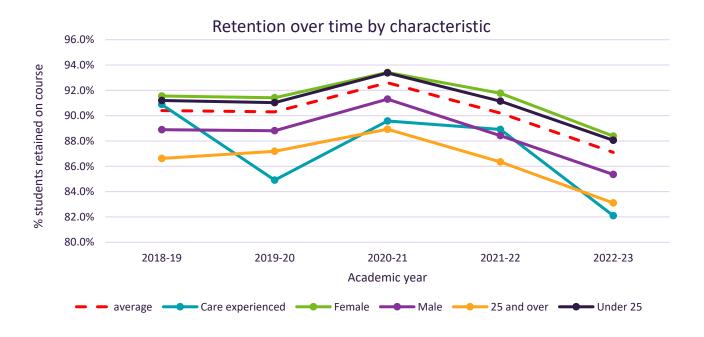
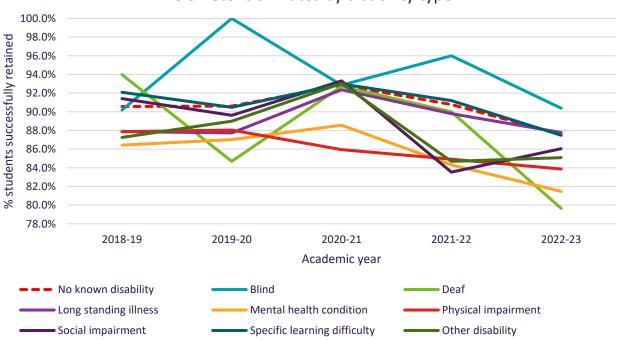


Figure 2: Retention over time of students studying undergraduate courses at Scottish universities broken down by characteristic (not capturing those whose gender identity is other).

- 127. Figure 1 indicates a significant negative change in retention in 2021-22 and 2022-23 for students who have chosen 'other' in relation to their gender identity. This change extends far beyond the trend seen across other characteristic groups which are shown in more detail in Figure 2.
- 128. Mature students (identified as those aged 25 and over) are shown as having consistently lower retention rates and were identified in the NEOs as being a group for whom universities should seek to improve retention rates.
- 129. Students who are care-experienced have had erratic retention rates in the past few years with the latest year of data available showing them as the group with the lowest rate of retention. Although the NEOs do not have a particular outcome focused on care experienced students, SFC has other workstreams that aim to support these students, and we are aware of the intersectionality between care experienced students and students with protected characteristics.

Disability

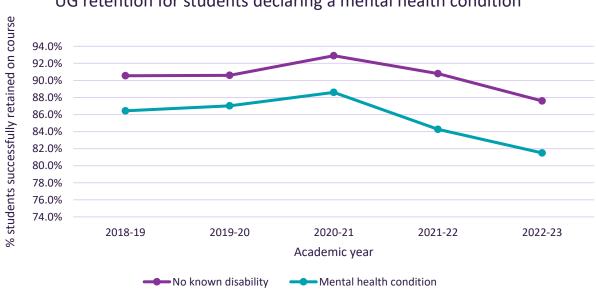
130. The NEOs outline that disabled students should feel satisfied with the overall support and reasonable adjustments they receive, as well as asking institutions to address feelings of safety for staff and students and improve staff representation. For the purposes of this analysis and understanding student demographics, a full breakdown of retention by disability type has been provided.



UG Retention Rates by disability type

Figure 3: Retention over time of students studying undergraduate courses at Scottish universities broken down by disability type.

- 131. The red dotted line represents the retention rates for students with no known disability. Retention for certain groups of disabled students on the graph would appear to be more volatile, however, this is in the context of small numbers of students and as such the retention rates should not be compared across groups.
- 132. Through the NEOs, institutions are also asked to address the retention rates for students who declare a mental health condition which have historically been lower. Retention has also been consistently lower for students who identify as male, this could link to the ongoing NEO seeking to improve male staff and students awareness of how to access mental health support.

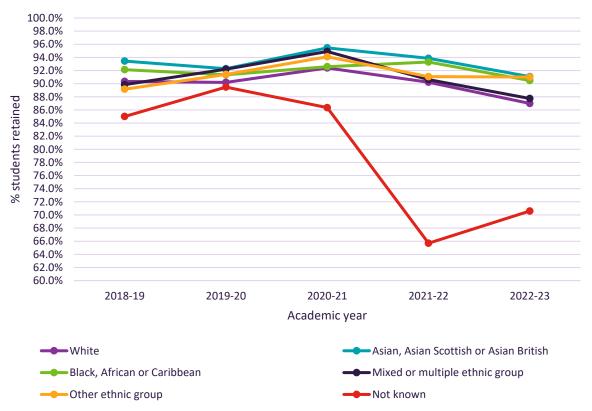


UG retention for students declaring a mental health condition

Figure 4: Retention over time of students declaring a mental health condition studying undergraduate courses at Scottish universities.

Race

- 133. Within the NEOS, institutions are asked to have regard from differential attainment levels across racial groups alongside other outcomes that focus on feelings of safety, staff representation, and complaint procedures. For the purpose of this analysis, university attainment rates across different ethnic groups has been provided below.
- 134. SFC recognises the inconsistency in terminology between the NEO for Race and the data we hold which is categorised by 'Ethnic Group.' The terminology in the NEOs is reflective of the protected characteristics outlined in The Equality Act (2010) and as such, uses the term 'Race.'. SFC understands 'Race' as a social construct and as being different from 'Ethnic group' and 'National Identity', which may evolve in social, cultural and political contexts, reflecting how people define themselves, changing over generations and for various complex reasons. We recognise currently there is a risk of homogenising the lived experiences and barriers faced by those from diverse, intersecting and multicultural backgrounds. A full breakdown of which ethnic backgrounds are categorised into which overarching ethnic groups can be found on the SFC (for colleges) and Higher Education Statistics Agency (HESA) (for universities) website. SFC will seek to better align terminology and data in future reports so that we reduce the risk of homogenising experiences across different ethnic heritages and backgrounds.



UG retention rates by ethnic group

Figure 5: Retention over time of students studying undergraduate courses at Scottish universities broken down by ethnic group.

135. The variance in population sizes should be taken into consideration when looking at the rates of retention. Retention rates are the highest across ethnic groups for students from 'Asian, Asian Scottish or Asian British', with the largest gap in attainment rate in academic year 2021-22 with 'Asian, Asian Scottish or Asian British' having a success rate of 93.9% compared to students in the ethnic group 'not known' at 65.7%.

Annex D: SFC workforce and applicant profile

SFC directly employed staff

136. Please note:

- i. The figures for SFC in the following tables are based on 125 respondents of a total workforce of 170 employees as at 10 March 2025.
- ii. Data has been redacted (*) where this represents a number fewer than five and greater than zero.

Sex		
	SFC	Scotland (2022 Census)
Female	65%	51%
Male	35%	49%

	Age	
	SFC	Scotland (2022 Census)
16-24	0%	14%
25-34	24%	17%
35-44	29%	17%
45-54	28%	18%
55-64	16%	19%
65-74	3%	15%

Disability		
	SFC	Scotland (2022 Census)
Yes, my daily activities are limited by health or disability	18%	24%
No, my daily activities are not limited by health or disability	77%	76%
Prefer not to say	5%	Not an option

Ethnic group	
SFC	Scotland (2022 Census)

White Scottish	51%	78%
White Other British	31%	9%
White Irish	3%	1%
White Polish	*	2%
White: another ethnic group**	6%	3%
Mixed or Multiple ethnic group	0%	1%
Pakistani, Scottish Pakistani or British Pakistani	0%	1%
Indian, Scottish Indian or British Indian	*	1%
Bangladeshi, Scottish Bangladeshi or British Bangladeshi	*	<1%
Chinese, Scottish Chinese or British Chinese	0%	1%
Another Asian group	*	1%
Caribbean or Black	0%	<1%
African, Scottish African or British African	*	1%
Arab, Scottish Arab or British Arab	*	<1%
Another Ethnic Group	*	1%
Prefer not to say	*	Not an option

**Includes: White Gypsy/Traveller; White Roma; White Showman/Showwoman; and any other White.

Religion and belief		
	SFC	Scotland (2022 Census)
No religion	60%	51%
Church of Scotland	7%	20%
Roman Catholic	9%	13%
Other Christian	9%	5%
Muslim	*	2%
Hindu	*	1%
Buddhist	*	<1%
Sikh	0%	<1%
Jewish	0%	<1%
Pagan	*	<1%

		SCOTTISH FUNDING COUNCIL
Another religion	*	<1%
Prefer not to say / not stated	9%	6%

Marriage and Civil Partnership			
	SFC	Scotland (2022 Census)	
Never married and never registered in a civil partnership	38%	38%	
Separated, but still legally married or still legally in a civil partnership	*	2%	
Married or in a registered civil partnership	51%	44%	
Divorced, or civil partnership dissolved	6%	8%	
Widowed, or surviving civil partnership partner	0%	7%	
Prefer not to say	*	Not an option	

Sexual Orientation		
	SFC	Scotland (2022 Census)
Straight/heterosexual	84%	88%
Gay or lesbian	5%	2%
Bisexual	*	2%
Another sexual orientation	*	1%
Prefer not to say	6%	8%

Gender Reassignment

We collect and use data on Trans history to inform our work on inclusion. Due to small numbers we are unable to publish these figures at present.

Caring responsibilities		
	SFC	Scotland (2022 Census)
Unpaid carer (i.e. primary carer for child or adult with disability/health condition and/or primary/secondary carer/support for older adult over 65)	21%	12%

SFC applicants

137. Please note:

- The figures in the tables below represent the proportion of (i) applicants and (ii) shortlisted applicants who provided data in each category. The response rate is shown in each case for context.
- (ii) These tables are based on data collected between January and December 2024 from an applicant pool of 1700.
- (iii) From 2025 we will collect data according to the new categories used in the staffing data above so that it will be comparable.

Sex (79% response rate)			
Applied Shortlisted			
Female	45%	52%	
Male	55%	48%	

Age (76% response rate)		
	Applied	Shortlisted
16-24	19%	10%
25-34	47%	34%
35-44	22%	24%
45-54	9%	21%
55 and over	3%	10%
Disability (76% response rate)		
	Applied	Shortlisted

SCOTTISH FUNDING COUNCIL

Yes, I have a disability	8%	7%
No, I do not have a disability	92%	93%

Ethnicity (31% response rate)			
Applied Shortlisted			
Black and Minoritised Ethnic background	14%	0%	
Any White background	86%	100%	

Marital status (34% response rate)		
	Applied	Shortlisted
Cohabiting/In a relationship	2%	3%
Separated/Divorced	4%	6%
Single	14%	0%
In a marriage or civil partnership	79%	92%

Religion and belief (75% response rate)			
Applied Shortlisted			
Christian	41%	35%	
Another religion/belief	27%	12%	
No religion/belief	32%	54%	

Sexual orientation (75% response rate)		
	Applied	Shortlisted
Heterosexual	87%	84%
Gay man/woman	8%	10%
Bisexual	5%	5%
Another sexual orientation	0%	0%

Equal pay

Gender Pay Gap				
SFC (at 1 March 2025)			Scotland Public Sector (ONS, 2024*)	
Average		Median	Average	Median
8.4%		6.3%	8.8%	8.2%

*From ONS: Annual Survey of Hours and Earnings, 2024
--

	Gender Pay Gap: SFC trend data	
Year	Average	Median
2025	8.4%	6.3%
2024	7.4%	6.1%
2023	10.7%	9.2%
2022	16.1%	15.9%
2021	11.8%	17.8%

138. The gender pay gap information above is captured at a specific point in the Financial Year from payroll data. For 2025 the date of capture was 1 March 2025. Following standard practice the gender pay gap is calculated using the hourly rate payable to each member of staff based on the 1.0FTE salary and this also includes any allowances in payment (the only allowance in payment that is included is a Recruitment and Retention Allowance for specific Technical roles). The difference between the male and female rates is expressed as a percentage of the hourly rate for females to give the figures above.