University Transformation Framework

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Issue Date: 18 December 2025

Reference: SFC/AN/24/2025

Summary: Guidance and invitation to submit applications for the University
                        Transformation Framework.

FAO: Principals/Directors, Finance Directors and Board Secretaries of
                        Scotland's universities.

Further   **EMAIL:** UTF@sfc.ac.uk
Information:

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University Transformation Framework

1. The Scottish Funding Council (SFC) is pleased to announce the launch of the University Transformation Framework (UTF).

2. We would like to invite universities to submit applications by **14 February 2026**, although later proposals may also be considered.

Background

3. SFC has been working with institutions, Universities Scotland, Scottish Government officials and Ministers to consider how best to support institutions in this increasingly challenging financial context, recognising risks to institutions' sustainability, and the importance of enabling vital transformation and innovation in the sector.

4. **The UTF seeks to support that transformation within the financial resources available from the under-delivery of SFC-funded student places in AY 2023-24.** (This relates to funding already allocated to the sector in AY 2023-24 and is not new or additional funding. It also runs parallel with the College Transformation Framework.)

5. The key focus of the UTF is to secure a university sector that is front and centre of innovation, aligns with the economic priorities of the country and delivers transformational change towards future financial sustainability.

Operation

6. As the sector is not homogeneous and there continues to be variation between universities in terms of financial performance, approaches to transformation and/or innovation will differ and may be unique to an individual university.

7. Universities will have different transformation and/or innovation priorities. These could include meeting demand for industry skills, the adoption of more cost-effective delivery models, or the generation of alternative funding sources. For example, universities could:

- Consider how best to meet regional and national supply and demand for greater agility, flexibility and responsiveness in the curriculum, that aligns with economic needs.

- Consider curriculum transformation to better align the offer to learner/employer needs, for the economic benefit of Scotland.

- Transform and deepen industry engagement and investment, developing capacity to access additional sources of funding.

- Incorporate new delivery models to meet the growing need for people to be work-ready more quickly and so increasing bespoke, fast-track and part-time provision and increasing in-work upskilling and reskilling.

- Increase collaboration with other universities, or with colleges and other public bodies to increase the efficiency and effectiveness of delivery.

- Look at co-creation of new programmes to reduce costs and to collaborate to deliver more efficient class sizes in fewer locations.

Process

8. We have written to institutions to verify the exposure to funding recovery related to delivery in AY 2023-24. Following this exercise, we will be able to finalise the amounts available for transformation/innovation proposals.

9. Proposals should be provided to SFC by **14 February 2026**.

10. We will endeavour to review proposals and contact institutions in April 2026 to confirm if any funding support can be provided.

11. Between these dates we may seek further information/clarification on the proposal provided.

12. As above, we will seek to confirm supported proposals and, therefore, any net funding recovery in the Spring of 2026.

13. We may not be able to support all proposals at this stage. However, we will hold all proposals received and re-engage with the sector should additional funds become available.

Criteria

14. In general, proposals should demonstrate how funding can be used to deliver transformation and innovation across the institution, and contribute to the delivery of an institution's strategy and long-term stability. If work has already commenced on transformation activities, proposals can include requests for support to take this work forward.

15. The following broad criteria will be used to assess the transformation proposals:

- Proposals are open to all universities/institutions, and institutions should demonstrate evidence of financial need for the funding to complete the transformation.

- Proposals should be consistent with strategies set out by SFC and the Scottish Government, and should clearly demonstrate the economic benefit for Scotland.

- Proposals should contribute to meeting demand; both student and other stakeholders, including employers (and the economy as a whole).

- We expect proposals to prioritise the enhancement of delivery to Scottish students, assist institutions in achieving sustainable operations, and address funding pressures.

- Proposals which demonstrate collaboration between universities, or between universities and colleges / other public bodies, supporting delivery of public service reform, will be given priority.

- Institutions must demonstrate accountability for the use of public funds, ensuring all proposals align with clear transformation objectives and measurable outcomes.

- Proposals and actions should be transparent, allowing for effective oversight, monitoring and adjustment where necessary.

- Proposals can cover more than one year. We will phase recovery of funds, as required, to be in line with funding of proposals.

- An institution should submit one main proposal, but may also be named in other bids where there are elements of collaboration. The total funding sought by any single institution, across all projects they propose to lead and/or partner in, should not exceed £10 million.

Application

16. An application form template is available at Annex A. A process flow-chart is available at Annex B.

17. Please email submissions to UTF@sfc.ac.uk.

18. SFC would welcome early discussion around potential proposals. Please contact UTF@sfc.ac.uk if you would like to arrange this.

19. Applications will be considered on a case-by-case basis, and a meeting may be arranged to discuss the proposals in more detail. SFC will need to consider the regional and national impact as part of the evaluation process.

20. SFC will host two virtual 'drop-in sessions' in January, where universities can ask questions and discuss their applications with SFC. We will provide details on these sessions in due course.
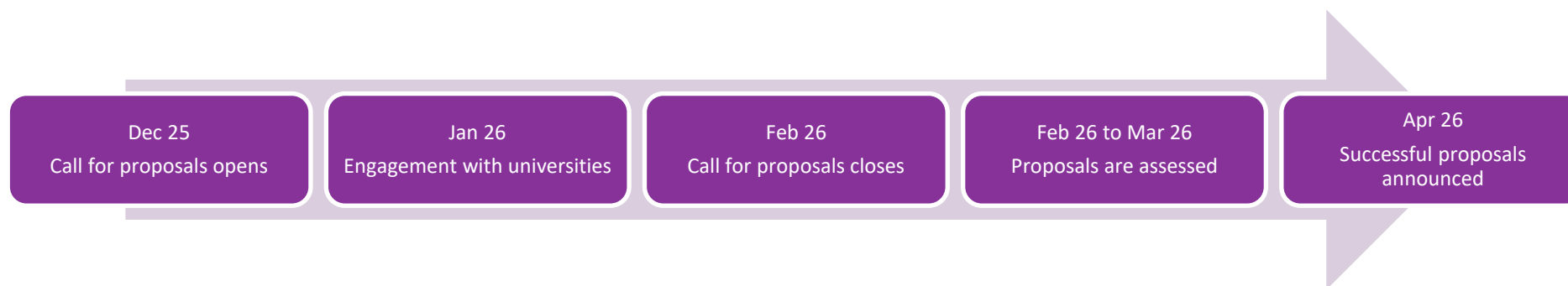
Data protection

21. Aside from contact details, no personal data should be included as part of your applications and care should be taken to ensure that the identities of individuals are not inadvertently disclosed. For more information about how SFC uses personal data please see our Privacy Notice.

Further information

22. If you would like any further information, please contact UTF@sfc.ac.uk.

Francesca Osowska
Chief Executive

Annex B: UTF process and timeline

Dec 25	Jan 26	Feb 26	Feb 26 to Mar 26	Apr 26
Call for proposals opens	Engagement with universities	Call for proposals closes	Proposals are assessed	Successful proposals announced

Month	Action	Month	Action
December 2025	**Call for proposals opens**	May 2026	University commences project
January 2026	Initial discussions with universities, and SFC to host drop-in sessions / webinars	To be decided	SFC monitoring and ongoing engagement
14 February 2026	**Call for proposals closes**	To be decided	University project plan delivered
February to March 2026	Proposals are assessed and further discussions take place with universities (as required)	To be decided	Completion of project and evaluation
April 2026	**Successful proposals are announced**		