

**Scottish Further and Higher Education Funding Board meeting minutes (redacted)**

The 139th meeting of the Scottish Funding Council was held on Friday 30 June 2023, at 10:00 at Apex 1, 97 Haymarket Terrace, Edinburgh.

**Present:** Karen Watt (Chief Executive)  
Professor Irene McAra-McWilliam (joined virtually)  
Andy Kerr  
Lorna Jack (Chair)  
Professor Ewart Keep  
Dr Veena O'Halloran  
Caroline Stuart  
Professor John Wallace  
Sheila Duncan  
Professor Lesley Yellowlees  
Mhairi Harrington  
Dr Paul Little  
Ellie Gomersall

**Officers:** Helen Cross  
Martin Boyle  
Louisa Baker  
Gordon Craig  
Liz Shevlin (item 6)  
Linda McLeod (item 6)  
Mairi Mitchell (item 6)  
Seamus Spencer (item 6)  
Steve McDonald (item 7)  
Ryan Bell (item 7)

**Observers:** Ellie Gomersall

**Apologies:** Mike Cantlay  
David Alexander  
Professor Sir Peter Mathieson  
Richard Maconachie  
David Blaney  
James Dunphy

## 23/63 Welcome

1. The Chair welcomed all present and noted the apologies.
2. The Board noted their deep condolences on the passing of Andre Reibig.

## 23/64 Chair's business (oral)

3. The Chair reminded members to highlight any declarations of interest throughout the meeting.

## 23/65 Minutes of the previous meeting (SFC/23/43 and SFC/23/MIN03)

4. The minutes of the meeting held on 5 May and 9 June 2023 were approved.

## 23/66 Action Tracker (SFC/23/44)

5. The Board received an update on the actions from previous meetings of the Board. The publication of the Future Research Assessment Programme (FRAP) was noted and that a consultation had been launched. It was also noted that SFC will also be holding consultation events over the coming months.

## 23/67 CEO report (SFC/23/45)

6. The Board received a report from the Chief Executive highlighting key operational activities, sector news and developments in the wider policy environment since the last Board meeting.
7. The Board noted the following in discussion:
  - a. That the CEO had given evidence to the Finance and Public Administration Committee of the Scottish Parliament in May.
  - b. The Independent Review of the Skills Delivery Landscape, the Independent Review of Qualifications and Assessment in Scotland, the National Innovation Strategy 2023 – 2033, Entrepreneurial Campus and the Purpose and Principles for Post-School Education, Research and Skills have now been published.
  - c. The functions of SFC are important to the proper functioning of the further and higher education system in Scotland, and are likely to need to continue even if this involves structural change to the public body landscape.
  - d. That staff within SFC were both concerned and pragmatic about the likelihood of organisational changes and an all-staff away day had taken place earlier in June which had offered an opportunity for discussion and reflection on the nature of potential change to come.
  - e. The volatile external environment for colleges and universities, noting the plans for reform come at a time of wider concerns such as financial sustainability and student and staff retention.
  - f. There is a significant task for the Scottish Government to bring together the various reviews and reports into a coherent plan for the future.

*Discussion redacted.*

Paul Little joined the meeting at 10.50. The Board congratulated him on receiving a CBE for services to education in the King's birthday honours.

8. The Board noted the use of delegated authority.

### 23/68 Scottish Government Letter of Guidance (SFC/23/46)

9. The Board noted the letter of guidance and that further letters could be received once decisions are taken about future reform.

### Infrastructure Investments (Innovation Centres) (SFC/23/47)

10. Helen Cross, Director for Research and Innovation presented this paper which updated the Board on the Assessment Panel process for determining which Innovation Centres (ICs) SFC will support as long-term infrastructure investments. It invited the Board to consider the Assessment Panel's recommendations and agree future IC Infrastructure provision.

11. The following points were raised in discussion:

- a. That a robust process had been undertaken, with ICs making submissions and presentations to the panel to inform recommendations.
- b. All panel members were engaged with the discussion and unanimously agreed the recommendations.
- c. That ICs had delivered a significant amount over the last 10 years, while recognising the importance of the ICs evolving their objectives, continuing to align with government strategy, and reducing duplication.
- d. A communications strategy and plan would need to be developed and implemented to communicate the outcomes effectively.

12. The Board thanked the staff and the panel for their work and:

- a. Considered the recommendations made by the Assessment Panel.
- b. *Discussion redacted.*

### 23/69 Skills planning: Withers review (oral)

13. This item was covered in the Chief Executive's update.

### 23/70 Skills planning: Pathfinders (SFC/23/48)

14. Liz Shevlin, Deputy Director Coherent Learning Provision, Linda McLeod, Assistant Director, Mairi Mitchell, Senior Policy Officer, Hulda Sveinsdottir, Director of Planning from the University of Aberdeen and Joanna Campbell, Principal of Dumfries & Galloway joined the meeting for this item.

15. Linda McLeod presented this paper which provided the Board with an overview of progress in the delivery of the Pathfinder programme. It focused on the early learning

from the pilot projects in the North-East and South of Scotland which are testing innovative approaches to regional skills planning and alignment, and our co-production work with the sector to understand approaches to curriculum planning and coherent learning provision, and highlighted priorities and outputs.

16. The Board received a presentation from Linda McLeod which highlighted:
  - a. The key enablers emerging from the Pathfinders work: partnership working; use and sharing of data and intelligence; responsiveness of institutions' curriculum design; and industry and employer engagement.
  - b. The six lenses of coherent curriculum: regional, sectoral, socio cultural/community, institutional, learner, and national which are set in the wider context of NSET, rUK and International considerations.
  - c. A roadmap for activity.
  
17. Hulda Sveinsdottir, Director of Planning from the University of Aberdeen (member of the Pathfinder Curriculum Planning Working Group) and Joanna Campbell, Principal of Dumfries & Galloway (member of the South of Scotland Pathfinders Regional Delivery Board) provided their reflections and highlighted:
  - a. There are lots of agencies, organisations and people who want to be involved in this regional space - it is important it is co-ordinated and aligned with an overarching strategy.
  - b. The role of colleges and universities in strategic planning and responding to regional skills gaps is critical.
  - c. The importance of considering the context and demographics of the region in the skills planning work.
  - d. How links with third sector and community groups can be developed to ensure the needs of those furthest from education and work are included.
  - e. The need for improvement in data provision and sharing, and how this is co-ordinated across regions.
  - f. The need to foster deeper strategic collaboration between universities and colleges located in the same region.
  - g. Good examples of employer collaboration in curriculum planning in response to skills needs, and the need to consider the existing regional forum(s) for collaboration between universities and colleges and employers and where most value is gained.
  - h. That it was a great opportunity to be involved in the curriculum process work and allowed us to reflect on our individual (institutional) approach to curriculum design, planning and delivery and who we engage with in the process across all subject areas.
  - i. It takes time to implement systemic change across the college and university sector so it will take time to see the full outcomes from the Pathfinder work, but early learning from the specific pilot projects has already shown the strength of this collaborative approach to regional skills planning.
  
18. The Board noted the following in discussion:
  - a. This is an exciting initiative from an employer perspective as it provides opportunities for employers to engage with colleges and universities.

- b. The role of research and innovation should be highlighted further.
- c. Best practice in relation to place based development should be identified and shared widely.
- d. Work to map out the regional planning landscape needs to be undertaken to understand the role of the Regional Delivery Boards in relation to existing partnerships.
- e. The scalability/flexibility of Pathfinders is important, and further consideration should be given to work within the central belt.
- f. Members would like to understand the impact and outcomes in more detail and would welcome a paper on this in due course.
- g. SFC should consider what role it needs to play in a regional context, mindful of wider reforms.

19. The Board supported the programme and agreed:

- a. That SFC should continue its focus on and approach to learning from the Pathfinder pilot activity to ensure we can deliver clear messages on what we might want to embrace and embed regionally, scale and spread with pace, if appropriate, or drop if not actively enhancing regional skills planning and delivery.
- b. In the six months to the end of 2023, we will focus on the delivery of insights, evaluative reports and the development of a tool which can be used to help users assess how planning decisions will affect the coherence of learning provision. This is consistent with feedback and recommendations made by the Pathfinders National Advisory Board at its meeting in March 2023.

Ellie Gomersall left the meeting at 12.15

### 23/71 Transformation programme: systems (presentation)

20. Steve MacDonald, Chief Information Officer, joined the meeting and presented a high-level overview of the systems transformation programme and highlighted the following:

- a. The systems transformation programme started 18 months ago with a focus on learning and innovation and putting data and insight at the heart of SFC's work.
- b. Digital transformation requires significant activity behind the scenes, and this needs to be balanced by tangible improvement for staff.
- c. Significant work has been done to improve resilience from a cyber security perspective, involving capital expenditure now and into the future. It should be noted that this work must continue as the cyber threat continues to evolve.
- d. The cyber work undertaken is benchmarked against a globally recognised standard and framework, which we continue to measure ourselves against. Further work has been identified and a plan in place to deliver that.
- e. The importance of engaging with people across the organisation about this change.

## 23/72 Transformation programme: People (presentation)

21. Ryan Bell, Deputy Director People and Transformation, joined the meeting and presented a high-level overview of the HR strategy and highlighted the following:
  - a. That HR is an enabling function for the organisation and the HR strategy is aligned with the SFC strategy.
  - b. People are the key to the success of the organisation, so this investment is vital – having the right systems, people and processes in place to help us deliver our objectives is key.
  - c. There are still inefficiencies in HR processes, which need to change with the evolution of the target operating model.
  - d. It will be important to empower line managers to show leadership in the organisation.
  
22. The CEO noted the significant amount of work that has been undertaken which was vital to secure SFC's resilience and to support the delivery of objectives. The following was noted in discussion:
  - a. The Remuneration Committee had seen a more in-depth presentation on both systems and people and welcomed the opportunity for the Board to hear the progress being made.
  - b. Although there is wider reform agenda, investment in SFC systems and people is vital to securing the delivering of ongoing business and should be communicated effectively to government.
  - c. the Board would welcome an annual update on systems and people transformation.
  - d. The importance of developing the right culture should underpin all aspects of this work.
  - e. Investment in internal communications is essential and it was noted that shortlisting for an Internal Communications Officer post is underway.
  
23. Board noted the presentations.

## 23/73 Performance report (SFC/23/49)

24. The CEO presented this paper which provided an annual report on progress against activities set out in the Delivery Plan for 2022-23 and noted that:
  - a. SFC may need to review its strategic and business plan in the autumn following the outcome of decisions made by the Scottish Government.
  - b. Further reports will come to the Board as the planning function within the SFC is re-developed.
  
25. The Board noted progress made and recommended that progress is mapped against committee responsibilities.
  
26. Lesley Yellowlees left the meeting at 1pm.

### 23/74 SEAL Committee Minutes 31 January 2023 (SFC/23/50)

27. The Board noted the minutes of the SEAL committee held on 31 January 2023.

### 23/75 Research and Knowledge Exchange Committee 23 March 2023 (SFC/23/51)

28. The Board noted the minutes of the Research and Knowledge Exchange committee held on 23 March 2023.

### 23/76 Finance Committee Minutes 25 April (SFC/23/52) and 30 May 2023 (SFC/23/53)

29. The Board noted the minutes of the Finance Committee held on 25 April and 30 May 2023. In addition, it noted the importance of the Board discussing the wider financial health of the college and university sector given the challenges they are currently facing. It was agreed that a 'deep dive' on this topic should be considered for the November Board strategy day.

### 23/77 Long-term Agenda (SFC/23/54)

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

### 23/78 Any other Business

31. Members noted the announcement from the UK Government to increase the number of people working in the NHS and the impact for Scotland will need to be considered.

### 23/79 Date of next meeting

32. Members noted that the next meeting of the Board would take place on 15 September and it will be confirmed whether this will be in person or virtual shortly.