Response to SFC/CE/01/2020: Call for Evidence: A Review of Coherent Provision and Sustainability in Further and Higher Education

Introduction

Abertay University welcomes the opportunity to contribute to this review and welcomes SFC's commitment to continue to engage with institutions as the review progresses.

We have structured our response in line with the six areas highlighted in the Call for Evidence, though we recognise that there is some overlap between these. We have kept our response brief, noting your request for succinct submissions, but we are of course happy to provide more information on any of the points raised and to continue to work constructively with SFC to ensure a positive and sustainable future for higher education in Scotland.

(a) What do you think works well in the current further and higher education arrangements that we should keep in order to secure Scotland's inclusive social and economic recovery from the current pandemic? How can we best preserve and strengthen those features of education, research and innovation in Scotland that we most prize, in a very challenging funding environment?

The diversity of the Scottish higher education (HE) sector is one of its strengths. Existing governance and funding arrangements recognise the range of ways in which different institutions can contribute towards shared national ambitions. Any outcomes from this review must recognise the differing needs of students, employers, and local communities across Scotland and retain flexibility and autonomy for institutions to determine how best to deliver their activities to meet these needs.

It is essential that the review recognises what is already working well in Scotland and does not, through unintended consequences, jeopardise this. For example, the results of the 2020 National Student Survey (NSS) demonstrate the continued strengths of the sector, with satisfaction rates for students in Scotland up on last year and higher than the overall UK position. Abertay's overall satisfaction rate of 89%, third highest in Scotland, reflects the benefits of a tailored approach to ensure that the way we teach and the support we provide matches the needs of our students. While one of the highest priorities for all universities is to ensure a high quality, relevant, student experience, there is an increasing risk that continuing reductions in public funding for universities, exacerbated by the impact of the pandemic, will reduce our ability to invest in staff and infrastructure, and will directly impact on the student experience, including our ability to provide students with the support they require.

Abertay's strengths are well known and include being a leader in widening access and providing transformational opportunities for students, preparing graduates for the world of work, undertaking research with real impact, and our pivotal role in the digital and wider economy in Dundee and beyond. All of these priorities align with the Scottish Government's ambitions and will have a critical role to play in post-pandemic recovery in Dundee and its region. To sustain and strengthen these activities, we wish to highlight the following areas:

- Stable funding for core activities.
  - The need for stability in funding for HE and to ensure that the long-term under-funding of core activities (highlighted in the [2019 Audit Scotland report on the Finances of Scottish universities](#)) is addressed. The impact of the pandemic has highlighted the risks from reliance on the growth in fee income from international students to offset real-terms reductions in other areas. Scottish Government funding for teaching should be at a level that allows Scottish students to receive a good education without assuming a cross-subsidy from charging high fees to large numbers of international students.
  - A move away from the current annual outcome agreement and funding process to a longer-term approach focussed on planning, funding and delivering outcomes over a 3-5 year period.
  - A clear alignment between national priorities and the focus and allocation of funding to support these. For example, greater recognition of the actual contribution institutions make to widening access and the resources required to successfully do this.
  - Recognition of the vital role that the dual support system and the Research Excellence Grant plays in underpinning our research excellence and associated knowledge exchange contribution to the regional economy and in ensuring that all university students have the opportunity to benefit from research-informed teaching.

- Support for strong partnerships between the further and higher education sectors.
  - We welcome the decision to include both further and higher education within the scope of the review. We believe strong collaboration between universities and colleges can increase student choice, lead to better outcomes for students moving from college to university and ensure that we complement each other in providing support to regional employers. [We say more about this in section (e)]

- The need to find creative approaches to employment/placement opportunities which are critical in ensuring Abertay graduates are prepared for the world of work. [See section (b)]

- The recognition of the critical role universities play within their regional economy.
  - The importance of anchor institutions and place-based collaborations with both local engagement and global outlook, are now recognised as key to driving local or regional sectoral growth. Abertay is already leading such developments (e.g. InGAME and the cyberQuarter).
  - Recognition of the diverse regional landscapes across Scotland and flexibility for institutions to respond appropriately are also key. Our focus is in key industry areas, including sectors identified in the new UK Industrial Strategy, Scotland's Economic Strategy and the Tay Cities Regional Economic Strategy (2017-2037). Building on our strengths, we have focused selectively on opportunities and initiatives to leverage additional competitive funding for research and innovation nationally and internationally.

(b) What do you think colleges, universities and specialist institutions should stop doing, or do differently, in order to contribute effectively to an inclusive social and economic recovery? (You may wish to comment on teaching and skills development, sectoral and employer needs and employability, research, innovation and knowledge exchange, widening access and equalities issues.)

It is clear that the pandemic has demonstrated the critical importance of technology and the need to embed digital approaches in all that we do. The way in which we deliver programmes, support our students and enable our staff to undertake teaching and research have already changed as a result and, while there are many challenges still to overcome, it is an opportunity to make a step-change in the way we do things.

Abertay's 2025 strategic plan, launched in January 2020, recognised the importance of an effective digital strategy and need to transform both pedagogic approaches and delivery of support services. We

recognised the need to enhance the digital literacy of all of our students and staff, and also to embed artificial intelligence, machine learning and/or data science across our portfolio. The importance of this has been demonstrated over the last six months, as has the need to accelerate the implementation. This will guide what we do over the next five years, ensuring that we have flexibility to respond to the continually changing needs of our students and the local economy

Our approach and our contribution to the needs of the digital economy will build on our existing international reputation in digital industries and education, through our computer games programmes (ranked top in Europe for six consecutive years by the Princeton Review) and our expertise in cybersecurity. Our plans for the cyberQuarter, as part of the Tay Cities Deal, will develop a cluster of academic-commercial activity in Dundee, bringing high-value jobs to the city and assisting SMEs in particular to engage with cybersecurity resilience.

Building on this, the demand for upskilling in digital skills is clear, evidenced by the very high demand for the digital business upskilling courses we are offering in summer 2020. It is clear that Abertay, and other universities, need to find creative ways to offer flexible upskilling/re-skilling opportunities in parallel with traditional programmes and recognising the resourcing challenges. We will do this in consultation with employers and by incorporating micro-credentials into our degree portfolio.

In considering the opportunities arising from technology, we will also consider how new approaches can change the way we work and, through remote and flexible working, could help to improve work-life balance for our staff.

There are also opportunities to work more closely with college partners to streamline the progression routes for students and join up in providing support for employers. These are covered in section (e).

Universities, government and employers will need to consider different ways to ensure that students gain the experience they need to have relevant skills when they graduate. We are already experiencing significant challenges in our ability to provide work placements to students as a result of the pandemic and expect this to continue for several years. It is in all of our interests to find creative ways to support employers to provide opportunities and we would encourage SFC and government to consider how this could be incentivised through its funding and taxation mechanisms.

(c) How can colleges, universities and specialist institutions best support Scotland's international connectedness and competiveness in the post-pandemic, post-EU membership environment?

Higher education can best support this by having strong institutions which (i) are properly resourced to deliver high-quality programmes which attract students to Scotland, and (ii) which, through our knowledge and research expertise, can support business to compete.

Our international reputation for computer games has brought benefits not just to Abertay but to the wider economy of Dundee by attracting international students to the city and international cooperation from contributions to research and development to support innovation in the video games industry, for example through the InGAME project which also includes an international element to develop new UK-China partnerships in this area. This builds on the success of our existing partnerships with Perfect World, one of the largest media companies in China, and a number of leading Chinese Universities (Shanghai Theatre Academy, Shanghai Academy of Social Sciences and the Communications University of China) through our collaboration with Perfect World, a leading developer and publisher of video games and digital entertainment.

The post-Brexit environment is still very uncertain and the need for clarity on future arrangements and access to existing EU (or alternatively new UK-wide) schemes that support continued international

research collaboration and the continued international mobility of students, including close partnership with our EU neighbours. The likely reduction in the number of EU students coming to study in Scotland will have an impact across all areas of our portfolio. It is essential also that universities recognise the challenges for existing EU students continuing their studies in this new environment and ensure that appropriate support is provided.

(d) What opportunities and threats does the post-pandemic environment hold for colleges, universities and specialist institutions? For institutional leaders, how are you planning to address these challenges and opportunities?

The higher education environment has been challenging for a number of years, because of a combination of continuing real-terms reductions in public funding and other challenges such as Brexit and escalating pension costs. Institutions like Abertay have responded to those challenges, ensuring that we manage our resources effectively and continue to provide a high quality experience for our students. Our Strategic Plan 2025 recognised the continually changing and increasingly challenging environment, the need to ensure that we remained sustainable, and that to do so, we would need to continue to be adaptable and flexible. The pandemic presents new challenges for us but also reinforces the themes which we had already identified.

We consider the most significant threat to higher education to be the continued real-terms decline in the level of public funding per student. We recognise the competing demands for Scottish Government funding across the public sector, but the critical role that HE and FE will play in supporting Scotland's recovery from the pandemic requires appropriate investment.

We recognise the financial challenges that some institutions may face in the coming year, and that these challenges are particularly acute for institutions that were in a weak financial position before the onset of the pandemic. However, we would be concerned if this led to a diversion of funding from core teaching and research activities to address specific concerns regarding the financial sustainability of a small number of institutions. This would disadvantage others and undermine our ability to respond effectively to the economic and educational challenges we face.

The ongoing management of the pandemic will present challenges in delivery of programmes, and supporting students to continue and complete their studies during a very uncertain time. We are planning for how we will do this in line with government guidance, noting that this guidance may change during different phases of the recovery. Long-term remote working will also present challenges for our staff and we will support them by providing the tools they need to work in this way and the flexibility to accommodate other responsibilities. We note the impact of school closures on our staff and also on our students, many of whom have caring responsibilities.

The disruption to all levels of education during the pandemic has highlighted the importance of transitions and the need to ensure students are supported as they progress from school or college to university, and that this year (and potentially for several years to come) the impact of disruption is recognised. In relation to this, and also the themes raised in section (e), we believe this review would be an opportunity to revisit the themes of the Learner Journey Review and to consider how transition between different elements of post-16 education can be improved and supported.

(e) What forms of collaboration within the tertiary education eco-system would best enable a coherent and effective response to these challenges and opportunities?

Following on from the previous section, we recognise the interconnectedness of the post-16 education sector, the need to improve pathways and transitions for students, and the importance of working with partners to complement each other in providing the skills support appropriate in our regions.

We have a strong track record in articulation of students from colleges to Abertay. We have operated a model of progression with our partner colleges (Dundee and Angus College and Fife College) for several years. This means that for students passing their HNDs on relevant programmes, there are clear articulation routes with full recognition of their HN qualification, and automatic progression to an Abertay degree with no additional grade requirements. This approach significantly increased the proportion of students who articulated into Abertay. 27% of entrants in 2019-20 articulated to year 2 or 3 of a degree programme with full credit, while a further 7% Abertay joined with partial credit.

We continue to work closely with our college partners to ensure that there are clear progression pathways available in the region and that we are co-ordinating the support which is provided to students.

We would encourage SFC to build on existing good practice, to seek to see how this can be strengthened and expanded in the first instance, before considering alternative approaches. We would welcome an opportunity to discuss this further with SFC.

(f) How can SFC, alongside government and other enterprise, skills and education-focused agencies, best support colleges, universities and specialist institutions to make their full contribution to Scotland's inclusive, green and education-led recovery?

As described elsewhere in this document, SFC and government can best support institutions by providing a stable funding environment and a governance framework which enables institutions to be flexible in responding to demands of their communities.

Specifically:
- We welcome the intention to review the current outcome agreement process to ensure that it is streamlined and focussed on national, regional and institutional priorities.
- SFC should ensure that its accountability framework is proportionate and is focussed on priority outcomes.
- SFC and other agencies should seek to be enablers and to ensure that processes and reporting requirements do not detract from the ability to deliver those agreed outcomes. Many of the current processes do not take into account the very different size of allocations to institutions and place a disproportionate administrative and reporting burden on smaller institutions. It is essential that SFC and other agencies are joined up in their approach, avoiding overlap and duplication of activity and reporting.
- SFC requires institutions to report on all aspects of activity through submissions to the Higher Education Statistics Agency. SFC should seek to use this data wherever possible and avoid separate collections which duplicate this.
- SFC should consider whether the current funding model is still fit for purpose and whether it is appropriately aligned with strategic priorities. While any review would need to be balanced against the need for stability which we refer to elsewhere, we believe it is timely to consider the current arrangements in terms of simplicity, transparency, and relevance.
- In reviewing funding arrangements, we would also highlight the point we made in our response to the 2019 consultation on Widening Access and Retention Funding that funding for widening access should be focussed on recognising genuine disadvantage based on personal circumstances rather than a postcode.

Abertay University
10 August 2020