

University of St Andrews' Response to the SFC Call for Evidence: A Review of Coherent Provision and Sustainability in Further and Higher Education

Introduction

This review comes at an important time for Scotland when progress with the post- pandemic economic recovery and renewal needs to be accelerated. This requires both a strategic response and investment to maximise Scotland's strengths and achieve flexibility in innovation and adaptation, as set out in the National Performance Framework. This review also comes at a critical time for universities in Scotland, which have been severely affected by the pandemic but are central to the education-led recovery advocated in the report commissioned from the Advisory Group on Economic Recovery.

Higher education remains one of Scotland's global strengths. While high quality can be achieved across such a strong sector, outstanding quality can only be achieved in a few cases. Four Scottish universities feature in the top 200 of The Times Higher World University Rankings 2020. These universities have creativity and agility that have made them great; even as they forge a way forward post pandemic, they possess cultures that are built to deliver long term and they must be reliably supported to do so. The University of St Andrews is unique in Scotland in the way it is positioned. It is the oldest and most international, punching well above its weight in the quality of its teaching and research, regularly occupying one of the top 5 league table positions in the UK and leading for Scotland. It is a key part of Scotland's international brand.

Governments across the world, including in Asia, India and the Middle East, are striving to develop their higher education sectors to boost productivity. The investment seen in these sectors poses a significant challenge to the capacity of Scotland's universities to retain their standing on the world stage. This cannot be ignored.

The consultation's statement that 'this is a challenging funding environment' recognises that the traditional sources of funding will not be able to meet the sector's needs post pandemic. We need to open up new sources of funding for higher education in a way that offers greater flexibility.

Universities generate significant economic impact for their region and Scotland more broadly, in terms of attracting additional investment, thousands of jobs, and purchasing. The sector's capital investment yields major direct economic impacts in the Scottish economy with a GVA of over 5:1 for every £1 invested. Universities have an established capacity to take cross-disciplinary approaches and generate income, and are increasingly developing an entrepreneurial culture. Through its Eden Campus development and the Tay Cities Deal, the University of St Andrews provides a significant opportunity to grow commercial outcomes via industrial collaboration as well as to deliver inward investment to Scotland and the local economy. This positions the University as an innovation hub accessible to businesses, FE, and other universities in the region.

It is clear that a post-pandemic world will be different, with new challenges and opportunities – a resilient, sustainable future will require that we transition to online technologies in all aspects of life, reduce all forms of travel, and boost our economic recovery through the strategic targeting of available resources. Thus people and businesses will have to adjust to a more connected virtual environment while being physically more remote. Universities will be well placed to provide leadership with innovative solutions and adaptations, as demonstrated already in their response to the pandemic. Vitally, the sector is deeply committed to building inclusion and promoting fairness, as illustrated at St Andrews by the Diverse pillar of our University Strategy 2018-23.

Questions

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?

- Scotland has an excellent higher education sector and a distinctive Humboldtian approach that integrates the arts and sciences with research to achieve both comprehensive general learning and cultural knowledge. The retention of this post-Enlightenment approach can distinguish Scotland valuably from the more utilitarian approach currently advocated in England. It sets Scotland apart and makes it internationally attractive. We can see this demonstrated in the demand from students from the rest of the UK and overseas to study at universities such as St Andrews. We must be able to compete and collaborate globally in order to contribute most fully to the recovery. The ownership of key decisions, which sits with the sector and enables the top institutions to offer leadership and influence progress globally, should remain within their control: extreme market competition between institutions is wasteful of time, money and energy while Scotland's more collaborative approach is more fruitful as well as more appropriate to the ethos of the sector.
- Scottish higher education is a variegated sector with outstanding research-intensive institutions distributed across the country, accompanied by a strong international profile and multifaceted connections with industry and business. This is an important national asset. The sector's post-pandemic creativity and research ecosystem can leverage major new resources, create high-quality employment, and make Scotland stand out as a location for inward investment. In a post-Brexit environment the HE sector must be positioned so that it can continue to attract significant additional research and development funding from the UK Government. This is especially important where UKRI and Research England funding will be taking the place of EU funding. Moreover, excellence does not equate to size, an error often made about Russell Group institutions: the Conservatoire and St Andrews, for example, are two extraordinarily bright gems of Scottish cultural and intellectual life, whose relatively small size contributes positively to their distinctiveness.
- In an increasingly constrained financial environment, attracting the best staff and students and maintaining internationally relevant performance in teaching and research are challenges that only a few institutions can convincingly rise to.
- Funding should follow prioritisation: the country needs to remain world-leading in research and education, but alert to the value of regional distribution bases for both. This argues for a strategic direction of resources and an enhancement of opportunities for collaboration in research, teaching, and services, where this demonstrably makes sense. The Universities of Excellence model in Germany is an example of such an approach.
- Sector developments in support of the upskilling and reskilling agenda need to be accelerated. Universities are already showing appetite by adapting to generate stackable microcredentials, flexibility in modes of delivery, and responding to skills shortages through collaboration with business and relevant agencies such as Skills Development Scotland. This is vital to addressing the risks of unemployment and improving the provision of lifelong

learning that enables people to reskill. In addition, the advanced postgraduate level provision in Scotland's leading research intensive universities provides capacity to innovate and develop future skills and leaders to drive forward new and sustainable growth.

- At the same time, it is essential to continue the internationally valued Scottish four-year undergraduate degree. This differentiates Scottish HE from England's and is valued by students, as demonstrated by the rising demand from the rest of the UK. It also effectively supports widening access, allowing Scottish students in particular time and flexibility to find their strengths, fulfill their potential, and mature. The capacity to cultivate complementary strengths across the country also enhances its distinction and appeal within UK higher education.
- Universities were already focused on the green agenda pre-pandemic, driving innovation to find new ways of reducing the use of our scarce natural resources, embedding the circular economy, and leading by positive behavioural change. Most of the sector has committed to reducing its carbon footprint, increasing energy efficiency, and moving towards becoming carbon neutral for energy use. Within its Eden Campus project, St Andrews is already driving efficiency and enhancing innovation in companies working in energy storage and conversion, by providing scale-up facilities for moving research and development into early prototyping and proving technology. Meeting the challenges and opportunities associated with tackling the Climate Emergency will be a key part of our response to this crisis and one where St Andrews is uniquely placed to offer leadership.

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.)

- Think beyond the sector and traditional sources of support. At a time of constrained resources, find additional and innovative ways to leverage investment and broaden the pool of funders and stakeholders. Offer flexibility within the context of research and teaching objectives to increase attractiveness to investors.
- Focus their resources to maximise outcomes rather than spreading resources too thinly across a number of competing priorities. Identify and remove burdensome processes and requirements that add no value. Institutions should work with the SFC and Government to take out obstacles which constrain the flexibility required for maximising outcomes. For example, while the commitment to progress with widening access has to be sector wide, there needs to be a debate as to where articulation is best located and supported. This should be where it is demonstrably working well and has real potential to grow, as opposed to being a pursued desideratum for those institutions which are better placed in developing pathway and gateway courses as widening access routes into their degree structures.
- Stop offering courses which are not necessarily viable in their current form. Grow digital capacity while demystifying further and higher education. Using digital delivery and digital communities, we can more readily reach out to non-traditional learners who require reskilling and upskilling in a flexible way that is not constrained by traditional academic programme structures. Institutions like the University of St Andrews which have a nuanced digital strategy and a resilient IT infrastructure which can scale and support such change

and delivery effectively should be expected to provide both leadership to and partnership with others.

- Frame themselves more successfully as positive forces in their local societies, working with the population and authorities to improve the quality of life and prioritise local projects, especially sustainability ones. For example, through the Tay Cities deal and the establishment of Eden Campus, the University of St Andrews will be contributing to local employment, the green agenda - through its sustainable energy solutions - and entrepreneurship development.
- Embrace the green agenda: innovate, travel less and provide leadership in sustainable choices and operations. Facilitate research which will be central to realising the Scottish Government's target for a net zero society by 2045, and develop the skills of a new generation in sustainability

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

- Lead globally relevant world-changing research and policy making and in so doing foster a global outlook supported by collaborations with other sectors, international organisations and funders which bring expertise and investment to Scotland. Work more closely with Government to exploit overlapping priorities, identify strategic partners, and enable such collaborations more effectively.
- Promote research outcomes – whether commercial, industrial, or cultural – for the benefit of all. Contribute to the enhancement of Scotland's international reputation: for example, the University of St Andrews has a strategic partnership with the University of Bonn – one of Germany's 11 designated Universities of Excellence – which marks us as operating at a similarly high level and keeps connections to the rest of the EU strong.
- Use some of the funding that is reinvested into the sector post- Brexit to develop and nurture European links and continue to teach and research European culture and languages.
- Bring international talent to Scotland through attracting the best staff and students by promoting Scotland as accessible, socially responsible, safe, and inclusive. In a post-pandemic world there is the risk that the number of people experiencing Scotland may reduce, which ultimately diminishes the potential for collaborations and links in the future.
- Advance the attractiveness of Scottish culture and its creative and tourism industries internationally. Scottish film and theatre, Scottish music, the Scots and Gaelic languages all have tremendous international appeal. Scottish university libraries and museums care for and make accessible nationally- and internationally-important collections, and their theatres, cinemas and performing arts centres, and music and film studios, develop and showcase emerging talent rooted in university education and intellectual life. Universities help the creation, promotion, and sustaining of all of these, connecting to their communities and working collaboratively in line with the Place Principle. Scotland has huge soft power potential and further enhancing that reach will be more important than ever to the economic recovery in the aftermath of the UK leaving the EU.

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?

- In a world of reduced travel, insecure employment, and rapid change, flexibility will be key to making the most of new opportunities. This includes operating outside the confines of the traditional academic year and course structures and adding the use of digital technologies for engagement and delivery to broaden the traditional on-campus student cohorts. In St Andrews our aim is to use digital interconnectedness as a way of levelling out some of the opportunities previously only available to big city universities – such as internships in local companies, collaboration with a larger number of businesses, and engaging more students who are in work and do not live locally.
- Opportunities exist to provide leadership on sustainable solutions regionally and locally with directed support for a green based economic recovery. We should explore the creation of net carbon zero local ecosystems. Universities need to work with Government on recognising the importance of the distribution of such initiatives across Scotland to ensure that more rural areas are not left behind. The University of St Andrews is one of the largest employers in Fife, a region where the effects of the pandemic will be felt acutely due to the dominance of the tourism and hospitality sectors; therefore, the opportunities we can provide locally through apprenticeships, capital programmes, and upskilling will make a significant positive impact.
- Use existing alumni connections and entrepreneurial approaches to explore new funding opportunities. Look beyond the Government and traditional funding boundaries and leverage additional resources to secure support for our world-changing research and our students. Interdisciplinary research and approaches which consider societal problems more holistically will present more inclusive opportunities, broaden collaborations, and deliver more impactful solutions.
- Much of the threat in the post pandemic environment will be financially based and there will be a particular challenge for those, like St Andrews, which thrive as global institutions. Currently, covering the full cost of research and domestic teaching relies on cross-subsidy from international student fee income, which is now at risk. Brexit is expected to exacerbate the availability of research funding and return on investment. Capital costs are also escalating through lost efficiency from physical distancing. Resources that traditionally supported students may not be available in the same way; some funding bodies may no longer fund students studying internationally; employers' ability to offer paid apprenticeships or internships may be diminished.
- Future pension contribution requirements, particularly in the Universities Superannuation Scheme, are rising to levels that can no longer be underwritten by institutions and are exacerbated by the impact of the pandemic on valuations. If allowed to continue, the situation has the potential to impact staff, students, and the ability of many of Scotland's universities to promote the wellbeing of their communities.
- There will also be consequences for staff morale and the potential loss of talent as a result of significantly increased workloads due to the adaptations required, at least initially, to deliver quality teaching programmes and maintain the student experience. This will be particularly so if it takes place alongside cost cutting measures, cancellation of promotions, and the

reduction of funding in areas of research not associated with STEMM. As a result, the ability for the sector to remain internationally competitive may be lost.

- At the University of St Andrews we are taking a targeted and pro-active approach: we are strategically choosing a small number of high-quality international partners, encouraging interdisciplinary approaches to research and teaching in key areas of strength, developing our Eden Campus at the heart of our region, setting ambitious environmental targets, and looking to grow our student numbers and our estate in a way that ensures their attractiveness and opens up the University to innovation, collaboration and the support of lifelong learning.

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

- For centuries St Andrews has been an outward- looking European university. Institutions with global partnerships must be supported in their ambition to be internationally and globally collaborative and develop deeper levels of engagement in Europe, particularly post-Brexit, and elsewhere. These global collaborations enable institutions to leverage access to additional research funding, create scale in disciplinary areas, achieve broader interdisciplinary coverage, and share expertise. St Andrews is investing in strategic partnerships of this nature, such as those with Emory University in the US and the University of Bonn in a European context and has identified interdisciplinary approaches as its strategic priority
- International collaborations also provide a basis for joint degrees, which can be stackable, whereby students visit several global institutions during their programme, building on the concepts of the Mundus type degrees. At St Andrews we have partnerships which are already positioned to expand in this way, with the University of Melbourne in Australia and the College of William and Mary in the USA. This approach creates a genuine global degree in the post-Covid environment by maximising our connections and engendering a globally collaborative mind-set.
- Collaborations nationally between institutions that are already severely financially challenged and those that are not must not be allowed to drain the resources of the better-run or more entrepreneurial ones. Instead collaborations must be used to strengthen institutions and drive progress beyond the post pandemic recovery in future skills and new technologies. There will be a need for expertise to be transferred to other parts of the eco-system in order to ensure that resources are best directed and enabling further regional collaboration between HE and FE where this makes sense.
- Working with Government and investors, the sector needs to accelerate the development of digital infrastructure across the whole of Scotland.
- Regional streamlining will be most suitable for academic subjects and for student-facing services in urban areas, where two or more institutions could share a physical library or sports centre; or a particular city may need only one piece of expensive scientific equipment. For collaborations between institutions that are not located close together, the best areas to explore will be those that can cooperate virtually, e.g. 'back office' operations like IT services, health and safety, and on-line library services. Skills-sharing across HE and FE also offers streamlining and acceleration opportunities.

- 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? In particular, you may wish to draw out:**

How scarce public resources should be prioritised to drive recovery

- Some radical and honest reflection is required about the funding model for HE across Scotland. St Andrews is one of the UK's very best universities for its all-round performance, truly competitive at a global level; yet our entrepreneurship and hard work have to compensate for inadequate government funding which has placed us amongst the most vulnerable to a crisis of the current sort, which risks undermining the international business through which we subsidise our world-leading research, teaching and student experience.
- Sustained and reliable investment is required into excellence for the future. The Scottish Government needs to acquire the strategic impetus to plan for the medium to long term in relation to certain sectors; higher education is a classic example of this. The funding freed up from EU student fees should be reinvested into the sector with a view to strengthening those parts of it that are demonstrably successful, world-leading, and set to boost the recovery.
- Effective collaborations require investment; outcomes which are a result of collaborative projects and provision within the sector should be incentivised where this is beneficial.

Particular areas of collaboration between agencies that would best support the sectors' contributions.

- Scotland has multiple agencies acting across different areas. It is often unclear how to get support and it is not possible to progress quickly enough in order to not miss out on opportunities. Agency mergers should be contemplated here. At the least, greater collaboration, clearer signposting, and a pooling of resources would simplify the landscape and enable more effective operation.

Adaptations to SFC's funding and accountability frameworks to promote agile and collaborative action by the sectors to build Scotland's recovery

- The SFC should maintain a sector-wide perspective on outcomes. It should harmonise requirements, and recognise the strengths of individual institutions and collaborations by accepting institutional prioritisation of scarce resources that align with individual strengths. Outcome agreements, or their successors, should be much less detailed and truly outcome focused, leaving the solutions and approaches to be derived from the expertise and values of individual institutions.

How SFC's funding and accountability frameworks should ensure that equality and wide access to educational opportunity are promoted as key elements of the recovery for younger people and adults

- View the sector as a variegated whole and accept that overall goals are met through different contributions. Widening access targets are set nationally with base-line expectations from individual institutions. Provided that targets are met and institutional

priorities reflect the importance of widening access, requiring specific activities and pathways does not improve outcomes or make the best use of resources.

- Credit high-quality outreach and widening participation activities that encourage students into universities with equal weight to admissions; base realistic national targets on established, published numbers of eligible students and negotiate their apportionment with universities and colleges; join up the SFC remit with school and social policy to set aims: FE and HE alone cannot solve the WP problem.

What support SFC and government could give institutions to adapt to a changed environment?

- Operate in true partnership with the sector that is based on trust and on the autonomy of institutions. The SFC's arm's length position between Government and the institutions of the sectors is pivotal in this.
- Recognise regional inequalities and direct resources to ensure that rural areas of Scotland are not left behind. For example, the University of St Andrews is a key employer in Fife that can offer workplace-based apprenticeship training. We are an internationally recognised institution but one that is firmly based in a rural part of Scotland. That brings both unique appeal and challenges. Digital skills and infrastructure require development and we need to be able to offer digital apprenticeship programmes to catch up with other countries that are significantly ahead of Scotland in the quality and possibilities of their digital offerings: we must massively develop our national digital capacity to compete and benefit all sectors of the economy.

10 August 2020