

SFC REVIEW: SIX PRIORITY PROJECTS

1. Producing a statement of strategic intent for tertiary education and research in Scotland

This is a key priority for the newly established Reform Division and for SFC, given the need for cohesion between this work and the National Impact Framework that they are taking forward (see below). We will set out planned timelines and scope for this work by early March 2022.

2. Development of a National Impact Framework

SFC is leading the development of a National Impact Framework, that sets out the outcomes and impact we should expect from colleges and universities, and how they will be assessed. SFC will be working on the development of this framework over the next six months in a way that connects with Scotland's National Performance Framework, which incorporates the United Nation's Sustainable Development Goals, and in partnership with the Scottish Government, the sector, students and key interests.

3. Exploration of financial flexibility for colleges under current ONS classification

The Scottish Government's response confirmed that after consideration, we will not explore this any further, stating our position that colleges should remain part of the public sector and fulfilling their invaluable public service missions in this context. We did commit to explore with ONS the possibility of greater flexibility around the March financial year-end, to support re-profiling income and expenditure to the end of the academic year in July. We are engaging with SFC on this work and will report to the sector on progress in March 2022.

4. Multi-year funding assumptions

The Scottish Government has confirmed plans to publish a multi-year resource spending review framework for public consultation alongside the Budget 2022-23 and the Medium Term Financial Strategy. The framework will set out the context for any resource spending review, the process for evaluating resource budgets and timetable for publication of the final findings. Although there are dependencies upon UK Government fiscal events in order to publish multi-year financial plans, the framework should provide the catalyst to explore multi-year options for resource funding. We expect to make a final decision around inclusion of FE and HE in those considerations by the end of May 2022.

5. Tertiary Pathfinders and skills alignment

The Scottish Government is committed to improving skills planning to make it more effective. The pathfinder projects are now underway, including important work to understand future demand for net zero skills in our economy. The Scottish Government is monitoring progress on these and a range of other collaborative projects through a Shared Outcomes Framework that sets out shared priorities, measures and progress milestones. The forthcoming National Strategy for Economic Transformation will also inform our approach to delivery, requiring leadership at all levels across our agency partners, by employers and by our further and higher education institutions and other training providers.

6. Research and Innovation

We will incorporate SFC's assessment and recommendations into the development of our International Education Strategy for Scotland, which aims to promote Scotland's education offer globally, increase the number of international students, and maintain our links with the European Union.

