

Director-General Learning & Justice

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Dear Mr Cocker

Audit Scotland report: “Higher Education in Scottish Universities”

Thank you for your letter of 15 November, inviting me to give evidence on the above report on the morning of 1 December. I can confirm that I will attend, and will be accompanied by Stephen White (Strategic Policy Lead – Funding, Governance and Student Support).

I wrote to the Committee on 29 September, setting out the Scottish Government response to each of the Audit Scotland recommendations addressed to the Scottish Government (either on its own or jointly with others, such as the Scottish Funding Council). The Committee may find it helpful if I take this opportunity to update on progress made since then and on future plans.

Scotland’s university sector makes a pivotal contribution to the Scottish Government’s vision for Scotland’s education system – one that is characterised by equity and excellence. The extent and strength of the Scottish Government’s commitment to the sector is underlined by the significant investment it continues to make:

- More than £1 billion has been invested each year for the past four years; with a further £1 billion being invested in 2016-17;
- Almost one-quarter of the recent Capital Stimulus package announced for 2016-17 was directed to the university sector;
- A commitment that tuition fees for EU students will continue to be paid for the duration of the course for all those starting their studies in 2016-17 and 2017-18.

There can be no doubt that our universities, with that substantial public investment from the Scottish Government, continue to deliver impressive results:

- We have seen the number of Scottish-domiciled full-time first degree university entrants increase by 11% between 2006-7 and 2014-15 – from 25,790 to 28,640;
- In the 2014 Research Excellence Framework, the proportion of Scottish research graded at the highest level increased - matching or exceeding the performance of other UK nations;
- Scotland has 5 universities in the Times Higher Education World University Rankings for 2016-17. This is more per head of population than any country except Luxembourg.

These impressive outcomes have been delivered in parallel with intense activity by the sector, SFC and the Scottish Government to ensure that opportunities to benefit from a university education are more widely available than they have been in the past. Once again the results are worthy of note:

- In 2014-15, 14% of Scottish-domiciled, full-time first degree entrants to Scottish universities were from the 20% most deprived areas of Scotland, up from 11.2% in 2006-7;
- The number of Scottish-domiciled HE qualifiers (from universities and colleges) from the 20% most deprived areas increased by over 2000 from 8305 in 2006-7 to 10395 in 2014-15. That represents a 25% increase;
- More than 2100 Widening Access places have been allocated to institutions between 2013-14 and 2015-16, with a fourth tranche of 680 places in 2016-17;
- By the end of academic year 2016-17, Scottish Government investment in additional places for Widening Access and Articulation will total £128 million since 2013-14;
- SFC figures¹ also show that there has been a 17% increase between 2013-14 and 2014-15 in the number of undergraduate entrants declaring a care-experienced background;
- SFC figures show that retention rates for Scottish-domiciled undergraduate entrants to Scottish universities increased to 90.5% between 2011-12 and 2014-15.

¹ Universities: Progress and Ambitions – Summary of progress 2015-16.

These achievements have been delivered whilst maintaining the Scottish Government's commitment to ensure that access to higher education continues to be based on the ability to learn and not the ability to pay.

Looking to the future, the Scottish Government recognises that there are challenges which need to be addressed. The most immediate of these is to continue our work – alongside the sector and other key stakeholders - in ensuring that any damage arising from the impact of the EU referendum outcome is minimised and that Scotland's universities continue to attract the best students and researchers from across the world.

Scotland is an active and valued partner in a large number of EU research collaborations, and has secured significant funding from EU research programmes as a result. In 2014-15, our universities secured £94 million from various EU sources (including EU institutions, charities, business and other sources). This represented 9.4% of their total research income. Scottish Government Ministers, the Chief Scientific Adviser, Professor Sheila Rowan, and officials have been working hard to make it clear that universities in Scotland remain committed to working with European partners and to attracting the best international talent.

Scottish Government Ministers continue to press the UK Government to provide assurances that the immigration status and rights of EU nationals currently living in Scotland will not change in the future.

As the Audit Scotland report highlights, the world-class reputation of Scotland's universities has meant that more international students have chosen to study here. That is something the Scottish Government welcomes. However, Ministers continue to press the UK Government to reintroduce a post-study work route. This would provide an additional lever for attracting the best international student talent, secure essential income streams, and allow talented graduates to continue contributing to Scotland after their studies. The Committee will note that Scottish universities were excluded from the Tier 4 visa pilot announced for some English universities in August.

The Scottish Government is committed to positive, strategic engagement with the higher education sector. In addition to an extensive programme of Ministerial visits and meetings with the sector, Ministers also established a Higher Education Strategic Funding Group, consisting of Universities Scotland and nominated Principals, the SFC and Scottish Government officials, which is considering how best to build on the sector's success and address the challenges it faces. It will also look to develop a long-term framework to underpin our relationships.

We are also continuing to work with the sector to progress work on the development of detailed plans to implement the recommendations of the Commission on Widening Access, including the target of ensuring that by 2030, students from the 20% most deprived communities should represent 20% of university entrants. More detail will follow in coming weeks.

It is also important to bring to the Committee's attention that the Review of Student Support has now been launched, with the appointment of the CEO of Virgin Money,

Jayne Anne Gadhia, as the independent Chair. The Scottish Government is committed to ensuring that support is equitable and fair for students, particularly the most vulnerable. The Audit Scotland recommendation that the Scottish Government and SAAS analyse existing student bursary and loan data to identify the impact of current student finance policies on different groups of students, such as those from deprived backgrounds or part-time students, will be considered within the work of the Review of Student Support.

I trust that the Committee finds this additional submission helpful and I look forward to providing further evidence on 1 December.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Paul Johnston', written in a cursive style.

PAUL JOHNSTON