STRATEGIC PLAN 2022-27

Building a connected, agile, sustainable tertiary education and research system for Scotland

Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

Scotland's tertiary education and research authority

NOVEMBER 2022

ABOUT US

The Scottish Funding Council (SFC) is Scotland's tertiary education and research authority. We use the word tertiary to describe post-16 or post-secondary level education that is typically undertaken at college or university. Our ambition is to make Scotland an outstanding place to learn, educate, research and innovate – now and for the future. Our purpose is to sustain a world-leading system of tertiary education, research and innovation that enables students to flourish; changes lives for the better; and supports social, economic and environmental wellbeing and prosperity.

In pursuit of our purpose, we invest around £2 billion of public money to deliver:

- Tertiary learning and teaching.
- Skills and apprenticeships.
- Student support and participation.
- Discovery research.
- Innovation and knowledge exchange.
- Data collection and dissemination.
- National quality assurance and enhancement processes.
- New and upgraded physical buildings and campus estate.
- Essential digital infrastructure and collective procurement for the sector.
- Strategic change, responsive provision and research priorities.

We carry out the following activities to secure investment impact:

- Distribute money in a fair and accountable way to secure coherent tertiary provision and excellent research.
- Jointly plan and align funding with other partners to secure outcomes and collective impact.
- Share expert advice, intelligence and evidence with government, partners and the wider public.
- Ensure students' interests are promoted and protected.
- Develop national operational policy for tertiary education and skills; discovery research, innovation and knowledge exchange.
- Set expectations, targets and conditions for our funding; hold funded bodies to account; and secure improvement.
- Scrutinise the governance and financial health of institutions to secure public investment and a sustainable sector.
- Collect and disseminate authoritative data and analysis.

PHOTO: UNIVERSITY OF DUNDEE

Through extensive partnership working (for example, with other funders, skills and enterprise agencies, qualification and data authorities) we secure mutually shared goals and outcomes, joined up impact and greater public value. More information about our partnership working can be found on page 22.

SFC is a non-departmental public body established by the Further and Higher Education (Scotland) Act 2005. We are directly accountable to Scottish Government Ministers and the Scottish Parliament. We work across many government portfolios and are sponsored by the Advanced Learning and Science Directorate within the Scottish Government. We hold colleges, universities and other funded bodies to account for their delivery of required outcomes. We are the statistical authority for colleges, and work closely with the UK-wide Higher Education Statistical Authority (HESA), to provide insights about tertiary education and research for government, decision-makers, and the wider public.

Given the dual funding arrangements for universities in relation to research and innovation across the UK, we work closely with UKRI, other relevant funding bodies and governments, to support mutually beneficial priorities and are accountable for the distribution, from time to time, of specific UK government funds.

Our ambition is to make Scotland an outstanding place to learn, educate, research and innovate – now and for the future.

FOREWORD

by **Mike Cantlay,** Chair of SFC
and **Karen Watt,** Chief Executive of SFC

Scotland's colleges and universities are fundamental to social, economic and environmental wellbeing and prosperity. They are multiform and varied - major national, international and local assets, creating a pipeline of skilled and educated people across all levels of technical, vocational, and advanced critical thinking requirements and from all walks of life, including those furthest from the workforce; they help shape local places and communities through the jobs and opportunities they offer and the investments they make; they act as a lifeline for individuals, tackling inequality through widening participation in tertiary education; their excellent discovery research catalyses new ideas and innovation; and their global reach attracts talent, investment, collaboration and reputational gain as well as cultural diversity. Our investment in education, skills and research matters to the economy, employers and people seeking good jobs and career progression. And it enables students and researchers, as individuals, to fulfil a deep need to learn more about things that matter to them, to discover truths and to live more fulfilling lives as a result.

We are working through unprecedented and uncertain times. This creates both opportunity and challenge, with a fiscal environment and multi-year spending review that provides a backdrop for difficult decisions. As a major distributor of public funds, everything we do aims to create the right environment for colleges and universities to thrive, individually and collectively, to capitalise on opportunities and weather uncertainty, and to continue to deliver these vital social, economic and environmental benefits. We will plan and work collectively with colleges, universities, students, funding partners, government and key stakeholders, to secure sustainable institutions, coherent tertiary education provision, excellent research and innovation, and good outcomes. This Strategic Plan sets out our approach and how we will work as an organisation. It will guide our activity over the next five years.

This Plan builds on the extraordinary strength of the sector we fund. It places colleges, universities and SFC at the heart of a knowledge-based and innovation-led economy and nation, supporting a connected, creative, sustainable and agile tertiary education, skills and research system that develops the full range of people, skills and talent; enables the exploration of new ideas and thinking through discovery research; diffuses knowledge and makes research useful; and improves Scotland's economic prosperity and wellbeing.

MIKE CANTLAY
Chair of SFC

KAREN WATT
Chief Executive of SFC

"Everything we do aims to create the right environment for colleges and universities to thrive, individually and collectively."

PHOTO: ROYAL CONSERVATOIRE OF SCOTLAND

CONTEXT

This Plan is set within a context of significant change and opportunity:

- The need to **TRANSITION TO A FAIRER, GREENER WORLD** requires us to develop and adopt green and associated technologies and smooth the path to new skills and lifelong education and training.
- The **PACE OF DISCOVERY AND TECHNOLOGICAL ADVANCE** is significant and is leading to a new industrial revolution that will empower researchers, innovators and entrepreneurs to seek solutions, gain competitive advantage and unlock value; and will need the full range of talents and skills to power an innovation-led economy. It is also changing the world of work and the needs of business and industry – and their need to invest differently in skills for a changing world and to address an enduring productivity challenge.
- The impacts flowing from the COVID-19 pandemic, and the opportunity to capitalise on the **LESSONS OF RAPID RESPONSE AND SCIENTIFIC DISCOVERY**, suggest we must use our research and tertiary education levers to develop interventions and care that improve our health and wellbeing.
- The **EXPECTATIONS OF STUDENTS ARE CHANGING**; blended and online learning options are becoming more sophisticated; and people will increasingly need to learn throughout their lives.
- The **POPULATION AND TALENT SUPPLY** challenge facing Scotland means that demographic change; shifts across communities, islands and rural areas; the lack of in-migration following the UK's exit from the European Union; and the effect of the pandemic have affected labour and skills supplies, employer demand, economic prospects and regional development.
- Tackling persistent poverty and inequality remains important in order to achieve a **FAIRER, MORE INCLUSIVE ECONOMY** – and colleges and universities will play a vital role in addressing these challenges.
- Inter-related **UK-WIDE POLICIES** on research, admissions and funding require constant attention to secure Scottish interests.
- **INTERNATIONAL TRENDS, POLICIES AND RELATIONSHIPS** affect our institutions and their ability to compete, collaborate, attract talent, enhance national reputational gain, and secure inward investment and exports.

In the nearer term, and as we drafted this Plan our context includes:

- The Scottish Government's ambition for potential changes in the constitutional relationship between Scotland and the rest of the UK which forms an important backdrop for UK-wide inter-governmental and funding relationships.
- Still operating in a COVID-19 pandemic.
- Widespread concerns in relation to economic prosperity, pressures on public funds, poverty and persistent inequalities, and a cost of living crisis.

As a non-departmental public body, we have a statutory mission and we align with Scottish Government priorities in fulfilling that mission and responding to the challenge and opportunities outlined in this contextual section of our Plan. Our longer-term direction of travel is framed by government policies, guidance and desired outcomes, as set out, for example, within:

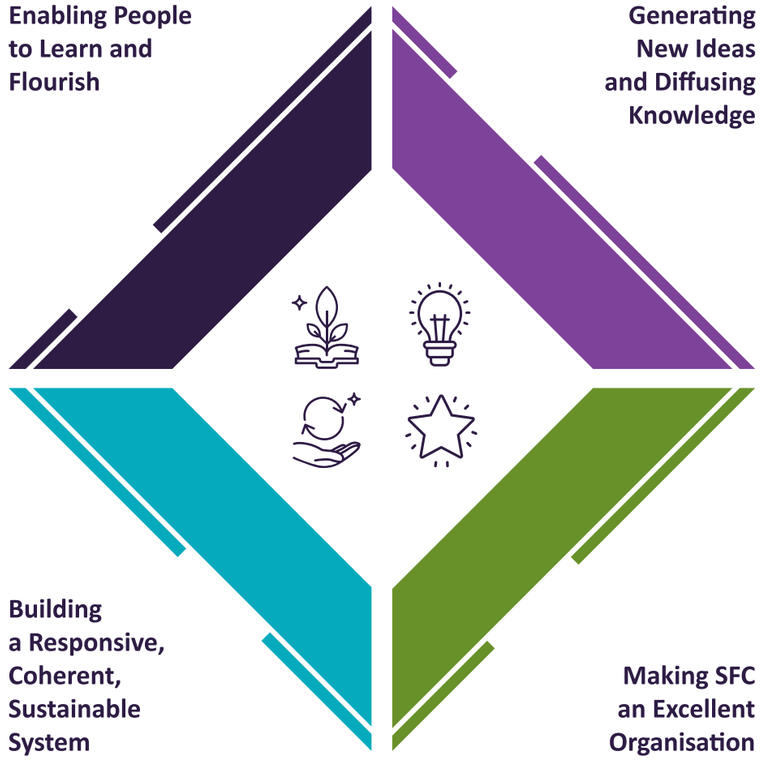
- Climate Change Plan 2018-2032.
- Scotland's National Performance Framework and the UN Sustainable Development Goals.
- The National Strategy for Economic Transformation, that emphasises the importance of entrepreneurship, regional economic development, a skilled workforce and public service reform, and is supported by a raft of other policies, including the Digital Strategy and Scottish Technology Ecosystem Review.
- Scotland's national Population Strategy.
- The government's response to our national Review of Tertiary Education and Research, including the government's development of purpose and principles for the sector and delivery of our agreed priorities, namely the delivery of tertiary education provision pathfinders; strengthening excellence in research and innovation; and the development of a national impact framework and associated accountability and quality assurance mechanisms.
- The tri-partite Shared Outcomes Framework for Skills between the Scottish Government, SFC and Skills Development Scotland; and a range of specific skills action plans.
- The independent review of the skills delivery landscape which will focus on the functions and remit of Skills Development Scotland and its interface with, and role within, the wider skills and education system
- The programme of reform of Scottish schools that will affect curriculum, senior phase qualifications and assessments, and the institutional landscape; alongside recommendations for the careers service, in particular the Muir Report and Hayward Review.
- COVID-19 related guidance to deal with the current pandemic.
- The Fair Work Framework, encouraging good and fair workplace practices.
- Annual letters of guidance to SFC, setting out Ministerial priorities.

PHOTO: DUMFRIES AND GALLOWAY COLLEGE

The policy ambitions within strategies are influenced by the availability of public finances. The Scottish Government's Resource Spending Review, published in May 2022, sets out a challenging fiscal position for the delivery of this Plan for 2022-27. It focuses on child poverty; climate change; a stronger, fairer and greener economy; and public service reform; and it sets out a flat cash resource settlement for colleges and universities that will come into sharper focus at each annual budget settlement. Capital budgets (for research, estates maintenance and infrastructure) remain fairly flat over the period of this Plan.

OUR RESPONSE AND STRATEGIC OBJECTIVES

Our Strategic Plan is structured around four objectives that cover these broad areas:



These objectives will support the ambition for Scotland to be an outstanding place to learn, educate, research and innovate – now and for the future; and will keep us on track to fulfil our purpose of creating and sustaining a world-leading system of tertiary education and skills, research and innovation that enables students to flourish, changes lives for the better, and supports social, economic and environmental wellbeing.

Within each objective we have identified priority areas of focus. Over the next five years, we will work collaboratively with our partners and government to assess our progress, to understand where we can do better, and to adapt the focus of our priorities. We are developing a performance management system that will help us track that progress and achievements against these strategic objectives. This will be aligned with the more detailed activities set out in our annual Operating Plan.

Enabling people to learn and flourish

To invest in education that is accessible to learners from all backgrounds and throughout life; gives them a high-quality learning experience and supports them to succeed in their studies; provides opportunities to participate; and equips them to flourish in employment, further study and fulfilling lives.

PRIORITY 1.1
We will promote fair access, clear pathways and transitions, considering the way we measure and invest funds, set targets and track widening access; and we will work with students and institutions to secure efficient and successful learner journeys, while respecting institutional diversity.

PRIORITY 1.2
We will secure quality learning and teaching, protecting and enhancing the student learning experience, and sharing good practice across the tertiary system.

PRIORITY 1.3
We will ensure students are well prepared for the world of work and people have lifelong learning opportunities by supporting greater recognition of learning throughout life; through industry and business-focused upskilling and reskilling; and in the development of shorter, sharper courses over their working lives.

PRIORITY 1.4
We will ensure students are supported to participate in tertiary education, and have their voices heard and valued, including through the development of enhancement plans.

PRIORITY 1.5
We will promote equality and inclusion so that students are treated fairly and with respect, supporting colleges and universities to meet Public Sector Equality Duty Requirements and to tackle unlawful discrimination and persistent inequalities.

Generating new ideas and diffusing knowledge

To invest in excellent research and innovation that advances current knowledge; attracts and nurtures talent and entrepreneurship; mobilises collaboration and additional investment; enhances our international reputation; and delivers economic transformation and societal value.

PRIORITY 2.1
We will sustain excellent discovery research and cross-disciplinary collaborations, investing in research excellence wherever it is found while also supporting the development of targeted, purpose-driven collaborations across institutions.

PRIORITY 2.2
We will promote a supportive research culture for talented people and teams, including the co-design with the sector of relevant expectations.

PRIORITY 2.3
We will make knowledge useful through a connected, cutting-edge innovation eco-system, better integrating our knowledge exchange and innovation investment to enable and incentivise colleges and universities to contribute to national priorities, economic activity, and public service improvement.

PRIORITY 2.4
We will develop entrepreneurial education and commercial opportunities, embedding a culture of entrepreneurship across campuses and in the formation of new enterprises.

PRIORITY 2.5
We will deepen partnerships across the UK-wide dual funding system for research, supporting Scottish universities to seize opportunities, build on our world-class research standing and deliver impact for Scotland.

Building a responsive, coherent, sustainable system

To create the conditions for a responsive, coherent system of tertiary education and skills, research and innovation that transforms social and economic prosperity and wellbeing, and environmental sustainability, at national and regional levels and through place-based investment; secures international attractiveness and influence; and supports institutions to thrive individually and together.

PRIORITY 3.1
We will ensure institutions respond effectively to the climate emergency, embedding climate action and the just transition to net zero in our forward strategies, accountability frameworks and investments; and expecting colleges and universities to use their expertise and activities to deliver a prosperous, low-carbon future.

PRIORITY 3.2
We will support coherent provision, skills and qualification planning and alignment, with institutions, employers and partners, for example building on our Regional Tertiary Provision Pathfinders, to ensure provision adapts to changing needs, opportunity and the Scottish Government's priorities for the sector.

PRIORITY 3.3
We will ensure institutions enhance their financial health and good governance and will review our approach to assurance and engagement.

PRIORITY 3.4
We will incentivise collaboration between institutions and key partners, supporting the development of partnerships that secure better outcomes and public value, and enhance sustainability.

PRIORITY 3.5
We will adapt our investment priorities and distribution models to secure economic, social and environmental value, working with the Scottish Government, the sector and key stakeholders.

Making SFC an excellent organisation

To be an excellent public body that delivers impact through leadership, partnership, insight and wise investment.

PRIORITY 4.1
We will deliver our people and systems transformation programme, attracting and retaining diverse, empowered and thriving teams, and modernising our IT systems and platforms.

PRIORITY 4.2
We will act as a catalyst for positive change and impact through renewed partnership working and leadership, taking a proactive and collaborative approach to relationships with stakeholders critical to our ambition in order to secure better outcomes.

PRIORITY 4.3
We will develop a national impact framework and associated accountability and quality assurance mechanisms to align with the Scottish Government's priorities for the sector and to better inform our decision-making and improve public value.

PRIORITY 4.4
We will improve the collection, management and use of data, and create insights, to drive improvement within SFC and across the tertiary education, skills and research system.

PRIORITY 4.5
We will enhance our reputation and attractiveness as a high performing organisation – efficient, effective and agile.

THEMES THAT UNDERPIN OUR WORK

Embedded throughout these objectives and priorities are these critical themes and commitments:

- Responding to the **CLIMATE EMERGENCY** involves taking collective responsibility to address the ambitious target to reduce carbon emissions and deliver a just transition to net-zero by 2045. Alongside our own organisational contribution, we will support the bodies we fund to drive change through student education, research and innovation for a greener Scotland, scientific advice to inform policy, and through estates strategies.
- Protecting the **INTERESTS OF CURRENT AND FUTURE STUDENTS** in relation to their education, support needs, access and participation will form a more central part in our development over the lifetime of this plan, working in partnership with students and representatives.
- Responding to the **ECONOMIC, SOCIAL AND CULTURAL NEEDS OF SCOTLAND** will be key to our approach to system change and strategic planning, in partnership with institutions, employers, governments and funders.
- Promoting **EQUALITY, DIVERSITY AND INCLUSION** with the institutions we fund can help address pressing and persistent inequalities, so we will set expected outcomes and track impact to strengthen and mainstream a focus on fulfilling our equality duties across all areas of our work, and in terms of our own organisational obligations.
- Supporting the ambitions of the **NATIONAL STRATEGY FOR ECONOMIC TRANSFORMATION**, working with Scottish Government and its agencies to shape delivery plans and maximise impact.
- Expecting continued progress towards **FAIR WORK** criteria and practices in the bodies we fund is part of our contribution to the Scottish Government's strategy for achieving a modern, high-value, inclusive economy, with employers and workers agreeing working practices that balance rights and responsibilities in ways that offer individuals effective voice, opportunity, security, fulfilment and respect.
- Recognising the importance of **PLACE** and the diverse needs of Scotland's communities positions colleges and universities as anchor institutions, at the heart of towns, cities, islands, and regions. They are key to ensuring people, location and resources combine to create and sustain a sense of identity, purpose and better, fairer outcomes across Scotland.
- Understanding the wider **UK AND INTERNATIONAL CONTEXT** will be critical to influencing issues that affect the activities of the bodies we fund and student interests, and to recognising the international reach and activity of many of our institutions that are so important for Scotland's global standing, prosperity and connectedness.

PHOTO: FIFE COLLEGE

PHOTO: UNIVERSITY OF ST. ANDREWS

PRINCIPLES THAT WILL GUIDE OUR APPROACH

In 2021 we published a Review of Tertiary Education and Research that explored how we could collectively achieve a more connected, creative and agile tertiary education and research system that is sustainable and impactful now and for future generations. The Scottish Government welcomed our Review recommendations and is developing the Purpose and Principles for tertiary education and research as part of its response which will provide a framework for decision making across all aspects of the system, setting out clear roles and responsibilities. To fulfil our recommendations and to respond effectively to government strategies and policies, our approach to change and improvement will be guided by five general, inter-related principles.

WE WILL CHAMPION DIVERSITY

We believe that supporting diversity in all aspects – people, ideas, qualifications, research, pedagogy, international reach, types of institutions and collaborative approaches – is essential in developing the full repertoire of nuanced responses we will need to tackle the challenges we face and in order to build a better future for everyone. This means we will fund a broad range of provision at all levels, valuing the arts, humanities and social sciences, alongside the drive to improve the uptake of STEM (Science, Technology, Engineering and Mathematics) subjects, while nurturing our ability to make sense of the world around us and blurring traditional disciplinary boundaries as we go. It means enabling people to re-skill throughout life; encouraging researchers to work across sectors, borders and disciplines to bring together different fields of knowledge; and building a greater appreciation of current and future approaches to work-based and profession-focused learning. As we develop our approach to coherent tertiary provision, and as we continue to evaluate what we value in our research and knowledge exchange landscape, we will be keen to engage on how best to consider what constitutes the right balance of diversity.

Diversity also means recognising that individual colleges and universities come in different shapes and sizes, with different missions and ambitions. We will work with that differentiation and aim to unlock impact by considering the system as a whole, in terms of coherence, inter-connections and collaboration.

We must harness all our talents. Education changes lives – it develops people who are curious, open to ideas and able to interpret the world around us and our complex lives. It unlocks opportunities, not just for one person, but for future generations. Everyone should have those opportunities. This means tackling persistent inequalities, supporting learners to succeed, and ensuring our research community is diverse and open to all talents.

WE WILL SUPPORT PARTNERSHIP WORKING

We will engage and work in partnership with a wide range of stakeholders across all aspects of our mission – it is fundamental to our ability to deliver impact and successful outcomes. Our partnership working encompasses a range of interests and will include institutions, students and other representative bodies, enterprise and skills agencies, local government, audit and regulatory or oversight bodies, other statistical authorities, trade unions, learned societies, and our UK counterparts. Co-design and joint working will be our hallmarks. In part, this will involve promoting a better understanding of the work and impact of colleges and universities.

The ability to demonstrate delivery and broad social, economic prosperity and environmental wellbeing benefits across all aspects of the National Strategy for Economic Transformation and National Performance Framework will be vital to identifying and prioritising what generates impact about and how best to invest for the future. Making college and university direct and indirect impact visible and relevant will be a goal throughout the lifetime of this Strategic Plan, working with partners to enhance understanding and insights into what works well and where improvement is required.

WE WILL SUPPORT THE SUSTAINABILITY OF THE SECTOR FOR FUTURE GENERATIONS

We will continue to recognise that colleges and universities should be successful in their own right, but we will also increasingly focus on maximising opportunities for partnerships and collaboration within the sector. We believe collaboration is needed now more than ever to secure coherent provision at a regional and national level and address the gaps in provision, to improve quality and outcomes for learning and teaching, to invest in industry and employer requirements, to support mission-driven research, to reduce costs and improve efficiencies through better procurement and joint arrangements, and to achieve financial sustainability over the longer term. We are keen to support further collaborations, whether through joint submissions for funding, partnership agreements and alliances, more integrated or connected models of tertiary education provision, or different models of collaboration that create value over the longer term.

While each institution is responsible for meeting its financial obligations we understand the symbiotic relationship between funders, lenders, government intentions, and institutions. We will work in partnership with governments, funding bodies and institutions to secure a funding environment that recognises the need to provide longer term, stable investment; build resilience and weather shocks in the system; enable institutions to plan and adapt provision, research and missions in a managed way within a tight fiscal environment; and to enable us all to have the flexibility and agility to face into new opportunities. Within the UK's dual funding system for research, we aim to provide reliable infrastructure investment that enables institutions to compete and collaborate for further funding to pursue new knowledge and ideas, alongside funding for scaling up knowledge exchange into commercial and business opportunity. We will need to work together and collaborate with stakeholders because we face difficult choices about priorities, the balance of investments over time, and the interventions and activities that will deliver best value and impact.

WE WILL ENHANCE EVIDENCE-BASED PLANNING

As a funder, with colleges and universities, we constantly mediate the demands of individuals, employers, emerging social issues, a challenging funding environment, and government policy. Evidence and good strategic planning will be key in responding to and influencing these demands, working with the Scottish Government, institutions and partners to align provision and research strategies with future needs. We aim to make better use of the data we collect and we will expect colleges and universities to do the same, to understand what information is needed to support a more responsive system and understand delivery, to influence other relevant data providers, to publish enhanced insights and evaluation, and to invest in digital collection and information systems that put intelligence into the hands of decision-makers, planners, agents of improvement, policy-thinkers and the wider public. Alongside enhanced data and analytics, we will develop our approach to assurance and evaluation processes in order to track delivery, support improvement and better articulate the impact of institutions both regionally and nationally.

WE WILL RESPECT AUTONOMY AND SUBSIDIARITY

We expect the institutions we fund to fulfil the obligations that come with public funding – for delivery and wider social and economic objectives. However, the institutions we fund operate with autonomy and academic freedom. This means they are often best placed to influence and decide the nature and type of provision and research that should be pursued. We will continue to set out our expectations for good governance, financial sustainability and the stewardship of public investment, and manage the balance between accountability and flexibility, national expectations and institutional missions.

PHOTO: CITY OF GLASGOW COLLEGE

PHOTO: GLASGOW KELVIN COLLEGE

DELIVERING OUR STRATEGIC PLAN

OUR DELIVERY FRAMEWORK

This Strategic Plan is all about making a difference for Scotland. We are a small organisation, with a large investment responsibility, and an ambitious mission. Our ability to deliver will be shaped by future budgets and resources, and the way governments and our partners frame their priorities.

We will monitor progress, manage our performance, and evaluate the wider actions we undertake to support our mission and deliver this strategy. As part of our people and systems transformation programme, we are re-developing our performance management framework, and key indicators of success, reinforcing full alignment with Scotland's National Performance Framework and the UN Sustainable Development Goals. We will also be creating a new evaluation function that will provide a mix of externally commissioned evaluations of major activities, alongside developing our in-house capabilities.

This five-year Strategic Plan will be underpinned by internal planning for near-term actions, including an annual Operating Plan, that will be refreshed over the course of this spending review period. To enable us to respond with agility to a rapidly changing environment, our Operating Plan will set out planned activities, performance measures and metrics that will enable us to show progress towards the achievement of the outcomes identified in this five-year Plan. Performance will be reviewed by senior leaders, the Board and its committees. We regularly publish official statistics. We will report progress and performance against this Plan primarily through our Annual Report and Accounts.

WORKING WITH OUR PARTNERS

We will work with the Scottish Government and a range of partners, beyond local and central governments and the bodies we fund, to deliver our Plan – students, enterprise and skills agencies (Scottish Enterprise, Highlands and Islands Enterprise, South of Scotland Enterprise, Skills Development Scotland), regulatory and qualification bodies, oversight organisations and delivery mechanisms, representative bodies, trade unions, and UK counterparts.

PHOTO: ROBERT GORDON UNIVERSITY

COLLABORATION IN PRACTICE

"The last three years have been the most challenging that the sector, its students and staff have ever experienced. One positive, amongst that tremendous challenge, was the way that stakeholders came together around a unifying purpose and demonstrated their agility to rise successfully to these unprecedented challenges. Looking ahead, we need to retain something of that spirit to address the major challenges we still face and to put universities at the centre of the nation's recovery and transformation.

"We expect the Funding Council to challenge universities and hold the sector to account for using public funds to build the common good. We also need the Funding Council to champion the sector, to understand what makes Scotland's higher education sector distinctive, successful on the world stage and to support it to deliver economically, socially and culturally for Scotland's people. That's where close partnership working is really important. We greatly value the Funding Council's commitment to this approach."

Alastair Sim,
Director of Universities Scotland

Innovation Centres

We launched the Innovation Centre programme in 2012, in partnership with Scottish Enterprise and Highlands and Islands Enterprise, to form a critical part of Scotland's knowledge exchange and innovation ecosystem. Working with Scotland's colleges, universities and research institutes, the seven Innovation Centres aim to enhance innovation and entrepreneurship across Scotland's key economic sectors, create jobs and grow the economy.

"We are pleased to support the commitment to partnership working with the SFC's Strategic Plan – it is increasingly important with all the challenges facing colleges that we work closely together to build a connected and agile tertiary sector.

"Colleges Scotland particularly welcomes the focus on enabling people to learn and flourish. This has a close alignment with our own strategic priorities and those of Scottish Government, showing again how important it is to work closely together. The SFC Strategic Plan also concentrates on how important the delivery of useful learning is for people in Scotland. We look forward to working closely with SFC to make sure colleges can help Scotland's economy, communities and learners thrive. "

Shona Struthers,
CEO of Colleges Scotland

Tertiary Provision Pathfinders

We are working with local authorities, Skills Development Scotland, South of Scotland Enterprise, Scottish Enterprise and institutions to deliver Tertiary Provision Pathfinder projects (a key recommendation in our Review) which will seek to identify local skills needs and provide regionally tailored provision planning in the South of Scotland and the North-East.

"The SFC and SDS share a common mission to deliver a skills system that works for all of Scotland's individuals and businesses. Collaboration has never been more important given the operating environment and the need to respond to the changing nature of work, energy security and climate challenges, poverty and inequality and the pressures on public finance. Only by working together can we ensure that the skills system is more agile and able to respond to rapidly changing economic and social needs, while building more sustainable and resilient provision."

Frank Mitchell,
Chair of SDS

Scottish Apprenticeship Advisory Board

SFC and Skills Development Scotland support employer leadership of apprenticeships through the Scottish Apprenticeship Advisory Board (SAAB). The SAAB is an industry led board that ensures apprenticeships in Scotland are fit for purpose and adapt to the changing needs of Scotland's employers and economy.

Shared Outcomes Framework

The Framework is the means by which SFC, Skills Development Scotland, and the Scottish Government will monitor and report on collaborative projects that contribute to overarching skills outcomes, set in the National Strategy for Economic Transformation (NSET) and the missions of the Future Skills Action Plan, around the alignment of economic demand with current and future provision.

"We have a huge opportunity to build a research and innovation system for the UK to which everyone can contribute and from which everyone benefits.

"UK Research and Innovation shares the SFC's ambition to create a connected, agile and sustainable system, as set out in their Strategic Plan. I look forward to working with SFC, and the exceptional research and innovation community in Scotland and across UK and internationally, to make the most of the opportunities ahead."

Professor Dame Ottoline Leyser,
Chief Executive, UKRI

"After a difficult few years, students now face yet another crisis, one which will impact their income, wellbeing and opportunities.

"Amidst this crisis, I am encouraged by SFC's continued commitment to fair access, equality, diversity and inclusion. It is vital that the tertiary sector works as one to ensure every student has the opportunity to flourish in education.

"I look forward to continuing to engage with SFC as they strengthen their commitment to working in partnership with students, ensuring the voice of students is always at the heart of our education system."

Ellie Gomersall,
President, NUS Scotland

SFC'S STRATEGIC PLAN SUMMARY

Our Ambition

To make Scotland an outstanding place to learn, educate, research and innovate - now and for the future

Our Purpose

To create and sustain a world-leading system of tertiary education, research and innovation that enables students to flourish, changes lives for the better, and supports social, economic and environmental wellbeing

Our guiding principles

- Championing diversity
- Working in partnership
- Supporting sustainability for future generations
- Enhancing evidence-based planning
- Respecting autonomy and subsidiarity

Underpinning themes

- Responding to the climate emergency
- Protecting the interests of current and future students
- Responding to the economic, social and environmental needs of Scotland
- Promoting equality, diversity and inclusion
- Continuing progress towards Fair Work
- Recognising the importance of place
- Understanding the wider UK and international context

Enabling people to learn and flourish

Our Priorities

Promote fair access, clear pathways and transitions;
Secure quality learning and teaching, protecting and enhancing the student learning experience;
Ensure students are well prepared for the world of work and people have lifelong learning opportunities;
Ensure students are supported to participate in tertiary education, and have their voices heard and valued;
Promote equality and inclusion so that students are treated fairly and with respect.

Our Outcomes

Education is accessible to all learners from all backgrounds, and they are supported through successful pathways;
Quality assurance processes are robust and transparent and support confidence in standards;
Students are equipped to take up employment and succeed through their whole working lives;
Students are partners in institutional decision making and engagement is increased;
Persistent inequalities are being addressed and fairer outcomes can be demonstrated.

NSET themes: A Fairer More Equal Society

Generating new ideas and diffusing knowledge

Our Priorities

Sustain excellent discovery research and cross-disciplinary collaborations;
Promote a supportive research culture for talented people and teams;
Make knowledge useful through a connected, cutting-edge innovation eco-system;
Develop entrepreneurial education and commercial opportunities;
Deepen partnerships across the UK-wide dual funding system for research.

Our Outcomes

Scotland's reputation for research excellence is maintained and enhanced;
There is a clearer collective focus and recognition of the importance of research culture;
Investment in knowledge exchange and innovation mobilises economic growth and generates solutions to global challenges;
Talent and entrepreneurship are encouraged and nurtured;
Scotland is recognised as a key partner in the delivery of UK research and innovation strategies.

NSET themes: Entrepreneurial People & Culture New Market Opportunities

Building a responsive, coherent, sustainable system

Our Priorities

Ensure institutions respond effectively to the climate emergency;
Support coherent provision, skills and qualification planning;
Ensure institutions enhance their financial health and good governance;
Incentivise collaboration between institutions and key partners;
Adapt our investment priorities and distribution models to secure economic, social and environmental value.

Our Outcomes

Institutions' expertise drives climate action and just transition to net zero;
The system and institutions respond and adapt to a range of needs, including skills requirements, and shapes demand resulting in fewer skills gaps and shortages;
Institutions are sustainable and well governed, in their own right and collectively;
Best value of public investment is secured;
Better demonstration of how colleges and universities contribute to economic, social and wellbeing objectives individually and through collaboration.

NSET themes: Productive Businesses & Regions Skilled Workforce

Making SFC an excellent organisation

Our Priorities

Deliver our people and systems transformation programme;
Act as a catalyst for positive change and impact through renewed partnership working and leadership;
Develop evaluation and assurance processes;
Improve the collection, management and use of data, and create insights;
Enhance our reputation and attractiveness as a high performing organisation.

Our Outcomes

SFC has diverse, talented and competent teams who are empowered and supported to deliver efficiently and with impact;
Impactful and collaborative leadership;
SFC has a clear and developed view of an institution, region and the sector in the delivery of outcomes;
Improved use of data, analysis and evidence within SFC, the sector and government;
SFC is recognised as a valued partner and thought leader.

NSET themes: A Culture of Delivery

National Performance Framework

UN Sustainable Development Goals:

NSET= National Strategy for Economic Transformation

COVER PHOTOS:
NEWBATTLE ABBEY COLLEGE
AYRSHIRE COLLEGE
UNIVERSITY OF EDINBURGH
EDINBURGH NAPIER UNIVERSITY

Scottish Funding Council
Comhairle Maoineachaidh na h-Alba

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