

Working Paper 5

Key informants' views of higher education in Scotland

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Summary

Core values and defining features

- The following areas were highlighted by the majority of interviewees as being important defining features of Scottish higher education: social inclusion; widening participation; international excellence; the four year degree programme and the importance of colleges as HE providers.
- Some interviewees believed that since devolution, English and Scottish higher education had markedly diverged particularly in their approach to tuition fees.
- Other interviewees pointed to strong commonalities between the systems, partly driven by the need to compete in the international higher education market.

Policy drivers

- Most interviewees suggested that Scottish higher education policy was strongly driven by both widening access and the need for more jobs and growth in the wake of the recession.

Stakeholders/interest groups

- All respondents described Scottish higher education as being 'heavily government driven'.
- Other powerful interest groups included Universities Scotland, the NUS, business and the general public.
- Some respondents suggested that the NUS was too close to government and would benefit from a greater critical distance.
- Universities Scotland was seen as a very effective representative group and managed to get the university sector to speak with one voice, unlike Universities UK which represented a much larger and more diverse sector.
- Respondents felt that the influence of the university sector had grown over recent years, whereas that of the college sector had declined.
- The independent influence of the Scottish Funding Council was believed to have waned over recent years.

European/international influences

- It was felt that Scotland contributed to discussions around the Bologna Process particularly in relation to the Scottish Curriculum and Qualifications Framework.
- The performance indicators produced by the OECD were seen as useful in providing an international benchmark for Scottish universities.

Governance

- University respondents generally believed that the Scottish Government had centralising tendencies and recent legislation threatening their autonomy was likely to impede their effectiveness.

- Universities acknowledged that the post-16 legislation had more significant implications for colleges through regionalisation and restructuring.
- Colleges believed that their autonomy had been greatly curtailed and felt that the government should now examine whether universities could operate more efficiently.

Outcome agreements and performance indicators

- Universities believed that outcome agreements were counter-productive because they limited universities' freedom.
- The use of the Scottish Index of Multiple Deprivation (SIMD) was criticised as an imperfect measures which produced inaccurate judgements' of universities' success in widening access.

Institutional funding

- Universities acknowledged that they had done very well in recent financial settlements relative to the college sector and other public services.
- Colleges believed that they had suffered as a result of the decision to ensure that Scottish universities were funded at the same level as their English counterparts.

Tuition fees and maintenance loans

- Different policies north and south of the Border on undergraduate tuition fees were believed to be the major factor contributing to systemic divergence since devolution.
- Many respondents (including politicians and university interviewees) did not have an objection in principle to students making a contribution to their university education after graduation. They believed that Government policy was intended to appeal to particular groups of voters rather than being deeply ideologically driven and that it was financially unsustainable.
- A minority of respondents strongly supported the policy because they believed that tuition fees were likely to deter applicants from less advantaged neighbourhoods.
- The UCU, Unison and NUS all supported the Government's free undergraduate tuition policy, but were unhappy about charging fees to rUK students.
- Most respondents, including the Conservative spokesperson, were critical of the English system because of the imposition of high levels of debt on young people.
- The Scottish Government believed that the greatest threat to free undergraduate tuition was a 'no' vote in the referendum, because this would increase pressure to fall in line with the English system.
- A number of interviewees believed that the reduction in grants for poorer students in Scotland was a retrogressive step and were disappointed that the NUS had not opposed the change.
- Interviewees were sceptical as to whether it would be possible to continue to charge fees to rUK students following independence and EU membership.
- The Welsh system of portable support was seen as problematic because of its tendency to encourage cross-border student flows.

Cross border student flows

- University respondents felt that student mobility was important to encourage an outward-looking system.
- It was noted that Scottish universities were highly rated and it was perhaps more important to encourage Scottish students to study in another EU country.
- An ancient university with a high proportion of English student noted that the number of English-domiciled entrants had not declined since the trebling of fees and that a bursary system had been introduced to provide financial support for English student from less advantaged backgrounds.

Internationalisation and migration

- The recruitment of international students was seen as of great importance to the Scottish higher education system on financial and cultural grounds.
- The NUS believed that fees for international students should be regulated and that they should not be used as a 'cash cow'.
- It was believed that international students had been deterred by the removal of the post-study work visa and this should be reinstated.
- Interviewees recognised that universities in England and Scotland were equally committed to encouraging the recruitment of international students.
- The Cabinet secretary believed that an independent Scotland would be able to develop its own immigration rules which would be more favourable to the recruitment of international students.

Widening access and social justice

- All interviewees supported the principle of widening access.
- Interviewees from different sectors believed that Scottish universities had not performed very well in this regard and needed to make greater efforts.
- Many interviewees believed that the main problem was significant inequality in school attainment and widening access programmes at university level could only make marginal differences.
- College respondents pointed out that, compared with universities, they were far more successful in including students from socially disadvantaged backgrounds.

Shared services

- Most respondents felt that it would be a good idea to continue to share services such as UCAS if there were a vote for independence.
- One university senior manager disagreed, suggesting that it would be a good idea to 'scrap the lot'.

Research

- University respondents and opposition politicians believed that it might be difficult to sustain a UK research area following independence and this was seen as a problem for the Scottish higher education system.
- One respondent believed that it would be better for the Scottish Government to identify research priorities tied to economic development goals and to establish a Scottish Research Council.

Systemic stability and policy futures

- Some respondents believed that the Scottish university system would remain stable irrespective of the outcome of the vote on independence, but others predicted that future fiscal challenges would bring about major changes.
- The English system was seen as unstable by many respondents due to uncertainty about repayment rates on loans.

Introduction

This working paper draws on findings from an ESRC-funded project entitled *Higher Education in Scotland, the Devolution Settlement and the Referendum on Independence* (ES/K00705X/1), conducted by researchers at the University of Edinburgh between March 2013 and July 2014. The project is part of the ESRC's *Future of the UK and Scotland Programme*, which aims to inform the debate on independence in the run-up to the referendum. Higher education provides an interesting lens through which to explore the impact of devolution and the implications of independence because it involves both reserved and devolved matters. Whilst Scottish universities operate within a UK research area and compete within an international market for staff and students, most decisions on higher education are made by the Scottish Government. There are, however, multiple layers of inter-dependence between the policies of the four nations, with each having the capacity to 'interfere' with the policies of the others (Keating, 2005; Parry, 2009). For example, the decision of the Westminster Government to introduce deferred fees of up to £9,000 for UK and EU students studying in England with effect from September 2012, had a profound impact on the policies of the devolved nations. In Scotland, whilst undergraduate education remains free for home and EU students, from 2012 universities were allowed to charge fees of up to £9,000 a year to students living in the rest of the UK (rUK). If higher education were to be provided free of charge to all UK students, it was felt that Scottish students might be squeezed out by an influx of 'fee refugees' from England.

The future of Scottish higher education has featured in the referendum debate, with a particular focus on tuition fees and research. The White Paper argues that independence is the only way to ensure that higher education in Scotland remains free of charge to home students. At the same time, the Scottish Government maintains that, post-independence, it would be possible to continue to charge rUK students studying in Scotland. Experts in European law disagree, suggesting that EU institutions are likely to insist that rUK students are treated in the same way as those living in Scotland and the EU. There have also been disagreements about research, with the Scottish Government maintaining that, following a vote for independence, Scotland would remain part of a UK research area, whilst the Westminster Government argues that this would be unlikely, since national governments fund national research programmes.

Drawing on interviews with policy makers at a range of levels, this paper explores perceptions of current Scottish higher education and its future direction of travel, raising questions about the extent of policy convergence or divergence in higher education across the UK (Gallacher and Raffe, 2012). The aim of the interviews was to explore views of key areas of Scottish higher education policy such as funding and widening access, and to make UK and international comparisons. Respondents were also asked to consider future policy scenarios and systemic stability. The paper complements Working Paper 8 which focuses on the views of international academics and those from the rest of the UK, as well as representatives of shared services.

Methods

Semi-structured interviews were conducted with 32 Scottish policy makers. These included three interviewees with a civil service background, ten university senior academics and managers, four senior college managers, five politicians representing the main parties in Scotland (SNP, Labour, Conservatives, Liberal Democrats and Greens), two trades union representatives (Unison and UCU), two NUS representatives and a representative of the business sector with knowledge of the higher education sector. Academic interviewees worked in ancient, pre-92 and post-92

institutions and had long-standing knowledge of the system. We also interviewed a spokesperson from Universities Scotland and Colleges Scotland, the umbrella bodies representing the Scottish university and college sectors. The findings should be treated as a snapshot of opinion from the perspective of individuals from significant groups within the policy community.

Each interviewee was contacted personally and half of the interviews were conducted face to face, with the other half conducted by telephone. In two cases, two people from the same organisation were interviewed together, since they were able to comment on HE policy from slightly different angles. The interviews were recorded and each interview lasted between 40 minutes and 1 hour and 30 minutes. They were all transcribed and the transcripts were returned to those interviewees who had requested a copy to check for accuracy. The main areas explored in the interviews were: policy formation and core values of higher education, university and college governance, interest group influence, student funding, cross border flows of students, widening access, international and postgraduate students, policy futures and systemic stability. Interviewees were asked to focus initially on Scotland and then to reflect on the relationship between the Scottish system and that of the rest of the UK and Europe.

Findings

Core values and defining features of Scottish higher education

Respondents were asked about their views of the defining features and core values of Scottish institutions. The following areas were highlighted by the majority of interviewees from the different groups: social inclusion; widening participation; international excellence; the four year degree programme and the importance of colleges as HE providers. An interesting area of disagreement, which we return to below, concerns perceptions of the extent to which the core values of the Scottish HE system are essentially different from or similar to those of the rest of the UK.

Social inclusion combined with excellence

Almost all interviewees believed that Scottish higher education was characterised by both excellence and inclusion. One academic interviewee commented:

Inclusivity is very important in Scotland compared to other systems. And so what is being done in terms of ensuring equal access to higher education is important. Excellence, international excellence is an important element of that. There's no doubt that not only politicians but also members of society generally do seem to take great pride in what an asset higher education is for Scotland. So I would say those two things have been brought into sharper focus now than perhaps they were in 1999. I suspect they were always part of the landscape but I do think these seem to be very important now and are constantly referred to. (Key informant 44, senior manager, ancient university)

Two principals, one from an ancient university and one from a new university, referred to the Scottish tradition of democratic intellectualism:

Well there's a very very strong commitment to access which goes back to John Knox and the Book of Discipline. Very much a 16th century tradition, the aspiration for an entirely literate nation. That's a core. Very strong civic engagement. Universities serving the

community, particularly their local civic community. (Key informant 28, senior manager, ancient university)

Four year Scottish degree

The four year Scottish honours degree was seen as an important and positive feature by some respondents particularly in the universities. For example, a senior manager of a post-92 university commented:

I think the four year degree is actually very important even though it has become totemic. Because it's different and is easily understandably different it defines Scottish higher education quite a lot. Not just in English eyes but in...the eyes of the US, China, India, Hong Kong which have also got four year degrees. And so it's got international currency regardless of the content of the four years. So I think that that's very important. (Key informant 1, senior manager, post-92 university)

However, another interviewee was more critical, pointing out that the four year Scottish degree was very expensive and for that reason was likely to be reviewed in the future:

There are obviously issues to do with four year honours degreesAn interesting question there is going to be how that particular issue will be again addressed in the future because the Scottish universities and particularly the ancient universities are going to seek to preserve the four year honours degree in Scotland. But I think there could be increasing pressure to ask whether this really continues to be something that should remain an essential feature. That then gets us into interesting questions about the relationship between schools and university as well and things like the fact that we've never really resolved the question of Advanced Highers, of the Scottish sixth year. (Key informant 6, senior academic, post-92 university)

Interviewees with civil service and college backgrounds also commented on the cost of the four year degree:

... at university level higher education is intrinsically more expensive to deliver because we give people an extra year. And that's not much discussed as an aspect of the four year degree. It comes up, it pops up and then it dies away again. And it's important because it's not just more expensive for government, it's more expensive for students. And that's the dimension which the university system is very hesitant about acknowledging. (Key informant 2, civil service background)

I know historically there's more of a tradition to go for breadth. And obviously they go to the barricades when people threaten four years honours degrees or whatever. But I think that's in a bit of disrepute and I think that again it seems to me the Cabinet Secretary having pretty much sorted out the FE sector might take on that one as well. (Key informant 8, College Principal)

Colleges as HE providers

A number of respondents mentioned the importance of colleges as HE providers in Scotland, with articulation into the latter two years of the four year degree:

One of the obvious differences ...is the relative importance of the college sector as a provider of undergraduate higher education which as you know is obviously provided through the HNCs and HNDs. And the extent to which those are providing very clear articulation routes into degree level study. So that's something that makes Scottish education very different. And that obviously reflects a long history. It's not something which just suddenly emerged. But it clearly has been reinforced by recent policy by the Government and by the Funding Council. (Key informant 6, senior academic, post-92 university)

Whilst it was recognised that college higher education was both cost-effective and accessible, it was pointed out that providing a much cheaper form of education to students from less socially advantaged backgrounds was problematic.

Core values and policy divergence post-devolution

Many respondents believed that the English and Scottish systems had become markedly more divergent post-devolution, particularly in relation to student funding. A university senior manager suggested that, as a result of tuition fees policy, the Scottish and English systems of higher education were more divergent than they had been for a hundred years:

There's been one very very fundamental change which is made possible by devolution but was primarily the result of radical change in England. And that's obviously to the funding of university fees, undergraduate. I think Scotland's response to that which is to go further the other way from having a marginal contribution to fees, effectively to having essentially no contribution to fees from the students themselves. And that means that England and Scotland now with respect to student fees occupy distinctly extreme ends of a possible spectrum. And that is creating the biggest, I think, change and the biggest sense of divergence between Scotland and England for probably the last hundred years I would imagine. (Key informant 23, senior manager, pre-92 university)

The Cabinet Secretary for Education and Lifelong Learning felt that the English system was increasingly marketised, in contrast to the Scottish system:

What we see South of the Border now is an approach which is defined as monetisation and privatisation. Probably this is as much to do with an ideological view that the diversity in the sector should grow as a result of the entry of private providers into the market in a variety of ways, as a desire to reduce public expenditure on the sector. Now those two things are complementary. You could then, to be blunt, dress it up in a great deal of political language about individual responsibilities, individual good benefitting, responsibilities of individual students but actually whether it's a public expenditure hole they have chosen to reduce money on higher education cause they believe they can and that fits well in my view with an ideological view that the sector was in Tory terms 'feather-bedded' or being encouraged by too much public money, you should withdraw that and allow the private sector to run rampant within the area. (Key informant 40, Cabinet Secretary Education and Lifelong Learning)

A somewhat different view was presented by the Liberal Democrat spokesperson, who believed that the global higher education market was reducing differences within UK jurisdictions:

Obviously, we have a fairly distinct tradition in the make-up of education as a whole including higher education. The four year degree is probably one of the most obvious examples. But I think Scottish higher education operates not just in a competitive environment with the rest of the UK, but internationally, and it will respond to that in the same way as universities and the sector is south of the border. (Key informant 12, Liberal Democrat spokesperson)

The Universities Scotland respondent believed that, in contrast with other areas of public policy, higher education exemplified a very high degree of divergence in citizen entitlement. At the same time, however, the UK higher education eco-system was surviving:

The policy environment has been extraordinarily divergent. I think I would characterise the divergence in higher education policy as probably the most extreme difference in citizen entitlement across borders of anything. If you have to put it bluntly, if my son fell over and broke his leg in Oxford you'd expect it to be mended for free even though the health service there is organised very differently. If my son decided to go to Oxford University, he'd be incurring a deferred fee of £9,000 in contrast of not incurring a fee here at all for undergraduate full time study. I think that's probably the most divergent citizen entitlement of any policy between England and devolved administration. I don't think though that actually the University community itself has diverged. I think there's still a very strong cross border movement of staff. There's still extraordinarily strong cross border research projects. I think within a highly divergent policy environment, a genuinely UK wide University eco system has managed to subsist. (Key informant 24, manager, Universities Scotland)

Despite the recognition of growing divergence, questions were raised about whether these differences reflected political positioning and 'story-telling' rather than genuine divergence in core values:

Obviously there is a difference just now in how we fund higher education. ... in my view it clearly reflects political decisions that have been made. I don't actually think it reflects underlying value differences although the Scottish Government would suggest it reflects underlying value differences... Actually it just seems to me to reflect the fact that it is politically very advantageous to the Scottish Government to pursue this particular policy. And it has been incredibly advantageous to them to pursue this policy. So that's a major difference. (Key informant 16, senior academic, post-92 university)

This respondent suggested that the differences between the systems north and south of the border could be over-stated, since all universities were part of a common UK framework:

... one can over-emphasise the extent to which Scottish higher education is different from other aspects of the UK. There are a lot of ways in which Scottish higher education is very similar to what you get in other parts of the UK. ... So people say, 'Oh right, Scotland's much more interested in social inclusion and widening participation'. And if you actually look at the evidence, there is not a lot of evidence that that's the case at all. In some respects... the evidence actually points in the opposite direction. And the other UK countries actually seem to be more successful [in widening access]. So in that respect

we've got to be careful about trying to argue that we are very different. (Key informant 16, senior academic, post-92 university)

A college respondent and a civil servant also believed that these differences were political rather than ideological:

The stones would melt in the sun in Sauchiehall Street before they would impose fees. And that was a bit of rhetoric which I think was designed for public consumption which is, 'We are Scottish, we value education. Those philistines in England don't'. Sorry, that's my gloss on it! But that was making a policy distinction for public consumption very clear. (Key informant 13, College Principal)

Certainly there's a lot of politics around it. The current administration is determined to protect this balance between how much the state pays for and how much the student pays for. In a sense the question is kind of academic, because one way or another you'll pay for it through your taxes. So, how much of this is up front and how much do you have to pay for later on, either through general taxation or through paying off a loan? But certainly the way that we present it and the way that we make a virtue of it, at the moment, is that it's the old 'rocks will melt in the sun'. As the first minister says, tuition in Scotland is free and will remain so. (Key informant 19, civil service background)

The desirability of promoting Scottish higher education as fundamentally different from that in the rest of the UK was questioned by an interviewee with a civil service background, who pointed out that international students were encouraged to come to Scotland precisely because of its embedding within the UK system:

But realistically, how different do we want to be? If we are supplying graduates for a global economy and not for particular local needs, we really want to be offering a product that's on a par with what everybody else is doing. So, the defining features of Scottish higher education, we've got a historical reputation that we can certainly dine out on. But what we want to be is relevant and what we want to be is attractive to, not only Scots and Scots domiciles, but people from overseas as well. I would imagine that's pretty common for all higher education systems around the world and I think we're all being put into that position because the demands on us, particularly in the developed Western economies, ought to be fairly similar. (Key informant 19, civil service background)

Policy drivers

Most interviewees suggested that Scottish higher education policy was strongly driven by both widening access and the need for more jobs and growth in the wake of the recession:

At the moment policy drivers, coming from government, are widening access, that they just want more of it. I don't think there is an understanding of the subtleties of it. But then that's not the job of politicians. They articulate fairly broad sweeps of policy. And I'm not dismissing that. And the other one is getting more from the public investment in higher education. The second one is significantly around knowledge exchange. Getting more of the research in the universities contributing towards the Scottish economy which is again a political thing, very difficult to achieve because actually most research is

international. And the third one which I shouldn't have forgotten is equipping undergraduates with the skills that the Scottish economy needs. (Key informant 1, senior manager post-92 university)

Stakeholders/interest groups

All respondents described Scottish higher education as being 'heavily government driven'. Other powerful interest groups which were identified included Universities Scotland, the NUS, business and the general public. Respondents also identified some groups whose influence had waned over time, specifically the Scottish Funding Council and Colleges Scotland.

Universities Scotland

Universities Scotland was seen by all respondents as a very effective lobby group, managing to encourage universities to 'speak with one voice' (at least in public) and to temper government influence:

Well I think Universities Scotland tries to keep the debate rational. I don't think Universities Scotland is pushing for this or that. It's trying to ensure that universities aren't pushed into doing things that don't make sense or are beyond their capability. (Key informant 28, senior manager, ancient university)

The effective operation of Universities Scotland was contrasted with the problems encountered by Universities UK, which had difficulty speaking for the sector as a whole because of its size and the power of the Russell Group:

It was always an article of faith that what you didn't do was encourage the setting up of splinter groups within the system and that you tried to keep the system together. And I think that was an advantage. Well it's a difference in the way policy is transacted. Whereas down south the Russell Group clearly had a particularly close relationship with ministers and you could see that in the way policy developed. There wasn't that same organised thing. We didn't get lobbied particularly by the Russell Group. They didn't come to Scotland to put their case. (Key informant 2, civil service background)

The National Union of Students

The NUS believed that, alongside Universities Scotland, their organisation had a powerful influence on Scottish higher education:

NUS and Universities Scotland have been your biggest loudest stakeholders in HE. And I think that makes a lot of sense. However, it seems from our point of view that institutions have the greatest clout when it comes to HE. And by institutions I actually probably mean the principals' representative body, although the UCU represent arguably the body of the institution. (Key informant 4, NUS representative)

The influence of the NUS was identified by the majority of respondents, including Universities Scotland, as being highly influential:

It's very influential. It's been effective and influential. It's probably almost running out of things to get because it's got most of what it wants. No it's an extremely influential constituency. And it's a competitive environment. Everybody's competing to be

influential. I think we are reasonably successful and I also think they're reasonably successful. Where we can make common cause we do but that's not always possible. (Key informant 24, manager, Universities Scotland)

However, a number of respondents suggested that the NUS was too closely aligned with the government policy agenda and did not always offer a critical voice:

I think NUS's influence has increased in recent times. But I think there's a price that has come with that. If you look at the way that NUS acted between say 1999 and 2005, it was very much a campaigning based organisation. It was grass roots, it was led by students and it existed to campaign for the benefit of students. From 2005 onwards what you saw was NUS increasingly bid for and access public funds to do things itself. And that began to develop a much closer relationship between NUS and government. And I now think that the National Union of Students and the Scottish Government are too close. (Key informant 15, Labour spokesperson)

Business

Various organisations representing the views of business and industry, such as Scottish Enterprise and the Scottish Council for Development in Industry, were mentioned by interviewees as having some influence. However, one respondent suggested that representatives on such bodies tended to reflect a rather out-dated view of the world:

I think business in my experience generally gets it wrong because representatives of business, especially on advisory bodies, you get older businessmen at the end of their career. (Key informant 28, senior manager, ancient university)

The general public

The same interviewee argued that the ordinary students (as opposed to the NUS) and the general public had a strong influence over higher education policy, and were generally supportive of the direction of travel, particularly in areas such as research funding:

I think the main stakeholders in the universities are the students and the recent alumni. They have a strong, highly rational view of what it is they would like the universities to teach. And then I think in research, the public. The public are concerned about the environment. The public are concerned about cancer. The public are concerned about genetic diseases. The public are concerned about healthy aging. The public are concerned about financial models that impact pensions. And it's very hard if you look at the, as it were, the research agenda that receives competitive research grants. This meshes incredibly well with what ordinary people are interested in. (Key informant 28, senior manager, ancient university)

Colleges

It was observed by a number of respondents that the influence of colleges had waned over time, whereas that of the universities had grown:

In the past, colleges were a very successful lobby group. They were really very well placed. The lifelong learning strategy gave them a huge boost. And there was a lot of communication between the Association of Scottish Colleges and the lifelong learning

group. And the universities were more, in that period, they were very nervous about what was happening with fees down south. They were very keen not to come out in contravention of the no fees policy but they were anxious about what they were going to get instead. I would say looking now, that situation's been practically reversed and that the opposite is now true. Universities Scotland ... has a much warmer relationship with the government than was the case in the early years of devolution. (Key informant 2, civil service background)

The Scottish Funding Council

The SFC was also believed to have lost some of its previous autonomy, as the comments below from a senior university manager and Labour spokesperson illustrate:

[The SFC's] problems more stem from a bit of a lack of political trust.... And I think that was because the Funding Council had not been seen by politicians to be managing its relationship with each of its sectors successfully. In a sense it's the meat in the sandwich. On the one hand you've got ambitious politicians wanting things to happen. But on the other hand when you got a kick-back from the sector they want someone to blame. But I think the balance of opinion at political level was that SFC was creating more difficulties than was necessary with the sectors and that ministerial priorities could be delivered without the kick-back that the Funding Council was generating. (Key informant 1, senior manager, post 92 university)

I think, and this is a feeling rather than something I could necessarily point to, I think there is much more direct governmental control over what government instructs the Funding Council to do and what the Funding Council instructs institutions to do. I think Funding Council had more direct autonomy around what it said to institutions without government interference before the SNP came to power. I think the SNP are quite a centralising force and as much as could be grabbed in essentially around control has been grabbed in. (Key informant 15, Labour Party spokesperson)

European/international influences

Interviewees believed that, as a result of positive developments such as the Scottish Qualifications Framework, Scotland had an influence within European policy circles with regard to discussions on the implementation of the Bologna Process. An interviewee noted that Scotland was often used as a positive example in areas such as qualifications frameworks:

...in the Bologna process, certainly, Scotland got brownie points. I ended up going to a couple of Bologna events on the UK delegation and we got in largely because we had the SCQF. We had something to argue about in the Bologna context. And I went to at least one Bologna meeting where ...the large part of what the UK was saying in that meeting was about whatever we do in Bologna shouldn't muck up the SCQF in Scotland. So in a way we gave the UK something it could constructively say with regard to the Bologna concepts which were otherwise rather lax. (Key informant 2, civil service background)

It was noted by a senior manager of an ancient university that the EU was likely to have an influence on the Scottish research agenda in the future due to expanded funding opportunities. However, the OECD was possibly more influential:

I think the Bologna Process certainly is something which Scotland has engaged with. And also it's going to be really interesting with the expansion of research funding in Europe with Horizon 2020 to see again whether it's going to be a UK-wide approach and again all this depends on constitutional change, or whether there'll be a distinctive Scottish position as well in the sector. OECD does play an influential role as a body that provides evidence on the comparative performance of different sectors across OECD countries, so I suspect both Scottish and UK Governments and institutions look at it as an important forum for that sort of bench-marking and also to look at policy and practice across the countries. (Key informant 44, senior manager, ancient university)

A senior manager of a pre-92 university indicated the importance of OECD financial benchmarking in universities' negotiations with the Scottish Government:

We're quite low in terms of the proportion of GDP spent on higher education compared with other OECD countries. And obviously as the great Eastern powers start to really develop or motor in their development, then they're pouring very very substantial sums into higher education. At the same time that's one of our strongest arguments that others see the value of this and we need to match that. (Key informant 23, senior manager, pre-92 university)

University governance and outcome agreements

University governance was a central theme of the interviews, and the importance of university autonomy was emphasised by the Cabinet Secretary for Education and Lifelong Learning. However, other politicians and university interviewees believed that, as a result of the Post-16 Education Act, university autonomy was being eroded by a centralising government, with potentially negative consequences:

It was not a bill that enthused me for all sorts of different reasons. And it didn't enthuse the Conservative party in Scotland, in fact we ended up voting against it. We believed it was centralising higher education and further education and that's something that we fundamentally oppose... We think the ability of the higher education system to reflect Scottish values and what it's achieved in the past has largely been built on that principle of autonomy. And that's a very strong message you get from university principals, from people who are running higher education. They were very clear in the evidence that they gave to the committee at the time that they did not want that to be taken away. And if you look around the world, those higher education systems that are doing particularly well happen to be the ones where I think that autonomy is not only maintained but it's enhanced. (Key informant 16, Conservative spokesperson)

Outcome agreements, which were placed on a statutory basis by the new legislation, were strongly criticised by university interviewees:

I think they [outcome agreements] are ineffective and pointless attempts. I don't think the people who are doing it are motivated by a very direct command and control [view of the world]. I think it's more they have some not very coherent notion of how universities would be if they were otherwise. And so obviously an imposed or a semi imposed code of governance, outcome agreements, whatever else they are, they are a reduction in

autonomy. It stands to reason. If you tell institutions, 'We expect you to be governed this way', then you remove their autonomy to be governed some other way. If you tell a university, 'Whatever you do, you must meet this outcome agreement', even if the outcome is one that the university would agree with you is entirely desirable, in a logical sense you reduce the autonomy. Well on the other hand, compared to other European models we have good autonomy in Scotland. So I think in fact it's a small relative decline in autonomy. The position in a Scottish university is still way better than the position in an Italian one or a Spanish one. (Key informant 28, senior manager, ancient university)

A counter view was presented by a senior manager of a post-92 university, who felt that the goal should be 'responsible autonomy'. In his view, there was no evidence to date that the Scottish Government was seeking to erode university freedom, but the sector was right to adopt a cautious approach:

I don't actually see any desire by Scottish Government to restrict University autonomy. I think they do understand fairly well. The thing with all governments, whether here or anywhere else and whichever party runs them, all governments can, of course, declare themselves to be supporters of autonomy and be tempted into trying to restrict that where it suits government priorities or where they think it does. I don't, at the moment, see that as something that's actually happening but it can happen anywhere. And so one of the priorities of the university system must always be to ensure that the guard is up ... (Key informant 30, senior manager post-92 university)

Both the Labour Party spokesperson and a senior academic in a post-92 university suggested that the government had no desire to lock horns with the powerful university sector, whereas college autonomy had been greatly reduced by the post-16 legislation:

The Scottish Government isn't really very keen to take on the higher education sector. It doesn't really want to get into a public fight with the powerful universities. So it's not clear to me that [the Post 16 Act] is going to change things hugely. The bigger impact is on the college sector where the impact is pretty enormous in terms of the impact of regionalisation and introduction of new governance structures there. The changes in governance for the higher education system, the universities, I am not sure it's going to make a huge difference. (Key informant 16, senior manager, post-92 university)

Institutional funding of universities and colleges

There was a generally accepted view that over recent years the financial settlement for universities had been relatively generous but different opinions were expressed as to whether this had been at the expense of colleges. A principal of an ancient university commented that, compared with levels of support for universities in other OECD countries, university funding in Scotland 'could be better'. On the whole, respondents felt that, given the squeeze on public spending in the wake of the economic crash, universities had been fortunate in receiving either 'flat cash' or a small increase, in contrast with other public services which had been severely cut. Comparisons with English institutions had been used effectively to ensure a good financial settlement for Scottish universities:

If you were looking at this in absolute terms internationally, then we actually, and the Scottish Government, have a shared objective that we should be in the top quartile of OECD nations for investment higher education because we think that's a good investment that generates social cohesion and economic growth. But frankly in the UK over the past few years we've been going through an exceptionally deep financial crisis, and a deeper financial crisis indeed than many of our neighbours. ...So to be in a situation where in the worst financial crisis in living memory we achieved a 15% uplift of university funding I would say is the best you could expect. (Key informant 24, manager, Universities Scotland)

A senior academic in a post-92 university contrasted the positive outcome for universities with the poorer financial settlement received by colleges:

The Scottish Government and the Scottish National Party before it was elected said that it would fund any gap that appeared to exist between funding levels in England and Scotland as the two systems of funding undergraduate tuition diverged. And together with Universities Scotland, calculations were made, at least on an average level of what that gap would be. And to a large degree the Scottish Government has met its commitments. In the last spending review that we've just had, the settlement in Scotland is rather similar to the settlement in the rest of the UK with essentially flat cash when other areas of the public sector are still getting year on year, very substantial cuts to implement. So that's a good outcome. Now I think they took a slightly different view of further education and with a strong feeling that further education could be delivered more efficiently particularly through merging colleges to provide distinct regional provision. I don't know enough about the further education system to know whether that's a sort of a positive development. I'm sure some don't see it that way. (Key informant 23, senior academic, pre-92 university).

Evidence from college principals demonstrated that whilst some believed that universities had been privileged at the expense of the college sector, this was not a universal view:

There are those people who would say that because we have kept that regime in Scotland it has meant that the colleges have had less funding. I do not really subscribe to the view that money has been taken from the colleges to give to the universities. In fact my view is that in Scotland we should be investing more in all levels of education from nursery school right through to post graduate education because it is one of the great success stories in Scotland. And things which will give us a better return than probably investment in many other areas of using the Scottish budget. (Key informant 5, Colleges Scotland)

Other interviewees from the college sector believed that universities had been privileged at the expense of colleges, and one principal described that as 'bad social policy':

Well, all I know is that over the past few years, the amount of money that's gone into universities has increased. The amount of money that's gone into colleges has reduced. And I personally think that's bad social policy personally. And I would say that as a college principal. But I think there are university principals who think, even though they're benefitting from it, 'That's really weird that you're taking money out of colleges which are already less well funded and putting it into universities'. (Key informant 13, College Principal)

Scottish undergraduate funding

Different views were expressed by respondents with regard to the merits and sustainability of the Scottish policy of free undergraduate tuition. The Cabinet Secretary for Education and Lifelong Learning was adamant that this was the 'right thing to do':

I'm absolutely convinced it's the right thing to do. I came into office in December 2009 with the intention of ensuring that that took place. It required quite a lot of persuasion of our own civil servants and others... I think whatever criticisms Universities Scotland might make of the government, they don't make criticisms about funding, but we recognised that if we're going to do this we had to do it properly. University students in Scotland are universally in favour of this as being a positive thing and I think once we see its full benefit over a full cohort we will realise how important this is. So I'm absolutely convinced we've done right here. (Key informant 40, Cabinet Secretary for Education and Lifelong Learning)

He was also convinced of its sustainability:

Yes, of course it is. Government makes a decision about what it spends and it makes its own priorities. In actual fact this costs us, our total budget for Higher Education in Scotland is just over £1 billion, now if you compare that to the Health Service which is spending £12.5 – £13 billion in Scotland at the present moment, if you look at School Education which is about £5 – £5.5 billion, College Education's just over £0.5 billion, yes it is a sensible investment. We believe that it's a societal good and the sector produces enormous profits and benefits – it's the third largest sector in our economy, the multiplier is pretty good for us. So in all those circumstances, yes of course. It's the choice we made and it's a choice I have never heard from any of my Cabinet colleagues the slightest suggestion that we should not do this and there wouldn't be now. (Key informant 40, Cabinet Secretary for Education and Lifelong Learning)

In his view, the major threat of a 'no' vote in the referendum was that student fees would be introduced and that powers would be withdrawn from Holyrood:

I believe the big threat of a 'No' vote is the continued pressure to conform with what happens in the rest of the UK. Well I think there's a second and even more serious thing is which I think the indications from UK politicians will be that okay they've decided not to vote 'No'. So far from being more powers there will be fewer powers but in actual fact the powers of the Scottish Parliament will be eroded. But I think the greater pressures will be to conform across policy areas and the financial pressure will grow. Now I fear for free higher education. I fear for that important bedrock because I think there will be a lot of pressure to make us conform. We've talked about the sale of the student loan book. There are other pressures that can be brought to bear upon us. So I think it is far better to be free to make your own decisions. (Key informant 40, Cabinet Secretary for Education and Lifelong Learning)

Representatives of UCU, Unison and the NUS were similarly committed to the policy of free higher education:

We largely support the inverted commas "free" tuition at the higher education level. We think that that is the right approach although we do recognise it hasn't achieved what

we'd like to achieve which is better access for those from disadvantaged communities to university. So we don't think it's a panacea or a silver bullet to that issue. We think we have to do much more in that area, but it is nonetheless right in our view that access to education is free at the point of use. (Key informant 41, Unison)

The NUS representatives expanded on this view and noted the benefits to society of a well educated workforce and stressed, like the other respondents that it should be paid for by a system of progressive taxation:

I think our policy has been and is that education while clearly of private benefit on one level is a public good, that is good for people and it is good for all of society to have a well educated workforce and populous. It is good for people, even the people who did not go to University. And if you look at businesses, for example who essentially have all their staff trained for them by the state I think our belief is that if it is a public good it should be funded as a public good and the people who benefit from it which is individuals, society collectively and business should be funding it. And we see the best way to do that as through progressive taxation. (Key informant 4, NUS)

The UCU representative echoed the views of the NUS in terms of support for a universal system and the societal benefits of higher education. She added that businesses benefit from graduates and should therefore contribute through taxation:

It is right that people who have the ability should be able to study without having to pay upfront tuition fees. Our answer would be progressive taxation because that is clearly the best way to ensure that those who have benefitted from a university education, doctors, lawyers, the high earners are going to be paying the tax at the other end. And that seems a much fairer way to pay for higher education. We would also want a business tax, corporation tax, as a way of funding higher education because at the minute employers, the graduates are coming through they just snap them up. But where is their contribution to their studies? So that would be a solution for funding higher education. (Key informant 13, spokesperson UCU)

By way of contrast, the Labour spokesperson believed that, if there was a change of government at Westminster following the 2015 general election, then there would be a reduction in student fees. She felt that free tuition was unsustainable in Scotland and that the problem was being parked until after the referendum:

Well Ed Miliband has said, as far as I can understand it, that going into the next election it would be Labour's policy to reduce tuition fees to £6,000. So if you believe that the Prime Minister will change at the next general election then I think what follows from that is that student support arrangements and the tuition fee arrangement in England will change too. I think the situation in Scotland, quite frankly, has to change. I've done several meetings on this since I took over this role just six weeks ago. And there is a growing funding gap. Universities Scotland tell me it's in excess of £200 million pounds by 2014/15. The Scottish Government recognise a figure closer to £93 million but we're still talking about substantial sums here. And what I find infuriating and really disappointing and deeply cynical is that the public discourse in Scotland just now, apart from what Johann Lamont's trying to do around this issue, is to try and park this until after the

referendum. There's a sense that everything will be fine until that day and we don't really need to talk about it just now. (Key informant 15, Labour Party spokesperson)

Interviewees with a civil service background were unconvinced that free tuition was sustainable in the long term. One interviewee suggested that the policy was being defended so strongly because of its resonance for middle class voters:

It's the dislocation sometimes, I think, between the political prominence of this issue and the general population. There's a funny dislocation between the two and I think it tells you a massive amount about the socioeconomic background of the people who read and produce the copy for the national media. They're very interested in this because a) they went to university and b) they have children they expect to go to university. And it's probably the single most striking illustration of the way that what commands political attention isn't necessarily what most people out there are concerned about. (Key informant 2, civil service background)

The Universities Scotland respondent explained that, whilst not in favour of student fees, it was essential that Scottish universities were funded as generously as their English counterparts. Universities Scotland had no objection in principle to charging fees, although the fact that the Government had managed to find public funds was welcome. Although not currently a live issue, discussions on student funding were likely to resume at some point:

We said in principle in the run up to the 2011 election, and this remains the case, that we do not have a principled objection to a [graduate contribution]. We said at that stage that given the pressure on the public finances, that if public finance alone could not protect both excellence and inclusion, then you would need to look at a balance that kept public funding at the core but supplemented it with some level of graduate contribution. I think what we were talking about at that stage was something more like the old English model. But we weren't ...setting out some sort of graduate contribution as what we wanted. We were saying if you can't afford it from public money you need to do that. And so that essentially remains our position. But given that we're in the extraordinary situation at the moment that actually the public money has been stumped up during the worst financial crisis then it's a dead issue for now. Or a dormant issue for now more accurately. (Key informant 24, manager, Universities Scotland)

A senior manager of a post-92 university believed that Scotland's policy of free undergraduate tuition was probably not sustainable in the long-run, but that it would be politically difficult to change policy:

It'll be so difficult for any Scottish government to introduce fees that they will not do so until a spending review too late. And that means three years at least and maybe more of Scottish Universities actually being underfunded in comparison with their English, particularly, counterparts. And that could be really quite serious. That's the big risk point, that the political process takes longer to react to the realities, well takes sufficiently long to react to the realities that damage is done. Now the alternative is Labour gets back in in England and reduces the fee to £6,000 which is what they've been talking about and then we're in a different ball game. Who knows. All you can do is look at the present. (Key informant 1, senior manager, post 92 university).

This interviewee also questioned whether the present government was as committed to free tuition as its rhetoric suggested:

Do I believe fundamentally that the SNP in their heart of hearts are completely committed to free higher education till the rocks melt with the sun? No I don't, but I think that that has become actually a very useful defining position for them and a political thing for them. The groundwork for which was laid earlier on. (Key informant 1, senior manager, post 92 university)

The only strong endorsement of free tuition was from a senior manager of an ancient university who felt that as long as the Scottish Government was prepared to prioritise higher education relative to other areas of public spending, then free tuition was financially sustainable:

It is sustainable so long as the Government is prepared to make difficult decisions. And at the end of the day this is very simply just an allocation of resource. And the Scottish Government at the moment is prepared to say that it wishes to fund higher education as a free good. And therefore not to fund other things. This is entirely sustainable as long as the Scottish Government maintains a commitment that it wishes to prioritise higher education for the benefit of the Scottish economy. (Key informant 21, senior manager, ancient university)

The issue of social equity was mentioned by a number of respondents. One senior manager commented that free tuition was inequitable because patterns of attendance meant that it involved redistribution from the poor to the rich. He felt that students should pay fees and generous grants should be used to ensure that those from poorer backgrounds studied for free:

So from my perspective, I actually do believe that those who can afford to make a contribution to higher education should do so. And that those who can't shouldn't. And that everyone should be admitted regardless of their ability to pay. But my fear is that a free higher education actually in practice amounts to a redistribution of wealth from the poor to the rich. And is therefore counter-productive in social terms. (Key informant 30, senior manager, post 92 university)

A similar view was expressed by a senior academic from a post-92 university, who felt that free undergraduate tuition in Scotland had been achieved at the expense of the colleges:

The colleges, as we've said, are an important part of the higher education system and ...the widening participation agenda, so the fact that, in order to maintain the funding for the universities, funding has been taken away from the colleges doesn't seem to me to be a very positive aspect of the existing system. And in terms of the wider social equity issues, it's not clear to me that providing free higher education in a situation where we know that the overwhelming majority of university students will come from middle class families and will...almost certainly go into occupations in which they will be more secure and more financially advantaged than people who don't have University education. Quite how it's equitable to do that is something I have struggled with. So that doesn't seem to me actually, to be a particularly sensible policy either. (Key informant 16, senior academic, post 92 university)

Comparisons with student funding in England

Although questions were raised about the long-term survival of free higher education in Scotland, interviewees were far more critical of the English system which was seen as unlikely to be sustainable. The senior manager of an ancient university described the approach in England as ‘an accounting trick’ which would prove to be a long-term problem:

... the one advantage that was put forward for it was that at times of very difficult public funding it was supposed to ensure that universities were properly funded. Now it has done that in the short run but as we now know and understand there is the potential that this is going to hit the public finances in 20, 30, 40 years' time. That seems to me slightly irresponsible frankly because in a sense it's suggesting to society currently that everything's fine, it's being paid for by individuals when in reality some of this is going to come back to haunt us because this is going to have to be covered and it's a sort of accounting trick in many respects. I think in England it could go two ways, one is you could get a retrenchment and this is in a sense what we're seeing in some of the debates round the Labour Party which say 'this has been a huge waste of time, let's wind some of this back, let's perhaps lower the cap, let's look at the rebalancing of public and private funding'. The other way it could go of course it could be marketised completely... (Key informant 44, senior manager, ancient university)

Another senior manager believed that, in comparison with England, Scotland had taken the correct approach to student funding both with regard to sustainability and fairness:

I think in the long term [free tuition] will promote access. It will promote more inclusivity and fairness. I think in the long run what we're doing in Scotland is sustainable and what they're doing in England isn't. I think the funding system that is going to crash against the buffers and just be revealed to be unworkable is the English one. That's because of the way they've handled the student loan and the student debt. And they are suddenly going to find themselves with a massive government debt because they will move to, 'Oh gosh fifty percent aren't going to repay or whatever but we've doled out all these loans on the basis that twenty five percent or thirty percent would repay'. So I just think the Scottish way of doing it is better..... And I think ten years from now we will see that in England they made a massive mistake when they introduced the £9,000 fees. (Key informant 28, senior manager, ancient university)

The Universities Scotland interviewee was also pessimistic in his assessment of the long-term sustainability of the English system:

I think it's unstable but I think it's extraordinarily hard to row back from. Once you start charging people at that level I think it's extraordinary hard to stop doing it. I think personally my fear is that it's unstable at the cost of the student and that nobody can think of a brighter way of making it stable at the moment than increasing the cost on the student or the graduate. (Key informant 24, manager, Universities Scotland)

All the politicians interviewed felt there were problems with the English system. The Conservative spokesperson commented:

I don't believe the English system has got it quite right. But I actually think more of the issue down South has been the arithmetic rather than the actual principle because I agree with the principle obviously with my own policy background. But I think the actual arithmetical model that was used was an underestimate. And naturally universities went to the higher end, which personally I thought was predictable that that would happen. And, of course, that's obviously increased the funding gap between Scotland and England. But I think in England we're in danger of getting too many universities at too high a level. But having said that we've not put people off. There's no evidence that suggests that fees put people off applying. And the other thing to come back to again is that in the English system, is that the higher proportion of funding available for bursary payments, I would argue that that in itself is a worthwhile achievement down south. But I'm not fully comfortable with what's happened down south. And I think there's no reason why Scotland and England can't have slightly different systems. (Key informant 16, Conservative spokesperson)

Student support in Scotland

Interviewees were generally sanguine about the reduction in grants for Scottish students from poorer backgrounds, since more loans were being made available and free tuition meant that there should be no problems with affordability:

... in an ideal world you'd like to give everybody, those who needed maximum grants but I do think actually that, especially the terms in which the loans are offered, I suspect they shouldn't really be a barrier. Particularly because higher education itself is free and people should still recognise that at the margin it's not a huge additional investment. It's largely around transport, living costs, living away from home if you choose to live away from home and that's hope not strictly necessary. In an ideal world of course you'd have limitless demands but I think the free nature of higher education at the moment, I'm less worried about the balance of loans and grants. (Key informant 44, senior manager, ancient university)

However, there was a suggestion that people from poorer backgrounds might be more debt averse than other sections of society:

My intuition coming from a poor family that would have been debt averse is that for some parts of the polity are more loan averse than others. But whether or not that's true and if so the extent to which it's true and the extent to which it would become an actual disincentive, I couldn't tell you. (Key informant 44, senior manager, ancient university)

An interviewee with a civil service background commented that the consequences of the decision to avoid tuition fees altogether was the reduction in grant funding for poorer students:

My thinking on the current system is that it costs a lot of money. That's what it is, an expensive policy. It was always expensive because we'd always done it so that's not new. It's an expense that historically we've always met, so that's not a new expense. The decision not to go down any fee charging route though obviously has closed a door, has caused the government to have to absorb more costs than it would otherwise have to do. I am very struck by the fact that when you do the number crunching, the student support

has been a victim of this bursaries and I'm disappointed that there has been so little public debate about that. (Key informant 2, civil service background)

The Labour Party spokesperson expressed disappointment with the NUS for failing to challenge the Government's decision to reduce grants available to poorer students:

... there's been a trade-off there because NUS were given allowances and reassurances, I think, by the Government in other areas on the basis that they would not, for want of a better phrase, throw their toys out about that particular aspect. And you even hear NUS leaders saying, 'ah but what we have is the best student support package across the United Kingdom'. Well that may be true if you look at it in a broad sense across all income levels but it is a reduction for the poorest students. And if you're motivated by widening access and ensuring an equality of opportunity to education, that should not sit comfortably with you. (Key informant 15, Labour Party spokesperson)

Charging rUK students to study in Scotland

The Cabinet Secretary for Education and Lifelong Learning was adamant that the policy of charging rUK students, but not other European students, at the present time and post-independence was justified and would be supported by the EU:

It's not discrimination on the basis of nationality, we never mention nationality. ...I've made absolutely clear that if the policy south of the Border changes I'd be very happy that we did exactly the same as we would do for other EU students but those students from the rest of the UK are in a unique position. Their government has imposed the highest fees in Europe and they are going higher. I've no doubt that that is what's happening.We presently have about 14.5 thousand students from the rest of the UK, it's about 1.5% of that cohort. We believe that if we were to grant open access that number would increase to at least 10% and possibly more. Ten per cent is 90,000, it takes away over 80% of Scottish university places. I just don't think that's tenable..... But I entirely agree that discrimination on the grounds of nationality would be wrong. This is not discrimination on the grounds of nationality it's to do with domicile and there's an objective justification for so acting and that's what we will argue. (Key informant 40, Cabinet Secretary for Education and Lifelong Learning)

However, those with a civil service background were less convinced that this policy would continue if an independent Scotland joined the EU. One observed:

It just flies in the face of what we're required to do as good Europeans, that we would have a particular set of requirements for one particular member state and not the others. So the big question is whether free tuition would be sustainable in those circumstances. We haven't yet been able to find a way of satisfying what it is that politicians want. (Key informant 19, civil service background)

The decision by the Scottish Government to allow institutions to charge rUK students studying in Scotland was seen by senior managers as unfortunate but unavoidable:

If you get a major differential in price you would have a significant number of rest of UK students coming into Scotland and competing for places. The value of the present arrangement is that if you've got them being charged effectively full fees, full cost recovery fees, there's no burden on the Scottish budget in any sense. ... And so now there is value in the fact that there is going to be no squeezing of the Scottish students by the UK students. But that was a real risk if you continue to have a cap and you've got £9,000 in England and a significantly lower sum in Scotland. So I mean I know Mike Russell found it very hard but I don't think he had a choice. (Key informant 1, senior manager, post-92 university)

The UCU, Unison and NUS representatives were all opposed to charging rUK students studying in Scotland:

I just think it is appalling! As a trade union we are absolutely opposed to top-up tuition fees and the way it is playing out in institutions. It is really damaging and I also feel it is a bit of a 'smoke and mirrors' approach and universities are charging up to £9,000 so the students are obviously borrowing the money. They are going to have incredible debts. Will they ever get to a point when they pay them off? So universities have drawn down some money from somewhere so someone has to pay for it eventually. (Key informant 13, spokesperson UCU)

Cross- border student flows

Interviewees recognised that high level of fees in England had led to a reduction in Scottish students studying in England and different views were expressed about whether this should be seen as a major problem. One senior manager noted:

Well you could argue that it's good for Scottish students to study in England. But so long as Scotland has high class higher education institutions, you could also argue that it's fine and they go to their own institutions as they did for a very long time. (Key informant 21, senior manager, ancient university)

A number of senior managers believed that the increased tendency for Scottish students to stay at home was negative, but there was a problem across the UK with regard to young people's reluctance to study abroad:

It's a combination of decisions taken in different jurisdictions that has led to this. But I do think that a consequence that is not helpful is that more and more Scots stay at home. They always tended to do that anyway, more so than elsewhere in the UK. And I've always felt that's not a particularly good thing. But UK students as a whole tend not to go abroad and tend not to use opportunities to go abroad for part of their study anything like as much as students from other countries. And that's a bad thing. (Key informant 23, senior manager, pre-92 university)

... a system which becomes insular where people do not come in and out is not a good higher education system. I think there needs to be an element of internationalisation. And I wouldn't particularly focus on England as part of that. I would just make it a more

general question as to where students are moving to and from. (Key informant 30, senior manager, pre-92 university)

Another felt that rather than worrying about student flows across UK borders, there should be more concern with 'distortions' which were depriving some institutions of student numbers. His own institution had addressed the problem of high fees for rUK students by putting in place relatively generous bursaries:

We [have put in place] a new bursary system in the University. And our cross border flows have hardly changed. We have managed that both when the £3,000 fee was introduced in England and then more recently with the £9,000. So the place where the distortions are happening is inside England itself with some institutions being deprived of students. (Key informant 28, senior manager, ancient university)

Internationalisation/immigration

It was recognised by almost all interviewees that the recruitment of international students was of increasing importance to the sector, contributing to cultural diversity and funding. Current immigration rules were seen as unhelpful, with policy makers arguing that the post-study work visa should be reinstated, so that international students could stay and work in the country for two years following graduation. They also believed that spouses and children should be admitted, and that students should not be included in the immigration cap. However, it was also recognised that the desire for more liberal immigration rules was shared by universities across the UK and was not restricted to Scottish institutions:

I would see that as entirely common agenda, north and south of the border. And to be honest, one that is coming across the same obstacles and same opportunities. We're all across the UK conscious of working against a migration regime that isn't as supportive as we would like it to be for the migration of high talent. I think in a sense if there's a regional argument in this, it's that policy is designed for an overcrowded South East, or not the policies that support the interests of the rest of UK. But I would genuinely say cross border throughout the UK, everybody is looking entrepreneurially to make sure their international engagement is as wide as possible. And everybody is striking against similar barriers of regulation and perception. (Key informant 24, Manager, Universities Scotland)

The NUS suggested that the same academic standards should be applied to home, EU and international students, who should not be seen simply as a 'cash cow':

I think financial concerns are a big driver for a lot of [universities], so you will see a lot of universities developing strategies about how they recruit more international students for example. And I think I would like to see universities pick the students they recruit based solely on academic or a cultural merit and never on this price tag model. And I think the free-for-all and lack of regulation of fees for international students and postgrads lends itself to what I think is really an unhealthy approach to admissions and recruitment of 4, students. (Key informant NUS)

Widening access

Unsurprisingly, all interviewees supported the principle of widening access and most were willing to acknowledge that Scottish universities could do more to recruit a student body which was more representative of the wider population. The Cabinet Secretary was critical of Scottish universities for having failed to make sufficient progress in this area, and believed that strong measures were necessary:

It's solved by taking specific actions and steps many of which we have begun to take through the post-16 Bill and the widening access agreements. I've moved a long way on this argument. Four years ago I would have said that I thought this was an argument that we could win by voluntary persuasion of the universities. I now believe that we should have very strong powers available to us to allow widening access to take place. But widening access will not be improved by imposing student fees which is the extension of the argument you've got. We're almost looking at two different sets of problems. (Key informant 40, Cabinet Secretary Education and Lifelong Learning)

He believed that England was unlikely to make progress on widening access because of student fees:

I wouldn't have expected [English policy] to increase the number [of students from poorer backgrounds] in any dramatic form and it has not increased that number in any dramatic form. There is a general widening access which has been taking place for several generations because of the nature of higher education and the nature of our society. The question is, how do we really tackle this, how do we get those figures into alignment with the national figures? Now, that will not happen with a fully monetarised system. You will get, of course, a small increase because that's what's happening across society. It's happening worldwide. (Key informant 40, Cabinet Secretary Education and Lifelong Learning)

The Labour spokesperson also felt that Scotland performed poorly on widening access:

Really poor. I think it's really poor. I think that we also put too much emphasis on universities to address widening access. I think if we're serious about tackling it as a problem we need to look at it as an issue right across the entire education system but also to do with wider factors around poverty and inequality, hopes and aspirations, the culture in which you are brought up, the ambitions of your parents, what your teachers tell you at school. (Labour Party spokesperson, KI 15)

... if you look at the data on access, they're not great actually. And a lot of Scottish universities clearly perform badly in relation to that. The question is, however, what are the causes of that effect? Is it the universities performing badly or is the system not allowing them to recruit in the way they do?I think universities probably do need to make more of an effort. They need to engage more, for example, with that particular target population, at a much younger age. If you are looking at access schemes that are really targeting kids, sixteen and upwards, you're too late. ...So you really need to start at the primary level. (Key informant 30, senior manager, post-92 university)

Our university have been, over the last twelve years, steadily improving its position of the order of two thirds a percent a year. And we have a range of tools. Summer schools, mentoring, Pathways to the Professions, the football one, a whole lot of things that have been steadily improving the situation. It's not been improving as rapidly as I would have liked to have seen. But there's no questions it's improving. And obviously the use of contextual information, it's improving in response to the policy work we have done. (Key informant 28, senior manager, ancient university)

Two interviewees pointed out that, with regard to widening access, English universities might be performing rather better than their Scottish counterparts:

And again if you compare it with England, the English funding system is putting a real responsibility on the universities to provide financial support for students from less advantaged backgrounds. That hasn't emerged as an issue in Scotland because of the different system we've got. (Key informant 16, senior academic, post-92 university)

So you can mount the argument by organising statistics in the right way that Scotland's not doing quite as well as some other parts of the UK. And that was essentially used as a stick particularly to beat certain universities that are perhaps, I would say, performing less well than others in this arena. It's just that their mission does not lend them quite so well to being an attractive venue for people from a low economic background. (Key informant 23, senior manager, pre-92 university)

The view from the colleges was that colleges were much more successful than universities in relation to widening access, but the paucity of poorer students in university should be seen as a systemic failure of the Scottish education system:

I think the college sector places a higher premium on that accessibility in terms of social class than the universities. Now I am not saying that the universities do not care about access from different social classes because I think they do. But I think because of the entry system and where culturally and economically the colleges have been in Scotland it's been much more important to the colleges being seen to be accessible to all and to have less barriers to entry than the university system. It has been easier to access the colleges for people wanting to study than it has been in the university. It has been less competitive if you like, that being able to get in through door. (Key informant 5, Scotland's Colleges)

By way of contrast, universities were believed to have been relatively unsuccessful:

I think even they, I hope, would admit that they could have been more successful. If you look at the numbers going into our universities in terms of social class, they are not representative. We probably would not expect them to be representative but what does that say about public policy? It probably says in terms of what we are doing at the school level, let alone the university level that is we are failing too large a cohort of Scottish people. So yes, there is failure in the system and but that is not to say it is failure by the universities or the schools. It is a collective policy failure that somehow we have not pulled up enough people to where we really want them to be. (Key informant 5, Scotland's Colleges)

Outcome agreements and performance indicators

Whereas some university respondents were critical of outcome agreements, those with a civil service background felt that it was perfectly reasonable for universities to be accountable. An interviewee also defended the Scottish Index of Multiple Deprivation as a useful indicator, since it was more robust than many others:

Yes, it depends very much exactly how you are using it, doesn't it? The problem is there aren't many other better indicators. It's certainly a more sophisticated indicator than free school meals or whatever that used to be used widely. So it takes in a range of indicators. I suppose one of the main points to make, though, is there's almost a gradient of social disadvantage against attainment, so we are not really in a position where it is just one group at the very bottom end who are hugely disadvantaged and everybody else is fine. The disadvantage is also reflected at the second and third quintiles. (Key informant 20, civil service background)

By way of contrast, despite the endorsement of widening access as a policy goal, some university interviewees were critical of the performance indicators adopted by the Scottish Funding Council:

I do have a problem with the definition of widening participation....The definition of widening participation is completely based on the Scottish Index of Multiple Deprivation. That is an index which by its very nature is heavily biased towards urban areas. There are almost no postcodes of a deprived nature in rural areas. Therefore X and X universities are heavily disadvantaged despite the fact that a lot of effort is put into low progression schools to support people being the first generation to go to university from their family. And to those who have low household incomes. All those are important issues which are not taken into account by the current definitions. And therefore for some universities it is almost impossible to get high numbers. Whereas in areas like ours, rural areas, there are many poor people who are not discussed as such. (Key informant 21, senior manager, ancient university)

This view contrasted with that of another senior manager of an ancient university, who felt that some universities were simply culturally unattractive to students from poorer backgrounds:

... we're also finding more MD40 students coming from around Scotland to us. So I think it's not just about geography it's partly also about culture, it's where would these students feel comfortable. And one of the things about it, it's partly about the programmes you run to attract more MD40 students but it's also partly about the culture, where they want to study. Do they want to study in a large civic institution that's embedded in a city where we have 28% or perhaps rising towards 30% of SIMD40 students so they don't feel as if they're in a private school or whatever. And we've been positioning ourselves as a university that way, we are saying we are an international University but one that's embedded within the civic fabric of a city like X and a country like Scotland. And that's our USP and that's what we play on. (Key informant 44, senior manager, ancient university)

In contrast to the criticisms of the performance indicators used by the SFC, one senior manager supported the idea of stronger accountability using common measures:

We've got £30 billion to spend in Scotland. £1 billion of that is going on higher education. So a 30th, which isn't insignificant. Is that an investment worth our making? And a lot of it is pretty intangible but actually concentrating on some of the tangibles helps to justify that. (Key informant 1, senior manager, post-92 university)

Future of shared services, including Research Councils

Ongoing membership of a common UK research area was seen by almost all respondents as the most important area to maintain post-independence. The Cabinet Secretary, however, had some criticisms of the way in which the Research Councils currently operated, believing that they imposed decisions on Scotland without adequate discussion:

But very often if you look at the structures of Research Councils it's done on the basis of decisions, major decisions made elsewhere and Scotland going along with them. The doctoral and post-doctoral research hubs... I think that's an interesting example where it's a policy that can be agreed on but it's not been agreed on, it's been imposed. (Key informant 40, Cabinet Secretary Education and Lifelong Learning)

He felt that, post-independence, excellent research in Scottish universities would continue, but there would be benefits with regard to greater equality in international collaborations and the establishment of a Scottish Research Council. He dismissed the UK Government's warnings that the common UK research area was unlikely to continue if Scotland became independent:

It's perfectly possible to construct a set of circumstances in which anything is impossible. I don't see why this is impossible at all. I think we could probably negotiate it in a weekend if we chose to do so in a sensible and meaningful manner. Governments do fund national research priorities but the research priorities which are set are interpreted as they rightly are by researchers. We can agree on a wide set of research priorities, not everything is to do with each individual country. We have made it clear in the White Paper and we will be publishing a research paper ourselves comparatively shortly which you'll be able to look at. There is scope for aligning existing [Scottish] Government research funding for Medicine, Environment and elsewhere into a mini-Research Council which might well operate out of the SFC to take forward some particularly Scottish research priorities but I don't think that the research being done at the moment is defined by a national research priority. It's defined by research priorities which have been come to as a result of dialogue between researchers, politicians and others and that process can continue. I just think this is within a subset of the question, 'What should the relationship be between the two countries'? I'm a believer in a modern relationship between the two countries that we can collaborate on all sorts of things and we can be the best of friends on a whole range of things but we will be able to have our own say and make our own decisions on key things which presently we cannot speak on. (Key informant 40, Cabinet Secretary Education and Lifelong Learning)

An interviewee with a civil service background was less sanguine about the automatic survival of the UK research area in the event of Scottish independence:

The big area where you could see a really substantial potential difference structurally is around research or research funding. Obviously at the moment it's a UK matter with the

volume of research funding, in terms of the government funding and also the big charities, tending to be UK based. So the debate about what the future might be for research funding is absolutely vital, you've got various models and it remains perfectly feasible that you could have an island-wide set of research councils. The question is politically 'How likely is it to be?' Because the call on that ultimately has to be London's, you'd have to assume. And they would probably call that very much on the basis of what the English universities said to them. And I don't know what the English universities would say. But if I was an English university looking at the percentage share of research council funding going to Scotland, which is disproportionately high on population share terms, though not on sector size necessarily, I might be inclined to be a little bit protective about funding. So you'd have to assume that even if we ended up with a single structure, people would start ring fencing about what possibly could go down the tubes in each direction. And that you'd have to have a bloody good argument for how it's going to be economically enhancing ... you might manage to carry off a continuation of the current way it's funded. The alternative is of course that you have your own research council in Scotland. And I would guess the academic sector here would be immensely nervous about that as an outcome. I think it's interesting that they're being very quiet about all that and it tells you a lot about their relationship with government that they're not making a bigger fuss about this in public, cause I'm absolutely sure they would have done. (Key informant 2, civil service background)

University interviewees almost all believed that existing shared services should be preserved, and the most important of these were the UK research councils:

Access to RCUK. Terribly important on what happens on that front. The maintenance of competitive funding throughout whatever system our government operates. The capacity to maintain open doors across the UK borders. (Key informant 1, senior manager, post-92 university)

This interviewee also believed that it was important for Scotland to continue to participate in the Research Excellence Framework (REF)

[The REF] is bound up, I think, with RCUK. The capacity of Scotland to really present itself to the outside world on a peer based review process that is contained within Scottish Borders I think would be not so good as operating within a UK system. UCAS, ...you could probably make it work on a Scottish system. On the other hand you'd have to ask why. Why reinvent a tartan UCAS when you've got actually a pretty effective thing? It's the same with things like the Leadership Foundation. You'll want actually the cement to be there as much as possible. (Key informant 1, senior manager, post-92 university)

Senior managers of ancient universities were particularly forthright in extolling the benefits of a common UK research area, which might even be broadened to include other countries:

Well I think the position on Research Councils [is very important]. It is good for English universities to be able to work with Scottish researchers. And it is good for Scottish researchers to be able to work with English Universities. Now we have that at the moment in what you might call a single research area across the whole of the United Kingdom. It seems to me you would not want to lose that. So first point, maintaining a

single research area is absolutely critical. To do that you have to have, it seems to me, some potential buy-in which could be arranged, it seems to me, if people wish to be sensible with the Research Councils. However, you might also want to look at the potential for a single research area with other countries. And so you might not want to restrict yourself to buy-ins with the Research Councils in England. One might want, for example, to look at Scandinavia. (Key informant 21, senior manager, ancient university)

The thing one has to be clear about is that the UK Research Councils are a success. And they deliver success for Scotland. And they deliver success for the UK. And they deliver success for Europe. And it would seem to me that once one got into any detailed thinking, one would be wanting to maintain and build on that success. And...so and I would hope and I'm very Pollyanna-ish, I would hope that post referendum, whatever the outcome, people would say that the UK Research Councils benefit Scotland, benefited Britain, so what can we do to strengthen them?... The Research Councils are very good, they're not perfect. But they are a very important asset for us and it seems to me the right question is what can we do to build on that asset? (Key informant 28, senior manager, ancient university)

However, the positive view of the UK Research Councils was not unanimous. A senior manager of a new university believed that Scotland would be better served by developing its own funding council, with research funding much more tightly geared to addressing the country's economic needs:

I'm probably the only university principal that actually takes a somewhat different view on this one. I am not a huge fan of the role of UK Research Councils. ...My view on the whole is that if ...we see a need to develop Scotland as an economy, a society, a community with its own decision making powers, if you see it in those terms then the research funding framework should have some connection with that. ... When you see it in England, that's a big enough society, big enough country and economy where you could actually say, 'We will determine who gets research funding solely on the basis of excellence. We'll ask no other question'. And when you look at it in a smaller economy you do need to ask those questions. You need to say, 'Well what is this actually doing for the country? What is tax payer getting from that other than a glow of satisfaction?' (Key informant 30, senior manager, post-92 university)

This respondent also questioned the utility of a number of other shared services:

As far as I'm concerned drop the lot. I think the REF, we'll work with it because we have to but the REF I do not believe is a good... mechanism. I think the main impact of that has been to allow the proliferation of very mediocre research, encourage it. And in fact to deprive high value research performers of the kind of support that they need because it's all going to sustain what's actually been mediocre research. QAA, if I could see that there was a relatively risk free way of getting out of QAA, I would do it tomorrow.But the impact of that kind of quality assurance mechanism actually is to proceduralise higher education, bureaucratised it which I do not believe is the same thing as making them high quality. So I wouldn't cry tears over any of these things to be honest. So there are certainly things that we should be doing together with England and together with anyone else who makes sense. But that should be because it's the right thing to do or because it

adds value. But just to maintain all these bureaucratic mechanisms, I don't think so. (Key informant 30, senior manager, post-92 university)

The future of Scottish higher education

Respondents were asked their views on the future of Scottish higher education in the event of further devolution or a vote for independence. Different views were expressed with regard to whether Scottish higher education was likely to enter a period of upheaval or stability. One interviewee noted that Scotland's economic situation would be critical:

I'm not an economist but...if there is at the moment a deficit in funding that is funded by the UK government, ...then the capacity of Scotland to generate through its own tax system, the level of resource that it has at the moment would be constrained. And if that's the case then everyone trying to get a slice of that cake will have to struggle more. (Key informant 1, senior manager, post-92 university)

Another felt maintaining access to research funding was very important and there were many uncertainties in this area:

So it could have huge implications particularly round about the area of research. We've no idea how easy it would be for Scotland to continue to be part of the UK research councils. To continue to get funding from UK charities. So it does seem to me that independence could have pretty big implications. We don't know that. It might be the case that if we became independent a new Scottish Government could negotiate with the relevant UK based bodies to maintain their position. (Key informant 16, senior academic, post-92 university)

Uncertainty about the future was mentioned frequently:

I always anticipate change. Whether it's going to be, let's say, step change or evolutionary change, it's hard to say. Again it depends on a lot of political outcomes. The outcome of the referendum, the outcome of the Scottish election subsequently, I think will make a big difference to whether or not current funding mechanisms remain as they are. And all those can make quite a substantial difference. It's a word that I think's really underestimated in its importance to universities, we are in both education and research for the long term. So knowing what our funding is, where it's coming from, what levers we need to pull to maximise it and our ability to provide stable base for interaction with partners, whether they are commercial partners for certain purposes or overseas universities and things of that kind, all are better served by pretty stable financial and political climate. And that's often underestimated. People saying the bigger the pie the better. But a pie that you know you like is sometimes a better option. (Key informant 23, senior manager, pre-92 university)

However, some interviewees believed that, after a period of instability, universities both north and south of the Border were about to experience a far more stable regime:

Frankly I think we have been through, both in England and in Scotland, a period of major upheaval. I recall a speech from Sir Eric Thomas, when he said to ministers, 'I am asking

for a period of stability. We cannot take any more upheaval'. Now look I do see us entering for the next few years into a period of policy stability. Does that mean things would not change? No, they will change. In England they will continue to be, if you like, the evolving nature of the reforms. In Scotland there will continue to be discussions and debate around widening participation and around the issues that I talked about, the evolution of the pools, the evolution of technology and innovation centres. These are things that we can just about live with. Will we see major disruptive changes in policy? I don't think so. (Key informant 21, senior manager, pre-92 university)

There are a lot of regular apocalyptic warnings about what might happen in England. Whether universities are going to go bankrupt and so on. I'm actually quite sceptical about that, I have to say. I think probably the English system is stable for the moment but may turn out to be in difficulty when the impact of the changes becomes more visible. And that may be still a generation away before we get that. (Key informant 30, senior manager, post-92 university)

Finally, there was a reminder that greater fiscal devolution might also have major implications for Scottish higher education, but this had attracted relatively little attention because of an exclusive focus on the independence debate:

The polarity of the independence debate, I think, has so concentrated our attention that I think we are behind the curve on thinking about what on earth happens if we're on the fiscal autonomy rather than an independence journey. But to be honest it raises a lot of the same issues. I think there's a genuine question which I've really not addressed properly in my own mind about does it start to unstitch the current arrangements for funding and common research infrastructure. Does it precipitate a negotiation with the UK between the Scottish and UK Governments? Or does it not? It may not. Frankly if we're just taking landfill tax and your stamp duty and stuff and your extra income tax in Scotland and you're just using that to displace what formerly was Scottish block grant for things that are within the Scottish Government's remit, actually it might be neutral. (Key informant 24, manager, Universities Scotland).

Conclusion

As has been apparent from discussions on the referendum on independence, there is considerable uncertainty about the future of Scottish higher education, which makes a major contribution to the Scottish economy. Senior staff recognised that universities had received relatively generous financial settlements over recent years, keeping pace with university funding in the rest of the UK. University managers were pleased that the Scottish Government has been able to fund universities from the public purse, but the majority were not opposed in principle to some form of student contribution and believed that the issue of tuition fees in Scotland was 'dormant' rather than permanently resolved. Trades unions and the NUS were opposed in principle to tuition fees, and opposition politicians were somewhat divided on the issue. Whilst many university managers believed that fiscal challenges in Scotland might make some form of student contribution necessary in the future, the majority viewed the English system as unsustainable due to the high burden of student debt and uncertainty over repayment rates. A graduate tax and more progressive income tax were both mentioned as possible ways of raising additional funds for higher education. College managers believed that additional funding for universities had been

raised at the expense of their institutions, which they did not regard as socially progressive due to their role as inclusive educators.

The majority of senior managers believed that the Scottish Government had centralising tendencies, and saw outcome agreements as a new form of governance which was likely to impinge on their autonomy. Taking a global view, they argued that the most successful institutions had the least 'interference' from government. College principals, by way of contrast, believed that greater university accountability would be beneficial, pointing to the four year degree and a poor record on access as examples of inefficiency in the sector. Outcome agreements relating to widening access, and associated performance indicators, were somewhat resented by the sector. Although supporting the principle of widening access, university managers felt that each university should be free to determine its own approach to widening access. The Scottish Government, unions and college managers were all critical of Scottish universities' rate of progress on widening access and supported government intervention to accelerate the process.

In relation to the impact of independence, two areas were identified as of great importance: tuition fees (particularly for rUK students) and research. Interviewees, including those with a civil service background, believed that, if Scotland were to become an EU member state, the government would have difficulty in convincing European institutions that there was an 'objective justification' to charging rUK students. Research was regarded as an even more critical area, where ongoing membership of a UK research area was essential to the strength of the Scottish research base. Although the Scottish Government had committed itself to ongoing membership of the UK research area, university managers believed that negotiations might founder over issues of funding, governance and priorities.

With regard to the opportunities of independence, interviewees recognised the importance of international students to the financial and cultural health of Scottish universities. The ability of an independent Scotland to reinstate the post study work visa was seen as beneficial. Taking a slightly different position, the NUS expressed concern about unregulated fees regime pertaining to international students and the possibility that academic standards might be threatened by the desire to recruit highly paying customers.

Overall, Scottish universities recognise that they have flourished post-devolution, but the majority of our interviewees had at least some anxieties about the conditions which universities would face in an independent Scotland.