

## Education, Children and Young People Committee

Wednesday 8 January 2025  
1st Meeting, 2025 (Session 6)

# Budget 2025-26

## Introduction

1. The Committee is continuing its scrutiny of the Scottish Government's budget for education and skills.
2. The Committee agreed to focus its pre-budget scrutiny on college and university funding, looking at the current funding settlement but also considering the sustainability of funding in the years ahead, taking into account the impact of tightening public spending and potential upcoming reforms.
3. The Committee took evidence at its meetings on [5 June 2024](#) and [12 June 2024](#) before taking evidence from the Minister for Higher and Further Education; and Minister for Veterans on [4 September 2024](#).
4. The Committee sent its [pre-budget scrutiny letter](#) to the Minister for Higher and Further Education; and Minister for Veterans on 9 October 2024. The Minister [responded on 31 October 2024](#).

## Committee meeting

5. At its meeting today, the Committee will take evidence on Budget 2025-26 from Jenny Gilruth MSP, Cabinet Secretary for Education and Skills and Graeme Dey MSP, Minister for Higher and Further Education; and Minister for Veterans.
6. The Cabinet Secretary and Minister will be supported during the session by Scottish Government officials—
  - Stuart Greig, Head of Governance and Assurance Division
  - Neil Rennick, Director-General Education and Justice
7. At its meeting on 18 December 2024, the Committee also agreed to consider [correspondence](#) it had received regarding university governance and management in the context of this evidence session.

## Supporting information

8. A SPICe briefing has been prepared for this meeting. This is included at **Annexe A**.
9. The Committee has received written evidence from Colleges Scotland, Universities Scotland and UCU Scotland. These submissions are included at **Annexe B**.

**Clerks to the Education, Children and Young People Committee**  
**December 2024**

## Annexe A

**SPICe**

**The Information Centre**  
An t-Ionad Fiosrachaidh

# Education, Children and Young People Committee

**Wednesday 8 January 2025**

## **Scottish Budget 2025-26**

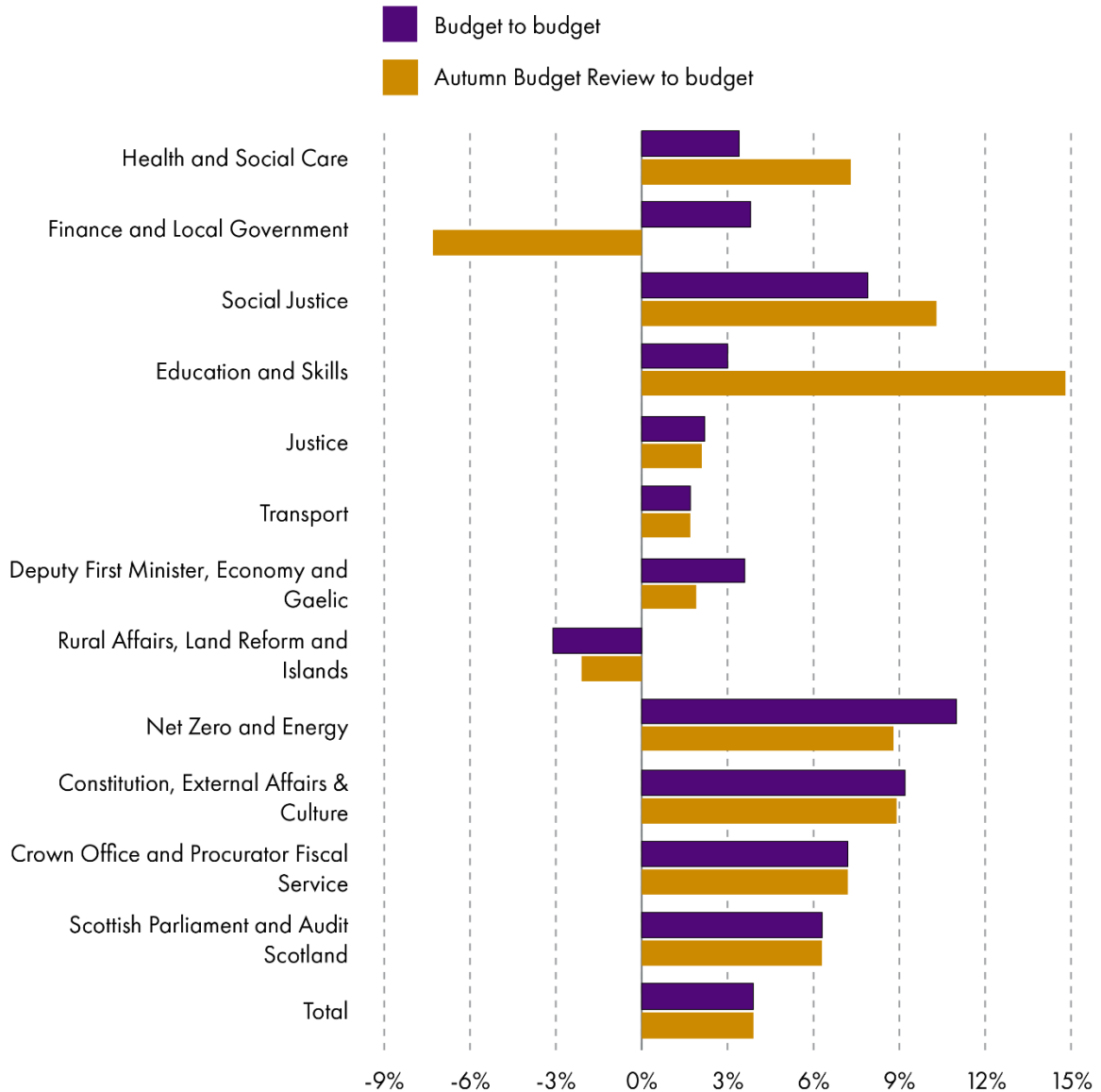
### **Introduction**

This briefing has been produced to support the Committee in its scrutiny of the Scottish Government's 2025-26 Budget.

The Committee took pre-budget scrutiny evidence on further and higher education funding on [5 June](#), [12 June](#) and [4 September 2024](#). The [Committee wrote to the Minister for Further and Higher Education; and Minister for Veterans Graeme Dey](#) in October and [received a reply](#) later the same month.

In this year's budget document, the Scottish Government used the position set out in the Autumn Budget Revision (ABR) 2024-25 as the baseline budget. In previous years, the baseline has been the previous year's budget as announced. Further information about this can be found in the SPICe blog [Scottish Budget 2025-26: initial reaction](#) and the SPICe briefing [Scottish Budget 2025-26](#).

While comparing budget to ABR has its benefits in some circumstances, for example, it means that where additional funds have been allocated to support pay-rises in year, the following years' budget is more likely to be compared to a baseline which includes this. However, where there are regular in-year transfers from one area of spend to another for a specific purpose, comparing to the ABR creates difficulties. The chart below shows how using different baselines can affect the year-on-year comparisons in different areas of spend.



As is clear, one of the most affected budget areas is Education. For the purposes of this briefing, tables include the budget as announced for 2023-24 and 2024-25, the 2024-25 ABR and the 2025-26 Budget as announced. Percentage changes are calculated using the 2024-25 and 2025-26 Budget figures in order to provide like-for-like comparisons.

## National Insurance

In the UK Government’s Autumn Budget 2024, Chancellor Rachel Reeves announced that, from 6 April 2025, employer National Insurance Contributions (NICs) would [rise by 1.2 percentage points to 15%](#). The per-employee threshold at which employers start to pay National Insurance will also be reduced from £9,100 per year to £5,000 per year.

The [UK Government has reportedly told the Scottish Government](#) it will provide between £295m and £330m for additional staff costs in the public sector. However, the [Scottish Government’s indicative costings](#) have estimated costs to be between

£520m and £580m in 2025-26 for directly employed public sector employees, rising further when contractors and third parties are included. The Scottish Budget 2025-26 document states the rise will create “additional pressures” across the public sector, business and the third sector:

“The anticipated cost for public services and organisations delivering public services under agreements is well in excess of £700 million. We will continue to press HM Treasury to fully fund this cost. The Scottish Government will take decisions on the allocation of any consequentials when we receive formal confirmation from HM Treasury.” – [Scottish Budget 2025-26](#)

The Scottish Government’s indicative costings provide the following estimates relevant to the Education and Skills portfolio:

- A £265m increase for local government.
- £5m for third-party providers of Early Learning and Childcare.
- £45m for universities.
- £20m for colleges.

However, the [Fraser of Allander Institute has stated](#) that accurate costing is difficult due to a lack of available data. The Scottish Fiscal Commission has pointed out that there is no provision in the budget for the public sector employer NICs increase announced in the recent UK Budget, and for which there is now a legal obligation.

## Further and Higher Education

The 2025-26 Budget sets out a modest increase in budget settlement for colleges and universities. This follows a tightening of both budgets in recent years: the [2022 Resource Spending Review](#) set out flat-cash settlements; in 2023-24, increases of £20m and £26m for university and college resource budgets respectively were later reversed; and the 2024-25 Budget set out a cut to college and university resource budgets.

In the Education and Skills Chapter of the 2025-26 Budget document, the Scottish Government sets out priorities for further and higher education spending stating:

“Finally, this portfolio is driving economic growth through its support for colleges, universities and the wider skills system. We are protecting the right to free tuition and driving forward our commitment to Widening Access. The budget prioritises financial assistance to students, supporting them to complete their studies in the face of significant cost-of-living pressures. The budget also supports adult learners – including parents and carers – to enter, sustain and progress in work, critical to our mission of eradicating child poverty”. – [Scottish Budget 2025-26](#)

The Scottish Government allocates funding for the further and higher education sectors to the Scottish Funding Council (SFC) via the Budget. SFC then allocates this to institutions.

**Table 1** below sets out total SFC budget announced for 2025-26, alongside the 2024-25 ABR figure and the 2023-24 and 2024-25 budgets as published. **The percentage change figure is provided by comparing the 2024-25 Budget figure with the 2025-26 Budget figure.**

**Table 1: Scottish Funding Council total budget (Level 3)**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Scottish Funding Council Administration	7.773	7.567	7.616	8.653	14.4%
College Operational Expenditure	891.681	833.021	833.898	846.197	1.6%
College Operational Income	(190.000)	(190.000)	(190.000)	(190.000)	0.0%
Net College Resource	701.681	643.021	643.898	656.197	2.0%
College Not for Profit (NPD) Expenditure	29.300	29.300	29.300	31.632	8.0%
College Depreciation Costs	26.500	31.809	31.809	35.614	12.0%
College Capital Expenditure	82.400	84.850	84.850	64.832	-23.6%
College Capital Receipts	-	-	-	-	
Net College Capital	82.400	84.850	84.850	64.832	-23.6%
Higher Education Resource	809.207	760.707	810.472	773.590	1.7%
Higher Education Capital	340.705	356.890	356.890	368.270	3.2%
Higher Education Financial Transactions (Expenditure)	26.600	-	-	-	
Higher Education Financial Transactions (Income)	(11.600)	(8.900)	(8.900)	(12.200)	37.1%
<b>Total Scottish Funding Council</b>	<b>2,012.566</b>	<b>1,905.244</b>	<b>1,955.935</b>	<b>1,926.588</b>	<b>1.1%</b>

*of which:*

Fiscal Resource	1,547.6	1,440.4	1,491.1	1,468.8
Non-cash	26.9	32.0	32.0	36.1
Capital	423.1	441.7	441.7	433.9
FTs	15.0	(8.9)	(8.9)	(12.2)
UK Funded AME	-	-	-	-

Sources: [Scottish Budget 2024-25](#) and [Scottish Budget 2025-26](#)

The total SFC Budget for 2025-26 has increased by 1.1% from the 2024-25 Budget as announced.

Further breakdowns of funding from the SFC budget to colleges and universities can be found under the ‘Colleges’ and ‘Universities’ headings of this briefing.

In addition to funding universities and colleges, the SFC budget also covers SFC administration costs. These costs have risen 14.4% from £7.6m in the 2024-25 Budget to £8.7m in the 2025-26 Budget. The [Scottish Government’s Level 4 Budget Tables](#) state this is due to “the addition of a capital operating costs programme relating to SFC transformation.”

## Sector reform: Pre-budget scrutiny

During its pre-budget scrutiny work, the Committee heard concerns about whether reforms to the post-school education landscape can be delivered effectively given tight funding settlements. UCU stated concerns about funding, while the Fraser of Allander Institute, Audit Scotland and the SFC raised concerns about the pace of change being too slow. During his evidence, the Minister for Higher and Further Education; and Minister for Veterans Graeme Dey spoke of the frustration at the pace of change, pointing to the need to consult and also highlighting ongoing work in relation to apprenticeships, careers and skills planning.

In its [pre-budget letter to the Minister](#), the Committee called for the Scottish Government to listen to concerns about the pace of change and provide indicative timescales for current work strands. The [Minister’s response to the Committee](#) reiterated early priorities, including a national approach to skills planning and the introduction of a Bill to simplify the funding body landscape. He also stated that change is phased over ten years, with “major deliverables achieved throughout”. Further information about pre-budget scrutiny of College and University funding can be found under the relevant headings below.

## Colleges

College resource and capital allocations are set out in **Table 2** below.

**Table 2: College Resource and Capital Budgets (Level 3)**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Net College Resource	701.681 (675.7)	643.021	643.898	656.197	2.0%
Net College Capital	82.400	84.850	84.850	64.832	-23.6%
Total	784.081 (758.1)	727.871	728.748	721.029	-0.94%

Sources: [Scottish Budget 2024-25](#) and [Scottish Budget 2025-26](#)

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Notes: In 2023-24, £26m initially allocated to the college resource budget was removed. This figure is shown in brackets in the 2023-24 column. The 'Percentage Change' column compares the 2024-25 budget allocations with the 2025-26 budget allocations to provide a like-for-like comparison.

This year's college revenue budget is a 2% increase on the 2024-25 Budget allocation. In real terms calculated using the [SPICe Real terms calculator](#) at 2025-26 prices, it is a decrease of 0.33%. The [Scottish Government's Level 4 data](#) states that the cash terms increase is provided to "support workforce costs including pensions and pay settlement". This follows the [announcement that £4.5m would be provided by the Scottish Government](#) to settle ongoing industrial action over pay in the college sector.

The college capital budget has decreased by 23.6% on the 2024-25 Budget. The Scottish Government's Level 4 spreadsheets state this "reflects profiled spend on multi-year capital projects".

Another development for colleges is contained in the Scottish Government's [2025-26 Public Sector Pay Policy \(PSP\)](#) published alongside the budget. The policy sets out that public sector pay metrics now apply to "further education workers". Previously, the document for 2024-25 stated the PSP was a "reference point" for further education staff and did not directly apply.

## Colleges: Pre-budget scrutiny

During pre-budget scrutiny, the Committee heard that the discontinuation of the Flexible Workforce Development Fund (FWDF) was having a negative impact on colleges, making building links with businesses more challenging. In its [pre-budget letter to the Minister](#), the Committee called for the fund to be reinstated. The [Minister's response to the Committee](#) stated his own disappointment at the end of the fund and the inability to reinstate it, adding he remained open to suggestions on how this might be done.

On overall finances, Colleges Scotland said many institutions are forecasting deficit positions with declining cash reserves. SFC said that while forecasts had slightly improved, an underlying operating deficit of around £70m was predicted, and four colleges were experiencing significant cash flow issues and being supported by SFC. Fraser of Allander warned cutting college funding could have long term impacts on economic productivity.

The Committee also explored the rise in the number of part-time student enrolments in further education (FE) courses. Fraser of Allander said this could be encouraged as a route to upskilling the workforce. Colleges Scotland noted part-time courses were more expensive to deliver. The Committee asked the Scottish Government to set out what consideration it had given to the increase in part-time enrolments, how it planned to fund colleges to deal with this change and what progress has been made on the [2023-24 Programme for Government commitment](#) to improve parity of support for those studying part time.

In [his response](#), the Minister stated SFC plans to "revamp the funding model for future sustainability". He added that the [College Alignment Tripartite group](#) is exploring with SFC whether transitional funding arrangements for individual

colleges could help support them to reshape course provision to suit the needs of learners and local businesses.

On parity of support, the Minister stated the “significant cost implications” associated with this will “take time to navigate” and an incremental approach is being considered. He noted that disabled students studying full-time distance learning courses due to being unable to attend a campus-based course have recently become eligible for living cost support.

Financial flexibilities for the college sector has been an area of ongoing interest for the Committee. During pre-budget scrutiny, the Committee heard that post-school education reform was needed alongside financial flexibilities in order to ensure financial sustainability. The Committee asked in its pre-budget letter to the Minister to be kept updated on this issue.

The Minister’s response stated that SFC is reviewing its college funding distribution model, including approach to rurality, place and institutional performance and building on flexibilities introduced previously. The implications of ONS classification of colleges as public sector bodies is also being considered by SFC as part of work to review the funding model.

The college sector’s position in relation to the Scottish Government’s fair work and public sector pay policies has been another area of ongoing interest for the Committee. The Committee previously raised questions about why colleges are not covered by the Public Sector Pay Policy (PSP) and therefore excluded from the no compulsory redundancies policy despite being ONS recognised public bodies. As noted elsewhere in this briefing, the [2025-26 PSP](#) states further education workers are covered by the policy. This follows a year in which a number of colleges stated intentions to make compulsory redundancies.

In its pre-budget letter to the Minister, the Committee asked for clarity on SFC’s powers in relation to intervene where a college is not meeting fair work requirements. The Minister’s response set out that colleges are expected to adopt Fair Work principles, and this is set out in the 2024 Letter of Guidance. He added that SFC promotes fair work principles, colleges are responsible for making workforce-related decisions in line with legislative requirements, the Code of Good Governance for Scotland’s Colleges and the SFC’s Financial Memoranda, and College Boards are responsible for monitoring individual colleges.

During pre-budget scrutiny, the Committee asked for further information about funding of £4.5m from the Scottish Government for to meet the costs of settling the long running pay dispute within the college sector. The Minister’s response to the Committee did not set this information out, stating work on the draft budget was ongoing. In evidence to the Committee on 4 September 2024, the Minister said:

“I assure the committee that we have given a clear assurance to both parties that the £4.5 million will be clearly additional to the settlement that colleges would be receiving.” – [Official Report, 4/9/24](#)

As noted earlier in the briefing, the £4.5m has been provided as part of the overall increase in college resource funding.



Audit Scotland's [Scotland's Colleges 2024](#) report was published following the Committee's pre-budget scrutiny. This found that the challenges facing colleges have increased since its 2023 report, with 11 reporting deficits in 2022-23, and funding reducing by 17% in real terms since 2021-22. The report recommended increasing the pace of reform, with the Scottish Government ensuring clarity around expectations and setting out milestones.

## College sector response to the Budget

In its [submission to the Scottish Government ahead of the budget](#), Colleges Scotland set out a total resource request of £853.3m. The representative body said this would enable colleges to deal with immediate deficits, restore funding stability, and meet the costs of staff pay deals (£4.5m to settle lecturers' pay award, £72.5m recurring costs of staff pay deals and £3.3m additional cost of the pay award for support staff). Colleges Scotland also stated funding to support transformational change is required by colleges, calling for the £26m transformation fund - proposed in the 2023-24 budget but not delivered - to be reinstated.

For capital, Colleges Scotland set out a total request of £775m, with £250m of this for bringing the college estate up to baseline condition and £525m for replacement of expired buildings.

Responding following the publication of the budget, Colleges Scotland expressed disappointment in the settlement, stating it represented a real terms cut posing "significant challenges" for college leaders. Colleges Scotland described the cut to the capital budget as "alarming", adding:

"We must advise the Committee that the failure to increase investment in college estates and address critical digital infrastructure needs is unacceptable. Many college buildings are in a state of disrepair, with some containing Reinforced Autoclaved Aerated Concrete (RAAC) that remains unaddressed. Students and staff are expected to work and learn in substandard and deteriorating conditions. This situation demands immediate attention." – Colleges Scotland submission to Committee

On the £4.5m expected to meet the costs of pay deal funding, the response states:

"While lecturing staff have an agreed multi-year pay deal in place until September 2026, it is essential to highlight that this settlement relied on a £4.5 million commitment from the Scottish Government for 2025/26. This is funding that is included in the settlement figure and erodes any uplift in spending power.

Support staff, whose pay deal extends to September 2025, have a reasonable expectation of parity of treatment with lecturing staff. The Scottish Government has yet to clarify whether additional funding will be provided to resolve this issue." - Colleges Scotland submission to Committee

Colleges Scotland also called for clarification on the budget allocation for Education Reform, seeking information about how this funding would be allocated. The [Scottish Government's Level 4 data](#) on the Education Reform budget line does not mention colleges specifically. The bulk of the funding is allocated to school curriculum work and reform of the SQA.

## Universities

University (Higher Education) resource and capital allocations are set out in **Table 3** below.

**Table 3: HE Resource and Capital Budgets (Level 3)**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Higher Education Resource	809.207 (789.2)	760.707	810.472	773.590	1.7%
Higher Education Capital	340.705	356.890	356.890	368.270	3.2%
Total	1,149.912 (1,129.905)	1117.597	1167.362	1141.86	2.17%

Sources: [Scottish Budget 2024-25](#) and [Scottish Budget 2025-26](#)

Notes: In 2023-24, £20m initially allocated to the HE resource budget was removed. This figure is shown in brackets in the 2023-24 column.

The 'Percentage Change' column compares the 2024-25 budget allocations with the 2025-26 budget allocations to provide a like-for-like comparison.

This year's HE revenue budget is a 1.7% increase on the 2024-25 Budget allocation. In real terms, calculated using the [SPICe Real terms calculator](#) at 2025-26 prices, it is a decrease of 0.68%.

The [Scottish Government's Level 4 Budget sheets](#) states that the 2024-25 ABR revenue position of £810.5m "reflects in-year budget transfers from Health and Education" with "Additional funds provided to support students and increase in unit costs."

The HE capital budget is a 3.2% increase on the 2024-25 Budget allocation. In real terms, using 2025-26 prices, it is a decrease of 0.79%.

During her statement, Cabinet Secretary for Finance and Local Government Shona Robison said of the Scottish Government's budget settlement for HE:

"...not only will we keep tuition free but we will increase total investment in Higher Education by 3.5%." - [Finance Secretary Budget statement, 4/12/24](#)

The figures as published in the budget do not show a 3.5% increase in investment. In correspondence with SPICe, the Scottish Government said that the 3.5% increase is the "combined effect" of the £12.9m increase contained in the budget and funds of around £14m the Scottish Government is expecting SFC to "release for reinvestment in the sector".

## Universities: Pre-budget scrutiny

During pre-budget scrutiny, the Committee heard that universities had faced year on year funding reductions in real terms, with UCU, NUS Scotland and Universities Scotland highlighting cuts to teaching funding. SFC acknowledged the universities budget declined by 14% over ten years.

The Committee heard that many universities are currently reliant on cross-subsidy from international student fee income, and that data from November 2023 and February 2024 showed a 20% fall in international postgraduate enrolments, with 12 institutions reporting intakes lower than forecast. The collective impact of the fall was estimated to be £100m. In its [pre-budget letter to the Minister](#), the Committee called for the Scottish Government to ensure work to broaden the cohort of international students to be urgently progressed. [In the Minister's response to the Committee](#), he stated that a key aim of the International Education Strategy published in February 2024 was to attract and diversify the international student population. Following this, a Governance Group was formed to oversee this. He added that the Scottish Government and SFC continue their engagement with the sector on financial stability and risks.

On the funding model for universities going forward, the Committee heard evidence from London Economics and UCU about the potential benefits of a 1% employer levy contributing toward the funding of higher education. The Committee asked the Scottish Government for its views on this, and for its views on alternative funding models. The Minister's reply to the Committee stated there were no current plans to discuss a levy with the UK Government, and that free higher education tuition for Scottish domiciled students remained an "absolute commitment".

The Committee also heard that rising employer pension contributions and the discontinuation of SFC funding to cover these were causing issues for universities. It asked for further updates on this area. The Minister [stated in his response](#) to the Committee that the Scottish Government will use consequential funding to help the sector meet additional costs of the Scottish Teachers Pension Scheme (STPS) "within the funding constraints we face". He added that work to determine additional costs is ongoing, and final decisions on allocation of consequential funding will be made as part of the Spring Budget Revision.

## University sector response to the budget

Ahead of the 2025-26 budget's publication, Universities Scotland initially called for a 1% real terms increase to the HE resource budget and a 3% cash terms increase in the capital budget. Following the announcement of the rise in employer's NIC, Universities Scotland issued a revised budget bid calling for an additional 3% real-terms revenue budget uplift, resulting in an overall increase of £66.78m for the resource budget. More information is available on the [Universities Scotland website](#).

In its submission to the Committee following the budget's publication, Universities Scotland stated that the budget fell short of the increase needed to achieve financial stability. The submission set out the financial challenges faced by universities in recent years and highlighted [IFS research](#) published in November this year finding a 22% cut in university teaching funding between 2013-14 and 2024-25.

Universities Scotland also stated that the 3.5% increase the Finance Secretary mentioned in her budget statement was not present in the resource budget settlement as published and only becomes possible if the £14.5m of HE resource attached to 2,500 additional university places introduced during the COVID-19 pandemic and known as 'SQA places' is retained by the sector following the removal of the places. Universities Scotland's submission states that the Scottish Government has confirmed this intention in post-budget conversations and the sector body is now calling for the Scottish Government's Letter of Guidance to SFC to set this out in full:

"This goes beyond a level of detail possible in the budget lines. It would translate what is a shared understanding between the sector and Scottish Government into official direction and doing so would give universities more certainty on their funded numbers as they make offers to applicants." – Universities Scotland's submission to the Committee

The submission states that this would not have an impact on funded places for Scottish-domiciled students as the [latest UCAS data](#) (shown in Appendix A) showed the largest number of acceptances since records began in 2015, and the SQA places were added "in response to unique circumstances in the COVID-era".

On the NIC rise, Universities Scotland asks the Scottish Government to consider finding a solution to help universities meet the additional costs of this as has been done in England and Wales.

Universities Scotland has also asked the government for clarity on the transfer of £17m from SFC to SAAS, specifically what is the purpose of a transfer at this scale.

On the issue of in-year clawback of demand-led funding, Universities Scotland stated this was becoming damaging for institutions and impacting their ability to plan for recovery.

UCU Scotland's submission to the Committee reiterated there had been a "decade of underinvestment" from the Scottish Government, adding that the 2025-26 budget as announced does not address this and "is having real consequences in Scottish universities with jobs being cut and staff facing the threat of compulsory redundancy."

UCU go on to say "threats to jobs across the sector are at the highest level witnessed for decades". It lists redundancies at the University of Aberdeen in 2023, along with current redundancies at the University of the Highlands and Islands, University of Glasgow, Robert Gordon University, Heriot Watt University, University of Dundee and University of Edinburgh. "Silent redundancies" of staff on fixed term contracts are also mentioned.

UCU's submission to the Committee also includes a letter to the Minister in advance of the budget announcement setting out the challenges faced by those working across the university sector.

## University of Dundee

On 6 December 2024 it was announced that [University of Dundee Principal Professor Iain Gillespie had resigned](#) following controversy around his salary

increase and business travel costs as university staff face redundancies. A [letter to the Committee from Maggie Chapman MSP](#) has suggested there are concerns about the governance of the university and questions about the detail of a recovery plan to address the £30m deficit the institution faces.

## Student support

Higher Education (HE) student support allocations are set out in **Table 4**. This support covers students studying HE level courses at college and university.

Please note, support for Further Education (FE) students is not included in the table below as this is distributed by individual colleges.

**Table 4: Student support (Level 3)**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Student Support & Tuition Fee Payments	328.230	304.809	321.609	287.809	-5.6%
Student Loans Company Administration Costs	6.400	6.400	6.400	5.400	-15.6%
Student Loan Interest Subsidy to Bank	2.800	4.800	4.800	3.300	-31.3%
Cost of Providing Student Loans (RAB Charge) (Non-Cash)	148.965	346.384	344.178	(396.651)	-214.5%
Student Awards Agency for Scotland Operating Costs	13.002	11.243	14.121	14.727	31.0%
SAAS Capital	4.900	6.900	6.900	6.900	0.0%
Net Student Loans Advanced	826.000	865.000	865.000	935.000	8.1%
Capitalised Interest	(316.500)	(200.000)	(200.000)	(272.000)	36.0%
Student Loan Fair Value Adjustment	(90.000)	144.107	144.107	213.505	48.2%
Student Loan Sale Subsidy Impairment Adjustment	1.300	(5.000)	(5.000)	(3.300)	-34.0%
<b>Total Higher Education Student Support</b>	<b>925.097</b>	<b>1,484.643</b>	<b>1,502.115</b>	<b>794.690</b>	<b>- 46.5%</b>

of which:

Fiscal Resource	348.6	327.1	344.6	307.6
Non-cash	150.8	346.5	346.5	(393.1)
Capital	4.9	6.9	6.9	6.9
FTs	-	-	-	-
UK Funded AME	420.8	804.1	804.1	873.2

Sources: [Scottish Budget 2024-25](#) and [Scottish Budget 2025-26](#)

The total HE student support budget has fallen by 46.5% overall from Budget 2024-25 to Budget 2025-26. The [Scottish Government's Level 4 spreadsheets](#) explain more about this overall fall by budget line:

- The Cost of Providing Student Loans (also known as the 'RAB charge') fell by over 200% from £346.4m in the 2024-25 Budget to -£396.7m in the 2025-26 Budget. This is explained as being due to a "technical adjustment based on current Economist estimations".
- The budget line for tuition fee payments to institutions and student support funds, grants and bursaries reduced by 5.6% from £304.8m in the 2024-25 Budget to £287.8m in the 2025-26 Budget. This change "reflects a forecast reduction in demand".
- The costs of administering student loans via the Student Awards Agency Scotland (SAAS) reduced by 15.6% from £6.4m in the 2024-25 Budget to £5.4m in the 2025-26 Budget. This was due to identified savings.
- SAAS operating costs increased by 31% from £11.24m in Budget 2024-25 to £14.7m in Budget 2025-26, due to an increase in non-cash requirements.
- Savings were also identified in the budget line for student loan interest subsidy, and as a result the allocation fell 31.3%, from £4.8m in Budget 2024-25 to £3.3m in Budget 2025-26.
- Capitalised interest (the interest charged on the student loan balance) on student loans increased by 36% from -£200m in Budget 2024-25 to -£272m in Budget 2025-26.
- There was also a 48.2% increase in the Student Loans Fair Value Adjustment, from £144.1m in Budget 2024-25 to £213.5m in Budget 2025-26. The Level 4 spreadsheet states this "change reflects the in-year movement".

In December 2023, the [Scottish Government announced](#) maximum student loan amounts would increase by £2,400 from academic year (AY) 2024-25. This increase – known as the special support loan – does not impact on benefit entitlement.

The introduction of the special support loan meant that the maximum available funding package is now £11,400. However, this maximum package is only available to those with household income up to £20,999 and loan funding makes up the majority of the funding. Independent students with household income of up to £20,999 are eligible for a bursary of £1,000, while young students are eligible for £2,000. Further information about the amount of bursary and loan students are eligible for based on household income can be [found on the SAAS website](#).

The [Scottish Government’s Equality and Fairer Scotland Budget Statement](#) states:

“The budget includes an uplift to the higher education student support package, making it equivalent to the Student Living Wage for students from the lowest income households for academic year 2024-25.” - [Equality and Fairer Scotland Budget Statement 2025-26](#)

While the 2024-25 uplift did bring the total available support for students from the poorest background into line with the Real Living Wage for 2024-25, the 2025-26 Budget does not provide for a further uplift to match any subsequent Real Living Wage increases.

[NUS Scotland’s news release](#) following the budget announcement stated: “Wednesday’s budget revealed a real term cut of 3.2% to student support meaning the poorest students will receive £570 less than it costs to survive.”

## Lifelong Learning and Skills

Lifelong learning and skills spending plans are set out in Table 5.

**Table 5: Lifelong learning and skills (Level 3)**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Lifelong learning	20.070	14.289	12.606	17.554	22.8%
Skills	50.575	36.936	35.316	35.328	-4.4%
Skills Development Scotland	206.588	202.455	202.392	202.284	-0.1%
<b>Total Lifelong Learning and Skills</b>	<b>277.233</b>	<b>253.680</b>	<b>250.314</b>	<b>255.166</b>	<b>0.6%</b>

*of which:*

Fiscal Resource	273.0	250.1	246.7	252.1
Non-cash	3.5	3.4	3.4	2.9
Capital	0.7	0.2	0.2	0.2
FTs	-	-	-	-
UK Funded AME	-	-	-	-

Sources: [Scottish Budget 2024-25](#) and [Scottish Budget 2025-26](#)

The total budget for Lifelong Learning and Skills in 2025-26 has risen by less than 1% on the 2024-25 Budget.

Within that, the [Scottish Government’s Level 4 spreadsheets](#) show a 39.5% decrease on the 2024-25 Budget allocation for ‘Student Support and Wellbeing’. This budget line is described as including: “...funding to support the work of the Commissioner for Fair Access, the Student Support Review, Equally Safe and mental health projects and research, and legal costs relating to student support or widening access.”

Funding provided for the provision of student mental health counsellors came to an end in 2022-23, with [SFC providing funding of £3.21m in 2023-24](#) to assist colleges and universities with transition to new arrangements.

£2.7m has been allocated to supporting the delivery of the post school education and skills reform programme, and the SQA has been provided with £2m for accreditation and validation of vocational qualifications – this is a 32.3% increase on the 2024-25 Budget allocation.

The 2025-26 allocation for skills programmes is £16.6m – this is in line with the funding for 2024-25.

Funding for Education Maintenance Allowance (EMA) has reduced from £20.7m in the 2024-25 Budget to £18.7m in the 2025-26 Budget. This is in line with expected demand.

Skills Development Scotland funding also remains consistent, with £202.3m allocated in 2025-26, down 0.1% on 2024-25.

## Lifelong learning: Pre-budget scrutiny

During the Committee's pre-budget scrutiny, the issues of limitations of SIMD data as a measure of progress toward widening access and the ending of funding for student mental health counsellors were explored.

On widening access to university for those from SIMD 0-20 areas, [the Committee asked the Scottish Government](#) for an update on work to introduce new data measures and whether legislation was required for any changes. The Committee also asked to be kept updated on progress on the actions within the Student Mental Health Action Plan and the role of the Student Mental Health and Wellbeing Working Group following the end to Scottish Government funding for student mental health support in 2023-24.

[In his response](#), the Minister stated that officials were looking at how to overcome data sharing barriers to allow free school meals (FSM) data to be shared for the purposes of widening access. This work includes engagement with UCAS on applicants self-reporting their FSM status. Scottish Child Payment and School Clothing Grant were also being considered as possible measures. The Minister also stated of SIMD:

“...continued use of a single measure has hit an inevitable ceiling.” - [Minister's response to Committee pre-budget scrutiny letter, 31/10/24](#)

On student mental health, the Minister said that the Student Mental Health Action Plan represents a move toward a more mainstreamed approach for mental health and the Committee will be updated as this progresses.

## Children and Families

The Children and Families spending plans include resources for the Children's Hearings system, preventing young offending, Scottish Social Services Council, work



to deliver The Promise and care system reform and Early Learning and Childcare expansion. These are set out in **Table 6**.

**Table 6: Children and Families**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Children's Rights, Protection & Justice	53.625	51.442	69.325	56.270	9.4%
Creating Positive Futures	37.732	43.383	28.430	55.185	27.2%
Disclosure Scotland Expenditure	23.508	23.808	29.278	25.822	8.5%
Office of the Chief Social Work Adviser	28.050	49.397	25.975	54.709	10.8%
Care Experience - Whole Family Wellbeing	95.266	84.177	38.183	87.195	3.6%
Early Learning and Childcare	51.700	73.487	34.768	83.978	14.3%
<b>Total Children &amp; Families</b>	<b>289.881</b>	<b>325.694</b>	<b>225.959</b>	<b>363.159</b>	<b>11.5%</b>

Sources: [Scottish Budget 2024-25](#) and [Scottish Budget 2025-26](#)

[Level 4 data](#) shows the bulk of the 27.2% increase in the 'Creating Positive Futures' budget is due to a 66.7% increase in capital grants funding for playpark renewal. The bulk of this will be transferred to local authorities in-year. There is also an 8.3% increase in funding for the 'Supporting Families with Disabled Children' budget line, which increases slightly from £5.4m in the 2024-25 Budget to £5.9m in the 2025-26 budget. The Children and Young People Families Early Intervention Fund also increases by 8% to £18.3m in 2025-26.

The Office of the Chief Social Work Adviser's overall budget increases 10.8% to £54.7m. Within this, the Scottish Social Services Council resource budget decreases by 31%, from the 2024-25 budget figure of £22.6m to £15.6m. The 'Workforce Development' budget line rises 46.1% to £39.1m. This includes funding for a Real Living Wage uplift, which will likely be transferred to local government in-year.

The [2021-22 Programme for Government \(PfG\)](#) committed to a [Whole Family Wellbeing Fund \(WFWF\)](#) of £500m over Session 6 of Parliament. This is aimed at tackling issues faced by families before they need crisis intervention. The PfG also stated that from 2030, at least 5% of community-based health and social care spend will be focused on preventative measures. The overall intention of this preventative spend is to reduce the number of children being taken into care.

[Level 4 data](#) gives detail on budget for the WFWF. £50m is allocated for 2025-26 – the same amount of funding as was in the 2023-24 and 2024-25 budgets. This will bring the total allocated to the WFWF since 2022 to £160m<sup>1</sup>.

The Whole Family Wellbeing Fund budget line is part of the ‘Care Experience – Whole Family Wellbeing’ budget, which also includes funding for delivery of The Promise to care experienced children and young people. Overall, funding has increased 3.6% from £84.2m in the 2023-24 Budget to £87.2m in 2024-25. This includes a 9% increase for The Promise budget line, which increased to £36.6m.

Early Learning and Childcare is addressed later in this paper.

## School Education and ELC

### Learning

The Learning level 2 includes three level 3 areas of spend. These are:

- Education Analytical Services
- Improvement, Attainment and Wellbeing
- Workforce, Infrastructure & Digital

The table below sets out the data for these level 3s:

**Table 7: Learning:  
Level 3s**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Education Analytical Services (Resource)	3.28	3.13	3.72	4.33	38%
Education Analytical Services (Capital)	0.80	1.18	1.18	1.65	40%
Improvement, Attainment and Wellbeing (Resource)	133.58	143.37	104.57	186.73	30%
Improvement, Attainment and Wellbeing (Capital)	80.20	43.21	43.21	0.20	-100%
Workforce, Infrastructure & Digital (Resource)	265.89	511.27	263.35	574.35	12%
Workforce, Infrastructure & Digital (Capital)	13.20	10.30	10.38	11.27	9%

<sup>1</sup> Calculated adding the £50m allocated for 2025-26 to the previous total of £110m detailed in [Written Answer S6W-29612](#).

The following sub sections looks at each of these three areas in turn.

## Education Analytical Services

This budget supports a range of analytical services across a range of policy areas. On the whole the budget for this area increased by £1.2m in resource and £0.5m in capital funding compared to the 2024-25 Budget. The level 4 document stated that all of these changes reflect “in year transfers in 24-25 to support analytical activity, compared to the 25-26 starting budget position.” It is not clear what this means, given that there was not much movement between the 2024-25 Budget and the ABR and the 2025-26 budget is higher than both.

## Improvement, Attainment and Wellbeing

**Table 7.1: Improvement, Attainment and Wellbeing, Level 4s**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Communication Teams (Schools)	0.18	0.18	0.18	0.18	0%
Raising Attainment	79.87	81.89	65.00	82.21	0%
Compensation Payments (SPPA)	0.44	0.42	0.42	0.34	-19%
Equalities, Inclusion and Additional Support for Learning	26.83	27.43	13.62	57.04	108%
Health and Wellbeing (Resource)	26.25	33.45	25.35	46.95	40%
Health and Wellbeing (Capital)	80.00	43.01	43.01	0.00	-100%
Grant Aided Special Schools Indirect Capital	0.20	0.20	0.20	0.20	0%

*Raising Attainment* includes:

Attainment Scotland Fund to support the Scottish Attainment Challenge, National Improvement Framework programmes and for the School Clothing Grant.

This line very slightly increased compared to the 2024-25 budget – essentially it is flat cash. This will reflect the fact that the total allocated to the [Strategic Equity Fund remains around £43m](#) – indeed the totals of the SEF are planned to be reduced in 2025-26 as the transitional taper from the Challenge Authority model to the SEF ends in 2025-26. In real terms, the 2025-26 budget for Raising Attainment is around 2% less than the amount in the 2024-25 budget.

*Equalities, Inclusion and Additional Support for Learning* includes:

Funding to Grant Aided Special Schools and for the implementation of additional support for learning including Enquire, CALL Scotland, Let's talk ASN, Scottish Sensory Centre, Dyslexia Scotland, Scottish Network for Able Pupils, Scottish Traveller Education Project and contribution towards Membership of the European Agency for Special Educational Needs and training of independent adjudicators.

This line is set to increase by around £29m in 2025-26. The Government explains that this reflects inflationary increases and “additional funding provision for ASN, including an allocation for national programmes to support the workforce.” The Cabinet Secretary for Finance and Local Government [told the Parliament on 4 December 2024](#)—

“I have heard from Jenny Gilruth about the challenge that many children with additional support needs face in our schools. I will fund a £29 million ASN plan, which will deliver measures such as training, so that more of our teachers can become ASN teachers.”

*Health and Wellbeing* includes:

Support for implementation of Health and Wellbeing across the curriculum - food and health, relationships, sexual health and parenthood education. It also provides national support for a range of projects promoting positive relationships, behaviour, mental health and wellbeing and engagement in schools and the national anti-bullying service.

The resource funding for Health and Wellbeing is increasing by around £13m. The Government explained that this “includes provision for expanding free school meals to those in receipt of the Scottish Child Payment in Primary 6 and Primary 7.” The [Scottish Fiscal Commission](#) estimate that the families of 42% of children aged six to fifteen are eligible for the SCP in 2024-25. This is expected to rise to 43% next year. The Scottish Fiscal Commission estimates a take up of 91% in the current year and 92% next year. This would mean that the take up of the SCP in 2025-26 is estimated to be around 40% of the population of 6-15s. Around 21% of P6s and P7s are currently registered for FSM.

It is also notable that the capital provision for this line has been removed for 2025-26. This capital funding was to support the expansion of free school meals in schools. The Government's budget documents do not provide an explanation to this reduction in capital funding. The fact that the full allocation of capital (£43.01m) remained in this budget line at the ABR means that the Government had not transferred it to local authorities at that point in the current financial year.

## Workforce Capital and Infrastructure

**Table 7.2: Workforce, Infrastructure & Digital, Level 4s**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Teacher Training	178.25	170.58	165.12	212.57	25%
Teacher's Pay	0.00	242.00	0.00	243.80	1%
School Estate	0.40	0.40	0.10	0.40	0%
Technologies for Learning (Resource)	7.31	6.31	6.31	6.31	0%
Technologies for Learning (Capital)	13.00	10.00	10.00	10.00	0%
Schools Unitary Charges	70.98	81.98	81.84	99.44	21%
Jordanhill School	7.00	8.06	8.06	9.36	16%
Jordanhill School Indirect Capital	0.20	0.30	0.38	1.27	323%
St Mary's Music School Grant Payments	1.60	1.60	1.60	1.90	19%
Learning and Support - Advice and Policy	0.35	0.34	0.34	0.57	69%

*Teacher Training* includes:

Funding to maintain teacher numbers, recruit and train student teachers, operate the teacher induction scheme and enable initiatives to support the structure of teachers' professional learning in Scotland.

There has been a £42.0m increase in this budget compared to the budget last year. The level 4 spreadsheet says there is "additional cover to uprate funding to maintain teacher numbers at previous levels." Members will be aware of the tensions between local government and the Scottish Government on the progress of the Government's commitment in the 2021-22 PfG to recruit "at least 3,500 additional teachers and 500 classroom assistants" over the course of the Parliament. Speaking [in Parliament on 10 December](#), the Cabinet Secretary said—

"I am pleased that, in the budget, the Government has continued to recognise the importance of teacher numbers, by uplifting the £145.5 million to maintain teacher numbers by £41 million, which provides additionality and more support for councils. We are also providing councils with an additional £28 million to address additional support needs in our schools, which is to be used to employ more specialist staff, such as ASN teachers, to support children and young people with additional needs. Through the budget settlement, we are offering Scotland's councils an extra £69 million, which will see local government and the Scottish Government commit to working together to

restore teacher numbers to 2023 levels next year. I am pleased that COSLA leaders have responded positively to that offer.”

The expansion of the workforce is also related to the commitment to reduce class contact time by 90 minutes. [Speaking to Parliament in the context of qualifications reform in September](#), the Cabinet Secretary said indicated that she would like to see prompt progress on this. In her statement on 10 December, she said—

“On class contact time, I want us to rapidly make a joint proposal [with local government] to the Scottish Negotiating Committee for Teachers to make progress at pace. Creating the necessary time for Scotland’s teachers to engage with education reform has never been more important, and I know that the teaching profession is responding to an increasing workload, post-pandemic.”

[A statement from the SNCT Teachers Side issued just prior to the Budget said—](#)

“Over the past three and a half years, the repeated attempts of the Teachers’ Panel to push for progress on the reduction in class contact time have been met with delay and obfuscation, a situation that cannot be tolerated any longer.

“As such, the Teachers’ Panel has unanimously resolved that in the event of there being no indication of the plan for the swift implementation of the class contact time commitment within the terms of the Scottish Government’s budget setting process this week, a formal dispute will be declared through the SNCT.”

*Teacher’s Pay* covers the Government’s contribution to local authorities to support the “historic pay deal for our teachers”. All of this is transferred to local authorities in-year.

The teacher training budget line also includes around £40m to support the Teacher Induction Scheme. The Cabinet Secretary [told Parliament on 10 December](#) that the Government “will work with partners to ensure that the teacher induction scheme meets the needs of the system.”

*Schools Unitary Charges* covers:

“Scottish Government revenue funding commitments to local authorities to cover the unitary charge payments for Scotland’s Schools for the Future programme (SSF) and outcomes-based funding payments for Learning Estate Investment Programme (LEIP) projects.”

This line has increased by £17.5m to £99.4m in 2025-26. The Scottish Government describe the [Learning Estate Investment Programme](#) as a “£2 billion [programme] to build new, modern, state of the art facilities.” The intention of the scheme is that the lifetime costs of each project are shared 50/50, with the Scottish Government’s share being dependent on outcomes. The local authority will use its capital budget or borrowing powers to build a school. Scottish Government funding for LEIP projects is not a contribution to construction costs but an annual revenue funding on the achievement of defined outcomes. These outcomes are, broadly—

- Condition
- Energy efficiency
- Digitally enabled learning
- Economic growth
- Embodied carbon
- Education Reform

**Table X: Workforce, Infrastructure & Digital, Level 4s**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Curriculum	30.91	30.03	9.44	31.72	6%
Schools Reform (Resource)	12.73	12.21	12.01	15.25	25%
Schools Reform (Capital)	0.00	0.00	0.00	1.62	
SQA Development /Accommodation Costs	3.44	3.60	3.60	3.60	0%
Scottish Qualifications Authority	18.82	18.82	19.84	18.82	0%
Scottish Qualifications Authority - Capital	2.50	3.87	3.87	8.50	120%

*Curriculum* includes:

“Funding to support a range of work across the Curriculum for Excellence, and includes funding to remove core curriculum charges and provide free instrumental music tuition.”

*Schools reform* covers the Education Reform programme, including the new Centre for Teaching Excellence, Qualifications Scotland, His Majesty's Inspectorate for Education and refocussed Education Scotland. The reason for the £1.6m of capital in 2025-26 was not explained.

## Education Scotland

This line sets out the funding for Education Scotland in the coming year. Revenue expenditure will increase 7% (budget-to-budget) to £28.4m. This is explained as to cover workforce costs.

## Pupil Equity fund

The Scottish Government's budget allocates £120m for the pupil equity fund. However, the annual funding to schools (via local authorities) is higher, circa £130.5m. The Scottish Government's budget document notes—

“As in previous years, a portion of the raising attainment budget line will be used to top-up Pupil Equity funding above £120 million, to meet the increasing costs of the programme.”

## Early Learning and Childcare

**Table 9: Early Learning and Childcare, Levels 4**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
ELC Expansion (Resource)	26.47	26.47	28.27	28.37	7%
ELC Expansion (Capital)	0.00	5.50	5.31	0.23	-96%
School Age Childcare (Resource)	36.32	14.51	16.17	18.38	27%
School Age Childcare (Capital)	5.00	5.50	4.71	7.00	27%
Holiday Meal Alternative	0.00	21.75	0.00	21.75	0%

The *ELC Expansion* lines fund:

“The delivery of early learning and childcare policy to continue implementation of 1140 hours, funding activity that directly supports children and families as well as supporting local authorities in delivery, supporting including the training and upskilling of the workforce and supporting sector sustainability. Funds the early years contribution to the childcare Early Adopter Communities.”



The *School Age Childcare* fund:

“The Childcare Early Adopter Communities, Access to Childcare projects and the SFA ‘Extra Time Programme’. Collectively funding SACC services for over 4500 children and their families. Primary driver is tackling poverty and the target families are those most at risk of living in poverty (through the lens of the 6 priority family types). Also funding the design of a future digital childcare service. ... Additional funding to support further testing and delivery of breakfast club provision.”

The ‘Holiday Meal Alternative’ level 4 line has not changed and remains at £21.75m – the same as both 2023-24 and 2024-25. It is not clear how or whether the change in eligibility of FSM in P6 and P7 would affect the funding to families for holiday meals; and, of course, a flat cash settlement is real terms decrease.

## Local authority funding

Members will be aware that local government are primarily responsible for the provision of school education (including ELC) and supporting children and young people and their families.

The following table is taken from the [SPICe Briefing on the Budget showing the revenue settlement to local authorities compared to last year](#). A further briefing focusing specifically on local authority funding should be published before the Committee meeting.

**Table 10: Local Government revenue settlements 2024-25 and 2025-26 (Cash terms) (£m)**

Local Government	2024-25 Budget document	2025-26 Budget document	Cash change (£m)	Cash change %
General Revenue Grant	8,403.90	9,458.40	1,054.50	12.50%
Non-Domestic Rates	3,068.00	3,114.00	46	1.50%
Specific (ring-fenced) Resource Grants	238.8	247.4	8.6	3.60%
Revenue within other portfolios	1,534.4	1,438.3	-96.1	-6.30%
<b>Total revenue in Finance Circular</b>	<b>13,245.10</b>	<b>14,258.10</b>	<b>1,013.00</b>	<b>7.60%</b>

Lynne Currie, Senior Researcher (FE/HE, Children’s social work, child protection and adoption) and Ned Sharratt, Senior Researcher (Education, Culture), SPICe Research

**19 December 2024**

Note: Committee briefing papers are provided by SPICe for the use of Scottish Parliament committees and clerking staff. They provide focused information or respond to specific questions or areas of interest to committees and are not intended to offer comprehensive coverage of a subject area.

The Scottish Parliament, Edinburgh, EH99 1SP [www.parliament.scot](http://www.parliament.scot)

## Appendix A: UCAS applicants and acceptances

**Table 11** below shows **Scottish domiciled applicants to Scottish universities**. It shows the number of overall applicants, number of accepted applicants and the proportion of applicants accepted. The proportion of Scottish-domiciled applicants accepted to Scottish universities rose to 78.8% in 2024.

**Table 12** shows the proportion of accepted applicants for home domicile and home country of provider. I.e. Scottish domiciled applicants to Scottish universities, English domiciled applicants to English universities etc. The proportion of Scottish domiciled applicants accepted to Scottish universities is 78.8%, compared to 79.4% for England, 60.5% for Wales and 59.4% for Northern Ireland. The proportion of UK-domiciled applicants accepted to UK universities is 82.1%. This will be the case because some applicants will be accepting places outwith their home nation.

These figures can be found by clicking on the 'Applicants & Acceptances' heading under the 'Sector' tab on the [UCAS End of Cycle Data for 2024](#). You can then select 'Country of provider' at the 'Show me' drop down menu at the top left of the screen, and 'Domicile' using the drop down menu at the right hand side of the screen.

<b>Table 11: Scottish domiciled applicants and acceptances to Scottish universities (All age groups)</b>							
	2018	2019	2020	2021	2022	2023	2024
<b>Total no. applicants</b>	50,665	48,790	49,780	53,920	49,620	46,655	47,995
<b>Total no. accepted applicants</b>	35,515	34,095	36,930	37,520	35,690	35,320	37,805
<b>Proportion of applicants accepted (%)</b>	<b>70.1%</b>	<b>69.9%</b>	<b>74.2%</b>	<b>69.6%</b>	<b>71.9%</b>	<b>75.7%</b>	<b>78.8%</b>

Source: [UCAS End of Cycle data](#) (Filtered by 'Country of provider' and 'Domicile')

<b>Table 12: Proportion of applicants accepted by domicile of applicant and home country of provider: UK nations (%)</b>							
	2018	2019	2020	2021	2022	2023	2024
<b>SCOTLAND</b>							
<b>Proportion of Scots-domiciled applicants accepted</b>	70.1%	69.9%	74.2%	69.6%	71.9%	75.7%	78.8%
<b>ENGLAND</b>							
<b>Proportion of English-domiciled applicants accepted</b>	80.7%	81.2%	82.8%	79.5%	77.8%	77.9%	79.4%

<b>WALES</b>							
<b>Proportion of Welsh-domiciled applicants accepted</b>	64.5%	63.8%	64.3%	58.7%	58.9%	59.7%	60.5%
<b>NORTHERN IRELAND</b>							
<b>Proportion of NI-domiciled applicants accepted</b>	53.5%	58.3%	65.9%	59.6%	59.1%	59.4%	59.4%
<b>UK</b>							
<b>Proportion of UK-domiciled applicants accepted</b>	82.2%	82.6%	84.8%	81.5%	80.0%	80.5%	82.1%

Source: [UCAS End of Cycle data](#) (Filtered by 'Country of provider' and 'Domicile')

## Appendix B: Deputy First Minister and Cabinet Secretary for Economy and Gaelic

The Deputy First Minister and Cabinet Secretary for Economy and Gaelic's portfolio includes: Redress Scotland and the Scottish Child Abuse Inquiry; and Gaelic.

The Cabinet Secretary for Education and Skills may not be able to respond to questions on these matters and the details here are presented for Committee members' information.

### Gaelic

The DFM's portfolio now includes the Scottish Government's funding for Gaelic. This includes a level 3 'Gaelic' line as well as grant funding to local authorities to support Gaelic education. The table below sets out the funding at Level 2 for both these aspects.

**Table 13: Gaelic**

	2023-24	2024-25		2025-26	% Change
	Scottish	Scottish	2024-25	Scottish	2025-26
	Budget	Budget	ABR	Budget	Budget
	£million	£million	Budget	£million	on
			£million		2024-25
					Budget
Gaelic Resource	22.14	21.12	21.53	25.54	20.9%
Gaelic Capital	4.00	4.00	4.00	5.00	25.0%
Gaelic (LA Resource Specific Grant)	4.48	4.48	4.48	4.48	0.0%

The Level 2 'Gaelic' line includes funding for Scots. The Resource funding in this line increased by around £4.4 million compared to the budget for 2024-25 and £4.0 million compared to the 2024-25 ABR. The Government state "the Gaelic and Scots programmes has received an additional £4.7m resource funding from 2024-25 to support the delivery of the Scottish Languages Bill." It is not clear how the Government has come to this figure.

The additional money is spread across a number of lines at level 4 when comparing the 2024-25 Budget to the 2025-26 budget. Notably, Scots Language Development increased from £0.25m to £0.95m. Gaelic Education, Culture and Arts, which includes funding for Sabhal Mòr Ostaig and Storlann has increased from £1.65m to £3.15m.

## Redress

The Redress Scheme was previously included in the Children and Families Spending Plans, but has now moved to the Deputy First Minister, Economy and Gaelic portfolio. The budget allocation for this has remained steady, with £60.3m allocated in the 2024-25 Budget and £60.4m in the 2025-26 Budget. This is shown in **Table 14** below.

**Table 14: Redress, Relations and Response (Level 2)**

	2023-24 Scottish Budget £million	2024-25 Scottish Budget £million	2024-25 ABR Budget £million	2025-26 Scottish Budget £million	% Change 2025-26 Budget on 2024-25 Budget
Total Redress, Relations and Response	60.7	60.3	54.3	60.4	0.2%

Sources: [Scottish Budget 2024-25](#) and [Scottish Budget 2025-26](#)

## Appendix C: Data

Every December, the Scottish Government publishes a range of education data.

The Summary statistics for schools in Scotland includes the first tranche of data from:

- Pupils census
- Teacher Census
- Early Learning and Childcare census

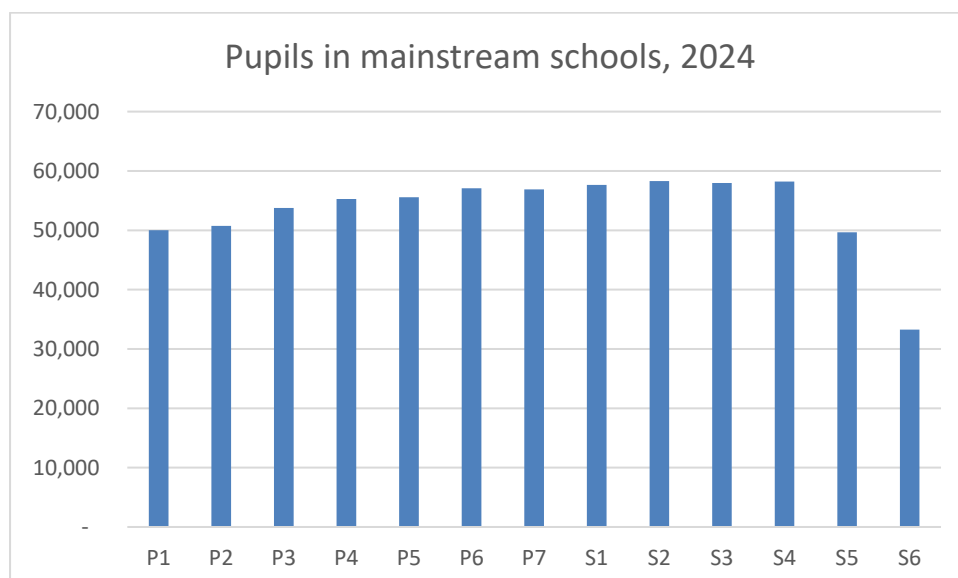
On the same day the Government published the Achievement of Curriculum for Excellence Levels (ACEL) publication, which provides data on the literacy and numeracy achievement of pupils at certain stages in education.

### SUMMARY STATISTICS FOR SCHOOLS IN SCOTLAND

#### Pupils

##### *Total number of pupils*

Birth rates in Scotland have been declining since the early 1960s. There was an increase in the numbers of births in the first decade of this century peaking in 2008, and since then the trend has returned downwards. The [NRS publishes data on births](#); the latest data is from 2023 which has the lowest number of recorded births since records began in 1855. The next lowest was 2020 and the last 5 years of data are the 5 lowest on record. This directly impacts the number of pupils in Scotland's schools. The majority of pupils born in 2008 would be in S4 in 2024.

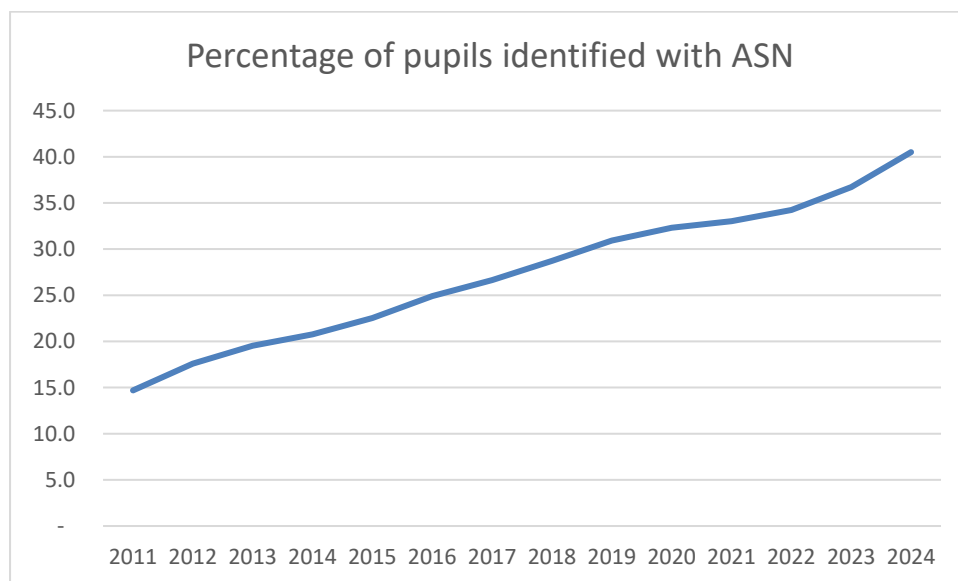


The chart above shows the number of pupils by stage in 2024. The number of pupils in each year's cohort is fairly stable until S5 and S6. In S5 and S6 pupils may choose to leave school.

The roll in P1 is the lowest this century and is likely to be the lowest ever. Rolls for primary schools have been reducing since 2017 and rolls in secondary schools have been increasing in the same period. It is likely that in the coming years secondary school rolls will reduce.

### *Pupils with an additional support need*

Another trend over the last 15 years is the increase in the number of pupils with at least one identified additional support need. 40.5% of all pupils have at least one ASN.



The extent to which the rise represents changes in the population or changes in identification is not clear. The statistical summary states:

“The number of pupils identified with ASN has increased markedly since 2010 and there continue to be year on year increases ... These increases were likely due in part to continued improvements in recording and the introduction of the additional need types 'Child plans' and 'Other' in 2011.”

### **Schools**

Since 2018, the number of primary schools has fallen from 2,012 to 1,978. In the same period, the number of secondary schools has risen slightly from 357 to 360. The number of special schools has fallen from 113 in 2018 to 107 in 2024; at the same time the number of pupils in special schools has risen 17% from 6,823 to 8,002,

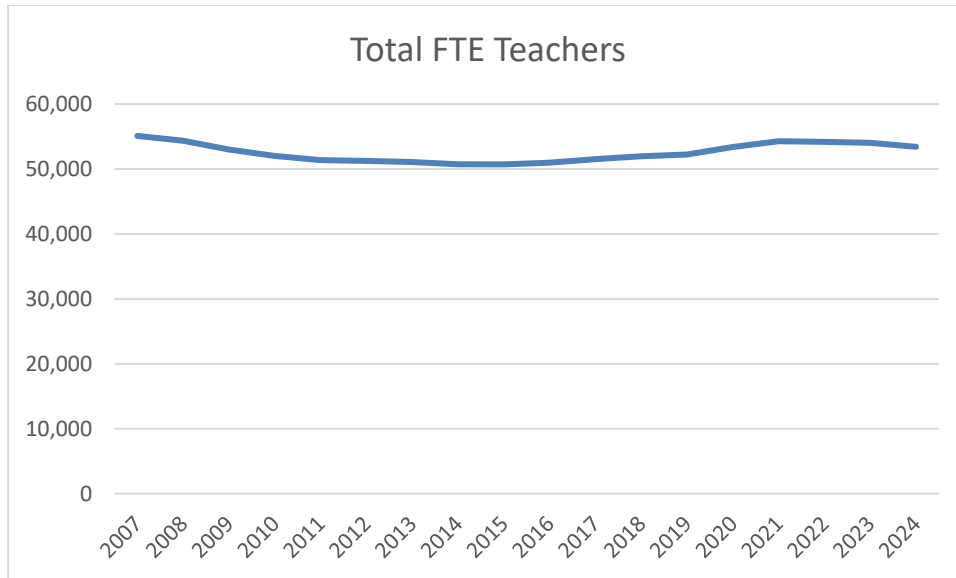
### **Teachers**

For the third year in a row, the total number of FTE teachers fell in 2024. Across all sectors there were 53,412 FTE teachers in publicly funded schools. These falls have created tension between local government and the Scottish Government. In the 2021-22 Programme for Government, the Scottish Government committed to recruit “at least 3,500 additional teachers and 500 classroom assistants” over the course of the Parliament. Local authorities employ teachers and the Scottish

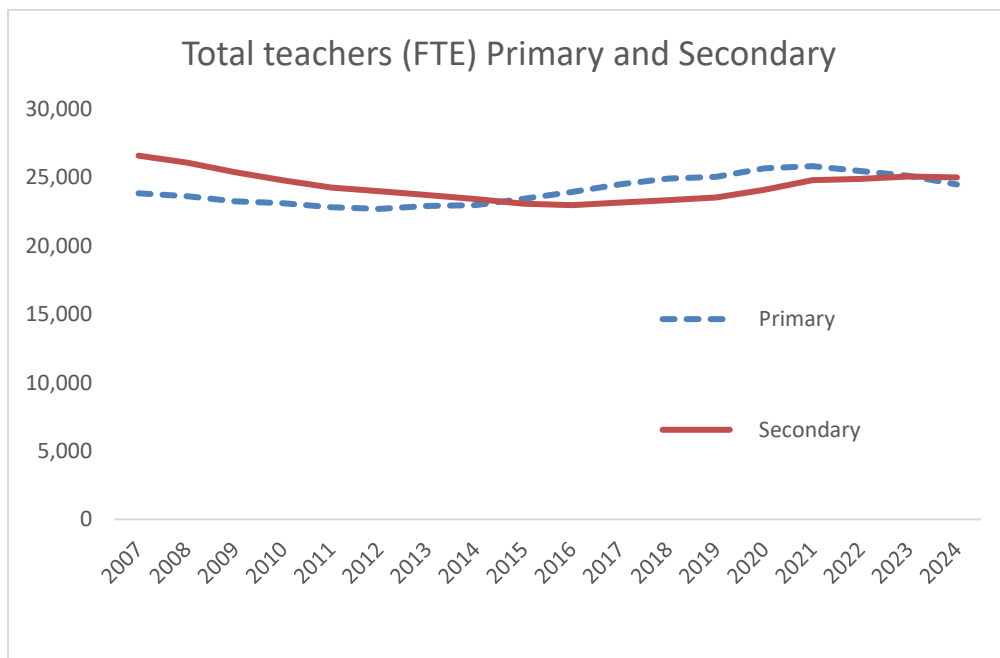


Government had provided additional funding initially for the purpose of increasing, and then maintaining the number of teachers.

While there have been reductions in recent years, the total number of teachers is higher than the average since 2007. The chart below shows the total number of FTE teachers since 2007.

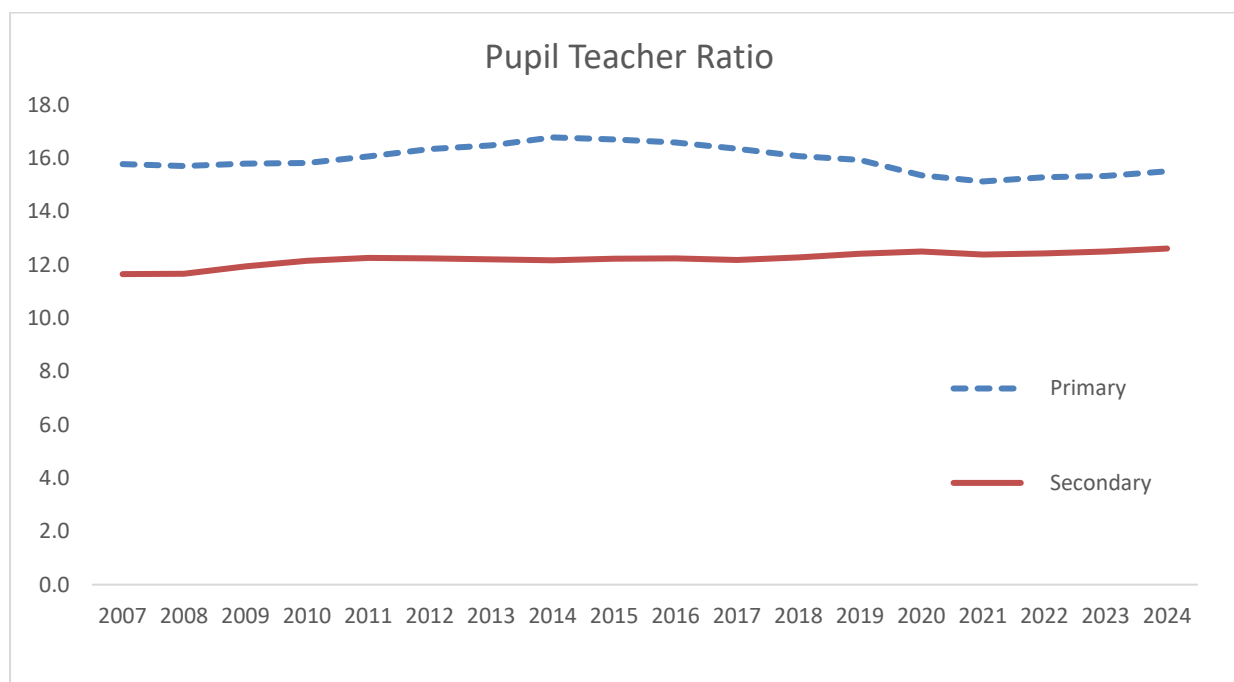


As well as those in mainstream primary and secondary schools, the chart above includes teachers working in ELC, Special schools and that are centrally employed by the local authority. The next chart shows only primary and secondary teachers.



The fall in teachers in the past three years is mainly a fall in primary school teachers. Indeed, the fall in the number of primary teachers since 2021 is 1,339 which exceeds the total fall in teachers. There has been an increase in secondary, special and centrally employed teachers in that period.

As we have seen above, there has also been a fall in the number of primary school pupils. A metric that takes account of changing pupils rolls and the number of teachers is the pupil teacher ratio (PTR).



In the primary sector, the PTR is lower than for most years going back to 2007, albeit it has grown since 2021. In the secondary sector the PTR has been consistently increasing since 2007. Up to 2016, this was driven by reducing teacher numbers, but since then teacher numbers have increased but, as discussed above, pupil numbers in secondary schools have been increasing.

Teachers that qualify in Scotland are required to undertake a course in Initial Teacher Education. This allows an individual to provisionally register with the GTCS. To gain full registration, a teacher is required to gain further classroom experience. Most do this as probationary teachers working through the teacher induction scheme (TIS).

In recent years there has been a fall in the retention of probationary teachers. 65% of the 2023/24 TIS cohort were employed as teachers in September 2024. The table below shows the retention of teachers in the past seven cohorts. It is notable that there are, in percentage terms, more teachers from the 2017/18 cohort teaching this year than the 2023/24 cohort.

**Long-term employment of Teacher Induction Scheme probationers, Scotland, 2017/18 to 2023/24 (percentage of headcount)**

Cohort	Sep-18	Sep-19	Sep-20	Sep-21	Sep-22	Sep-23	Sep-24
2017/18 cohort	<b>87</b>	84	84	84	81	80	79
2018/19 cohort		<b>84</b>	85	85	82	80	79
2019/20 cohort			<b>85</b>	84	82	81	79
2020/21 cohort				<b>80</b>	81	76	76
2021/22 cohort					<b>70</b>	73	72
2022/23 cohort						<b>71</b>	72
2023/24 cohort							<b>65</b>

## Early learning and childcare

The statistics on ELC show the number of registrations of children at centres providing funded ELC. Funded ELC is available to all 3 and 4 year olds, eligible 2 year olds and 5 year olds who have not begun school.

The number of 3 and 4 year olds accessing funded ELC has reduced year on year since 2017; this will largely be a result of the falling birth rates. Generally, in that period the estimated take up has been near universal; however, there was a drop from 97% to 94% between 2023 and 2024.

Until recently analysing the number of 2-year-olds accessing funded ELC has been challenging. The number of registrations has been published but it has not been clear what the population of eligible children has been. Following data sharing agreements and regulations, the Scottish Government now has access to aggregate data on households in Scotland in receipt of the majority of 'qualifying benefits' and with a child of the relevant age. Local authorities should also be able to identify eligible families for the purpose of promoting funded ELC. This has allowed for better estimates of the take up of eligible 2-year-olds in the past two years. The estimated uptake rate for eligible 2-year-olds is 59% in 2024, an increase from 52% in 2023.

As of 1 August 2023, any 4 year old child whose parents/carers choose to defer entry into P1 are entitled to continue to receive funded ELC. Previously children born in January and February were entitled to additional funded ELC, while children born between September and December were funded at the discretion of the local authority. Around a third of children eligible for deferral now do so and receive funded ELC – this is double the proportion in 2018.

## Attendance

Attendance is an issue that has gained great salience in policy and political debates in recent years. Data on attendance and absence was included in the Summary Statistics in Schools in Scotland for the first time last year. Prior to that, data on this was published in a separate release biennially.

The Scottish Government's publication explained—

“The overall attendance rate for 2023/24 was 90.3%. This means that of all the possible half-days (openings) that all pupils could have attended school, they were recorded as attending for 90.3% of those half-days.

“For the period from 2008/09 to 2018/19 the attendance rate was relatively stable at around 93% (see the historical attendance and absence statistics). In 2020/21, during COVID-19, the attendance rate dropped to 92.0% and then dropped again in 2022/23 to 90.2%. Therefore, although the attendance rate for 2023/24 represents an increase on the previous year, it is still lower than the pre-COVID-19 period prior to 2022/23.”

The data presented shows that in 2023/24 there are lower rates of attendance from:

- Pupils with ASN (87.4%) compared to those with no ASN (92.0%)

- Secondary pupils (87.6%) compared to primary pupils (92.5%)
- Living in the most deprived areas (SIMD1 quintile) (86.9%) compared to those living in the least deprived areas (SIMD5) (93.6%)

Compared to before the pandemic, there has been a large rise in pupils who are defined as “persistently absent” – those with 10% or more sessions missed. In 2018/19, 21.8% of pupils were persistently absent; in 2023/24 31.4% were persistently absent. The 2023/24 figure has fallen by 1.1% compared to 2022/23.

## ACHIEVEMENT OF CURRICULUM FOR EXCELLENCE LEVELS (ACEL)

[ACEL](#) was introduced in 2015-16. It provides cohort data on literacy and numeracy. It [is based on teachers’ professional judgements on pupils expected Curriculum for Excellence level](#). This judgement is intended to be supported by: observations and assessments in the classroom, the Scottish National Standardised Assessments, and any other local standardised assessments. Local authorities collect the data in their area and “will perform their own quality assurance of the data in discussion with schools as necessary”.

Due to inconsistencies in the first year of ACEL, generally the results of the 2015-16 are not considered in time-series of this data. The Scottish Government’s publication states—

“This publication, and the associated supplementary tables, provide comparisons back to 2016/17, at a national and local authority level. When making such comparisons, it should be noted that both analysis of the data, and evidence provided to us by local authorities, suggests the robustness and consistency of the data has changed during this period.”

ACEL data was not collected in 2019-20. Secondary schools also did not return ACEL data in 2020-21.

ACEL replaced the Scottish Survey of Literacy and Numeracy which was an annual sample survey which monitors national performance in literacy and numeracy in alternate years, for school children at P4, P7 and S2.

The results of ACEL are important data points. They are indicators in the National Performance Framework and the National Improvement Plan for Education and are used to measure whether the Government’s aims for Scottish education are being met. ACEL is also a key part of [local authorities’ core stretch aims](#) and [individual schools’ dashboards](#).

### *Overall progress*

The table below shows the annual data for the literacy combined<sup>2</sup> measure and the numeracy measure.

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<sup>2</sup> A pupil is deemed to have achieved the expected level in literacy if they have achieved the expected level in all three literacy organisers: Reading, Writing, and Listening & Talking.

Stage	Organiser	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
<b>P1, P4 and P7 combined</b>	<b>Literacy</b>	69.2	71.4	72.3	[w]	66.9	70.5	72.7	74.0
<b>S3 - Third level or better</b>	<b>Literacy</b>	87.1	87.3	87.9	[w]	[w]	85.5	87.8	88.3
<b>S3 - Fourth level</b>	<b>Literacy</b>	44.2	46.4	48.2	[w]	[w]	47.7	56.1	58.2
<b>P1, P4 and P7 combined</b>	<b>Numeracy</b>	76.4	78.4	79.1	[w]	74.7	77.9	79.6	80.3
<b>S3 - Third level or better</b>	<b>Numeracy</b>	88.2	89.0	90.2	[w]	[w]	89.1	89.6	90.3
<b>S3 - Fourth level</b>	<b>Numeracy</b>	55.7	56.1	58.9	[w]	[w]	59.3	63.0	65.1

There were falls reported in almost all national ACEL results just after the pandemic compared to 2018-19. Aside from the first set of data collected after the pandemic (2020-21 in Primary and 2021-22 in Secondary) every data point increases year on year.

When we look at data from P1, P4 and P7 separately and all five of the organisers, the consistency of the trend in improvement both before and after the pandemic is maintained.

In the table below “Up” means that the percentage of pupils at that level and organiser meeting the expected level was higher than the previous dataset, and “Down” meaning the percentage meeting the expected level fell. Comparisons are to 2018-19 data in the 2020-21 Primary data and the 2021-22 Secondary data. There are three outliers to the almost universal trends:

- The percentage achieving Level 4 Numeracy in S3 in 2021-22 increased by 0.44 percentage points (ppt) compared to 2018-19
- In 2018-19 P1 Listening & Talking fell 0.17ppts compared to 2017-18;
- In 2017-18 S3 3<sup>rd</sup> level or Better in Reading fell by 0.02ppts (this is essentially no-change).

#### ACEL results compared to the previous dataset

Stage	Organiser	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
P1 - Early level	Reading	Up	Up	-	Down	Up	Up	Up
P1 - Early level	Writing	Up	Up	-	Down	Up	Up	Up
P1 - Early level	Listening & Talking	Up	Down	-	Down	Up	Up	Up
P1 - Early level	Literacy	Up	Up	-	Down	Up	Up	Up
P1 - Early level	Numeracy	Up	Up	-	Down	Up	Up	Up
P4 - First level	Reading	Up	Up	-	Down	Up	Up	Up
P4 - First level	Writing	Up	Up	-	Down	Up	Up	Up
P4 - First level	Listening & Talking	Up	Up	-	Down	Up	Up	Up
P4 - First level	Literacy	Up	Up	-	Down	Up	Up	Up

P4 - First level	Numeracy	Up	Up	-	Down	Up	Up	Up
P7 - Second level	Reading	Up	Up	-	Down	Up	Up	Up
P7 - Second level	Writing	Up	Up	-	Down	Up	Up	Up
P7 - Second level	Listening & Talking	Up	Up	-	Down	Up	Up	Up
P7 - Second level	Literacy	Up	Up	-	Down	Up	Up	Up
P7 - Second level	Numeracy	Up	Up	-	Down	Up	Up	Up
S3 - Third level or better	Reading	Down	Up	-	-	Down	Up	Up
S3 - Third level or better	Writing	Up	Up	-	-	Down	Up	Up
S3 - Third level or better	Listening & Talking	Up	Up	-	-	Down	Up	Up
S3 - Third level or better	Literacy	Up	Up	-	-	Down	Up	Up
S3 - Third level or better	Numeracy	Up	Up	-	-	Down	Up	Up
S3 - Fourth level	Reading	Up	Up	-	-	Down	Up	Up
S3 - Fourth level	Writing	Up	Up	-	-	Down	Up	Up
S3 - Fourth level	Listening & Talking	Up	Up	-	-	Down	Up	Up
S3 - Fourth level	Literacy	Up	Up	-	-	Down	Up	Up
S3 - Fourth level	Numeracy	Up	Up	-	-	Up	Up	Up

Almost all of the reported percentages of primary pupils achieving the expected CfE levels in 2023-24 are higher than 2018-19; that is, they are now higher than pre-pandemic levels. The exception is P1 Reading which is 0.3 ppts lower than 2018-19.

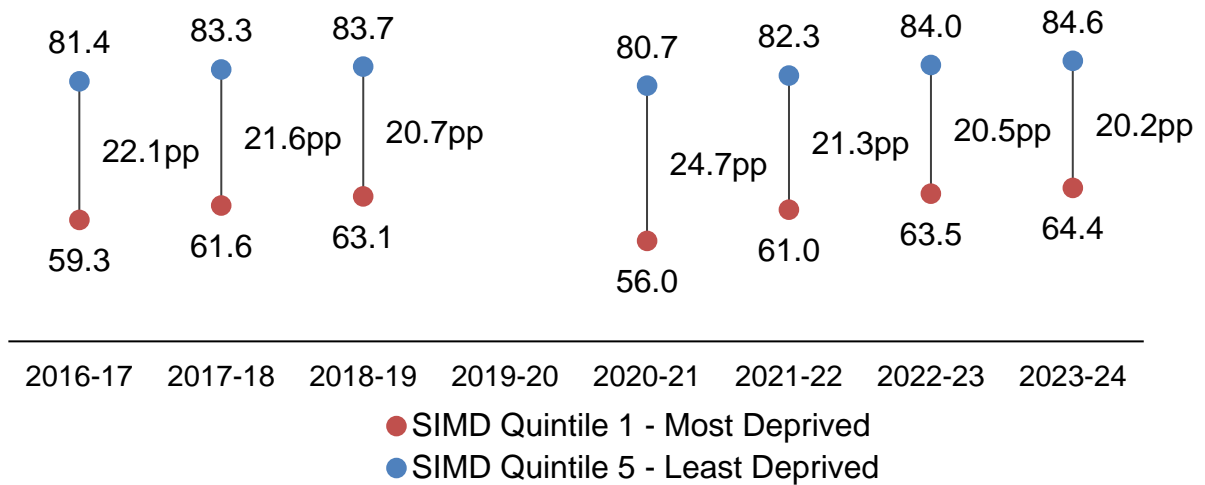
In secondary, there is a mixed picture. In the 3<sup>rd</sup> level in 2023-24, over 90% of pupils achieved the expected levels in Reading and Listening & Talking. These were nevertheless slightly lower than in 2018-19. The percentage achieving the expected level in Writing at Level 3 was the same as in 2018-19. All the other levels and organisers in Secondary were higher in 2023-24 than 2018-19.

### *Poverty related attainment gaps*

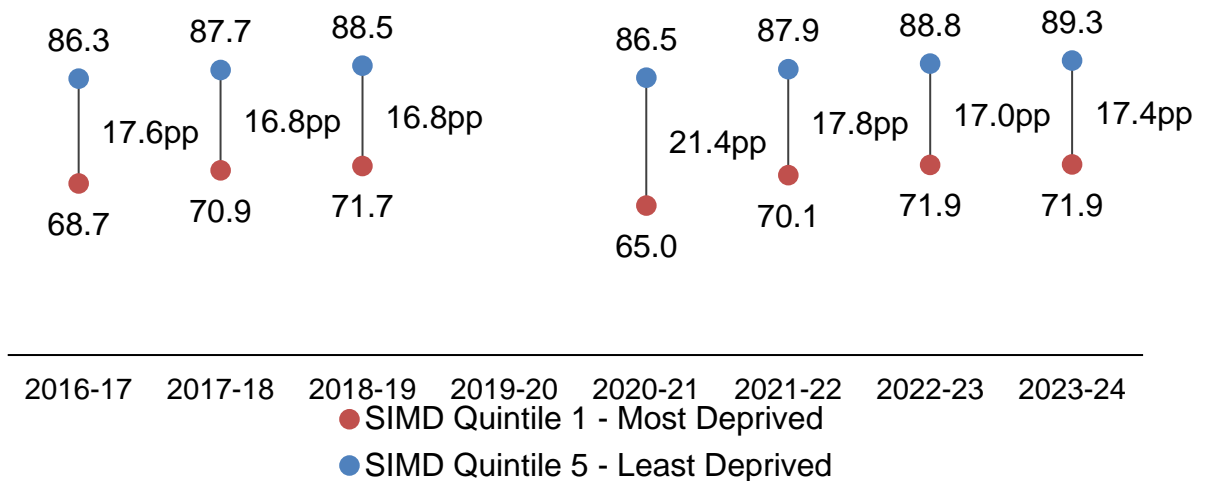
A key aim of the Government is to close the poverty related attainment gap. The Government statisticians helpfully publish charts that show the gaps in ACEL data between those living in the most deprived 20% of neighbourhoods compared to those living in the least deprived neighbourhoods.

These charts which look at the literacy combined measure and numeracy are reproduced below.

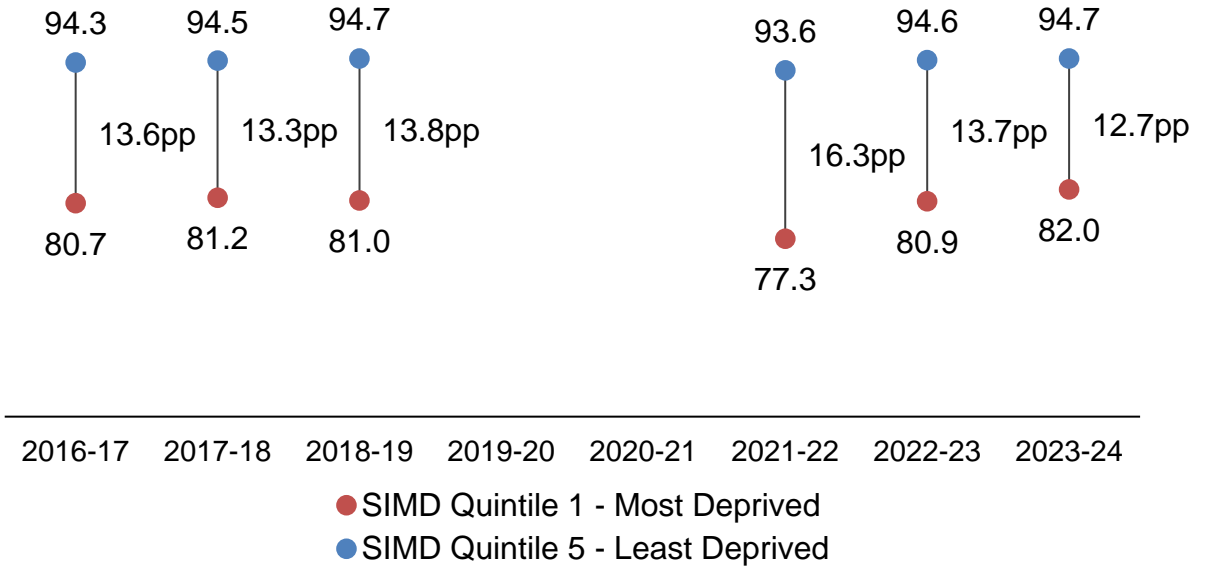
**Percentage of P1, P4 and P7 pupils combined achieving expected Level in Literacy by deprivation, 2016-17 to 2023-24**



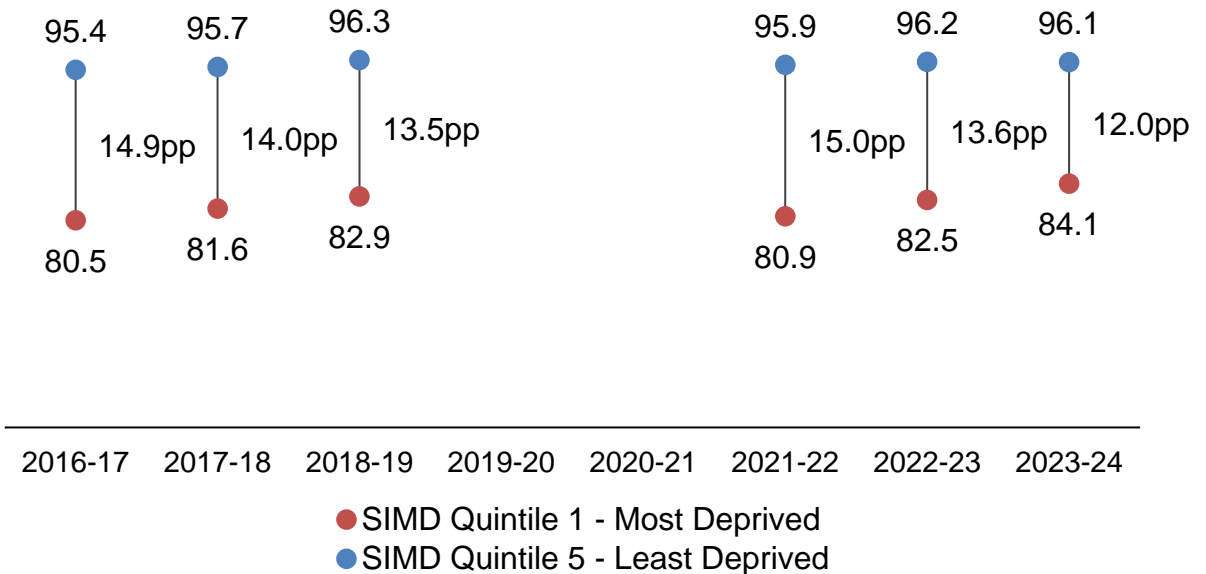
**Percentage of P1, P4 and P7 pupils combined achieving expected Level in Numeracy by deprivation, 2016-17 to 2023-24**



**Percentage of S3 pupils achieving third level or better in Literacy by deprivation, 2016/17 to 2023/24**

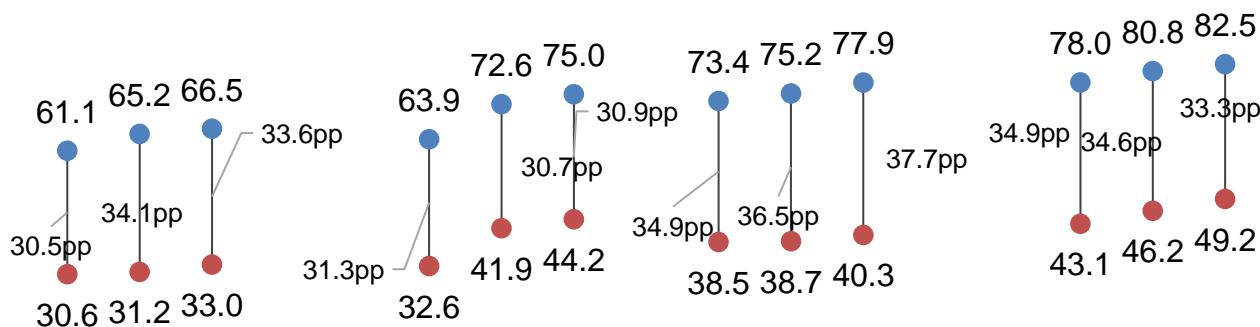


**Percentage of S3 pupils achieving third level or better in Numeracy by deprivation, 2016/17 to 2023/24**





### Percentage of S3 pupils achieving Fourth Level in Literacy and Numeracy by deprivation, 2016-17 to 2023-24



2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Literacy							
2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Numeracy							

- SIMD Quintile 1 - Most Deprived
- SIMD Quintile 5 - Least Deprived

Looking at the 2023-24 data and excluding the combined primary data, Members may wish to note:

- the gap closed in 14 of the 25 organisers and levels compared to 2022-23
- year-on-year the gap widened in every organiser at P1.
- at all three primary levels, the gap in the Reading organiser widened year-on-year.
- of the three literacy organisers (not including combined “literacy”) the attainment Gap is widest in Writing at every level.
- In primary schools, the attainment gap in numeracy is lowest in P1 (15.6ppts) and highest in P7 (18.9 ppts).
- the average attainment gaps in Primary are between 17.2 and 17.5 ppts. At S3 Level 3, the average gap is 11.6 ppts and at S3 Level 4 it is 30.8 ppts.

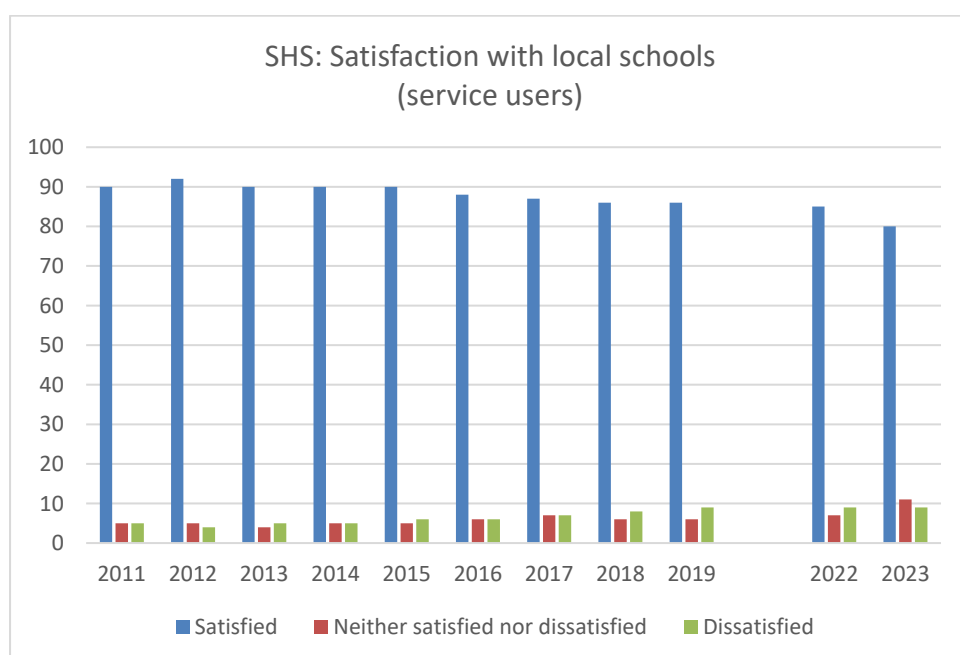
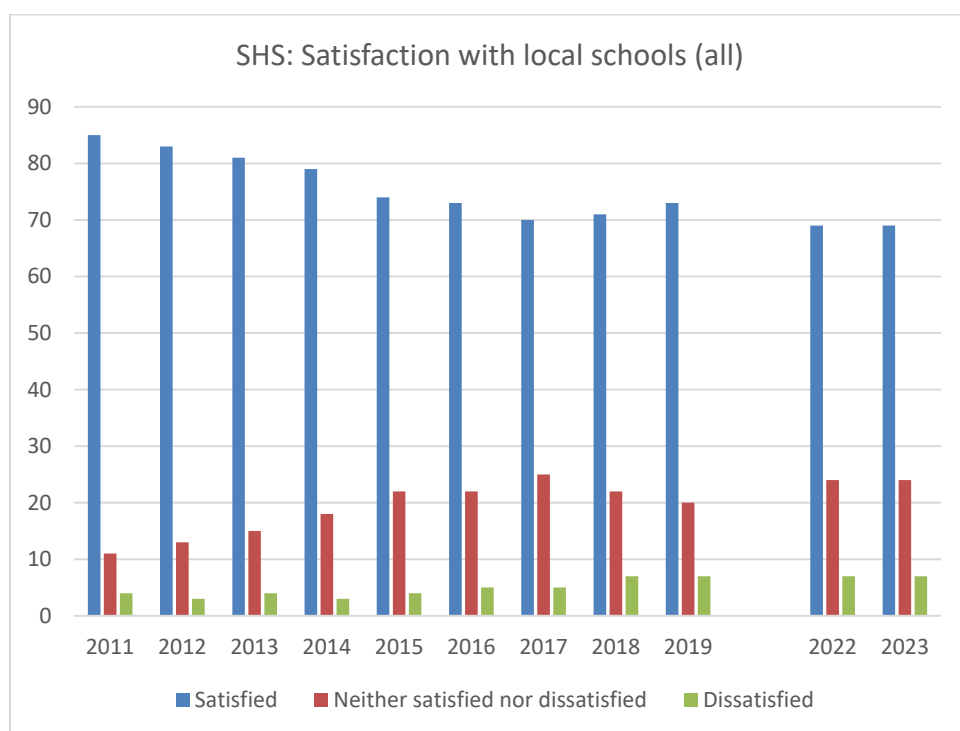
### SCOTTISH HOUSEHOLD SURVEY

The Scottish Household Survey is a large annual survey that “provides robust evidence on the characteristics, attitudes and behaviour of private households and individuals, as well as on the physical condition of Scotland’s homes.” It covers a

range of topics including housing, neighbourhoods, finances, internet, physical activity, local services, environment, volunteering, culture, childcare.

The SHS asks about satisfaction levels for a variety of public institutions and services. One of the questions is about local schools.

The first chart shows the level of satisfaction from all respondents since 2011 – note that 2020 and 21 are removed from the analysis due to differing data collection methods. The second chart shows the satisfaction of ‘service users’, which in this context means that there is a school child in the household that responded to the SHS.



Satisfaction in local schools is higher among those who have a school child in the house. The trend since 2011 is that Scots are less likely to be satisfied with their local schools. There have also been increasing levels of dissatisfaction with schools. Among 'service users' 9% said that they were dissatisfied with their local schools in 2023. This is similar to recent years but higher than the responses in the early 2010's; in 2011 the figure was 5%.

Satisfaction with local schools differed over SIMD quintiles, increasing from 66% in the 20% most deprived areas to 75% in the 20% least deprived areas. Satisfaction levels in SIMD1-3 are similar, between 66% and 68%.

**Ned Sharratt**  
**SPICe Research**

## Annexe B

### Colleges Scotland Scottish Draft Budget 2025/26 Briefing for Education, Children and Young People Committee December 2024

The Scottish Government published its [Draft Budget 2025/26](#) on Wednesday, 4 December 2024.

In Parliament, the Cabinet Secretary for Finance and Local Government announced a 3% above-inflation increase for Education and Skills. However, the allocation for college investment shows only a 1.9% increase, as outlined in the budget documents. With current inflation at 3.2%, this represents a real-terms funding reduction for Scotland's college sector.

This announcement is deeply disappointing for Scotland's 24 colleges. Despite compelling evidence of the vital contributions made by college graduates to the economy, the role of colleges as anchor institutions in communities, and their essential function in supplying a skilled workforce, the sector's call for greater investment has been overlooked.

This shortfall will have far-reaching implications for Scotland's economic recovery, its ability to attract and retain industries, and the country's over-reliance on imported labor, which hampers efforts to upskill Scotland's workforce. The result will be an enduring prevalence of low-paid jobs, leaving many citizens trapped in poverty.

For college leaders, this funding cut poses significant challenges. Providing high-quality opportunities for the people of Scotland becomes increasingly difficult as college funding has already been reduced by 17% in real terms since 2021/22, as evidenced by [Audit Scotland](#). This continued erosion of resources jeopardizes the sector's capacity to meet Scotland's needs, undermining efforts to build a prosperous and equitable future.

#### Exhibit 2.

#### Cash and real-terms resource funding for the college sector 2021/22 to 2024/25

Cash and real-terms funding have reduced since 2021/22.



Source: Audit Scotland analysis of Scottish Government budgets

## Government Spending on Colleges

- The Scottish Government has set out that the draft Budget will **increase revenue funding by £12.3m** for the college sector to **£656.2m, an increase equivalent to 1.9%**. Funding for 2024/25 was **£643.9m**.
- The Scottish Government has **reduced** current levels of **capital funding** for the college sector with the Draft Budget to **£64.8m**. This represents **a reduction of £20.1m, or equivalent to 23.7%**, against the Budget for 2024/25.

Below is the Level 3 breakdown of spending for the college sector in relation to the SFC:

	2024/25 (ABR)	2025/26
	£m	£m
College Operational	833.9	846.2
College Operational Income	(190.0)	(190.0)
Net College Resource	643.9	656.2
College NPD Expenditure	29.3	31.6
Net College Capital	84.9	64.8

## Key Issues

On 6 December, Colleges Scotland wrote to the Cabinet Secretary for Finance and Local Government to raise the following points on behalf of our members.

### Unsustainable Revenue Funding

The Scottish Government's announcement of a 1.9% increase in College Resource funding, equating to £12.3 million, is deeply concerning. This uplift falls significantly short of current inflation, which stands at 3.2%. Such a settlement imposes an unsustainable financial burden on the college sector, creating a substantial risk of curriculum reductions, campus closures and reduced opportunities for learners.

### Continued Disinvestment in Capital

The announcement of a £20.1 million (23.7%) cut in Capital funding for 2025/26, reducing it to £64.8 million, is alarming. We must advise the Committee that the failure to increase investment in college estates and address critical digital infrastructure needs is unacceptable.

Many college buildings are in a state of disrepair, with some containing Reinforced Autoclaved Aerated Concrete (RAAC) that remains unaddressed. Students and staff are expected to work and learn in substandard and deteriorating conditions. This situation demands immediate attention.

### Pay

The Public Sector Pay Policy published alongside the Draft Budget raises further questions. While lecturing staff have an agreed multi-year pay deal in place until September 2026, it is essential to highlight that this settlement relied on a £4.5

million commitment from the Scottish Government for 2025/26. This is funding that is included in the settlement figure and erodes any uplift in spending power.

Support staff, whose pay deal extends to September 2025, have a reasonable expectation of parity of treatment with lecturing staff. The Scottish Government has yet to clarify whether additional funding will be provided to resolve this issue.

### **Education Reform Funding**

We would welcome immediate clarification on the Budget allocation for Education Reform, as outlined in Table 6.01 of the Budget document, and suggest the Committee considers this particular point.

This funding is listed as £53.5 million for 2024/25, rising to £84.8 million in 2025/26. College leaders, who have actively supported the Scottish Government's education reform agenda, require transparency on how this funding is allocated and its implications for the sector.

### **Statement in the Scottish Parliament**

Colleges Scotland has expressed disappointment around the Education and Skills section of the draft Budget announcement in the Scottish Parliament on Wednesday 4 December. Those listening would have heard that the Education and Skills budget increased at 3% above inflation.

However, colleges were notably absent from this section of the announcement. There is a sense of inequity for college students who receive the lowest level of funding. Key Scottish Government initiatives, including the country's ability to meet the upskilling demands of the green economy and the NHS, depend on college graduates to contribute to economic productivity. Ensuring Scottish workers are at the forefront of the upskilling agenda is vital for driving economic growth and strengthening the Scottish economy and reducing poverty.

The future of Scotland's learners, workforce, and wider economy depends on urgent and decisive action to support the stability and sustainability of the college sector in Scotland.

Colleges Scotland

Friday 13 December 2024

## Universities Scotland's submission on the 2025/26 Scottish Government budget outcome for higher education

### Key points:

- Overall, the HE resource settlement in the budget delivers a 0.7% real terms cut, leaving universities in an immensely difficult place. It falls short of our original bid for a 1% real terms increase, which we were clear represented the very least the sector needed for stability in 2025/26, even before any consideration of the employers' national insurance increase.
- There are some elements within the budget bid we can and have welcomed. We asked for a 3% cash increase to HE capital, which primarily funds research and innovation. This was delivered. The Scottish Government also responded to our suggestion that the 2,500 "SQA places" that are graduating in 25/26 should be allowed to exit and the £14.5m of HE resource attached to those (already in the 24/25 HE resource baseline) be redirected to the price per place invested in every other Scottish-domiciled student. Post-budget conversations with Scottish Government confirm this to be the intention. More below.
- The Finance Secretary spoke of a 3.5% (cash) increase to total HE funding. A 3.5% cash terms *increase* to the SFC resource budget would have resulted in a £27.4m uplift to the HE resource budget line. Instead, we saw a £12.9m uplift. If the resource associated with the "SQA places" is repurposed in one specific direction and combined with this uplift to the budget, then the funding per student should rise by 3.5% in cash terms. That is welcome but it does not deliver 3.5% extra resource in total.
- We understand the scope of this inquiry is to look at the annual budget for 2025/26 and we appreciate the Committee's work to scrutinise the budget settlement. Yet, the full extent of the funding pressure facing Scotland's universities is not fully reflected in any one budget outcome. There is a decade-long pattern of erosion of public funding of universities. The need for Scotland to take a longer-term view of the funding picture for higher education is now absolutely vital.

### Calls to action

- At the earliest possible opportunity, the Scottish Government's Letter of Guidance to the Scottish Funding Council should confirm the removal of the 2,500 "SQA places" and the retention of the £14.5 million within the HE sector, as directed to the unit of teaching resource. This goes beyond a level of detail possible in the budget lines. It would translate what is a shared understanding between the sector and Scottish Government into official direction and doing so would give universities more certainty on their funded numbers as they make offers to applicants (with the UCAS deadline for equal consideration for applicants at the end of January).
- As the Scottish Government considers its options during the passage of the budget bill, we believe there is scope for the Cabinet to honour the wording of the Finance Secretary's budget statement that total investment in Higher Education

should rise by 3.5% - through *additional* investment. That would require an additional £14.5m.

- As the HE resource budget allocation is translated into academic year allocations for individual universities, a key priority behind funding decisions should be on providing financial stability for each institution. This will require careful decisions.
- We ask the Committee to give close attention to the Funding Council’s next report on the Financial Sustainability of the HE sector. Due out in early 2025, it may not be published in time to inform the Committee’s scrutiny, but if that is the case it will still have relevance beyond the budget bill. Last year’s report (published January 2024) cautioned that financial sustainability was “*challenging for many institutions*” but we felt it was overly optimistic for it to predict that the sector’s finances would recover slightly in 2024/25. The financial position for many HEIs has worsened over the current financial year (2024/25) and this has been exacerbated by the UK’s Government’s decision to significantly increase the Employers’ National Insurance Contribution.

**Budget overview**

- The tables below are taken from the budget document (table 1) with additional analysis to reflect the year-to-year change by Universities Scotland.
- The second table shows how the HE resource line would look if our first bid or increased bid had been met.
- Whilst the picture on HE resource is challenging, particularly as part of a wider pattern, we do want to acknowledge the 3% cash increase in university capital. This delivered on the modest ask the sector made of Government, in recognition of the fiscal pressures faced by Government before the UK Government’s autumn Budget. This budget line supports university research and innovation and is the second year in a row the Scottish Government has protected this budget in cash terms, as part of driving purposeful economic growth.

**Table 1: Scottish Government budget lines for HE for 2025/26 adjusted for inflation**

		25/26 BUDGET OUTCOME			
	2024/25 £m	2025/26 Budget outcome £m	Change relative to 24/25 £m	Change relative to 24/25 % cash terms	Change relative to 24/25 % real terms (GDP deflator)
<b>HE resource</b>	760.7	773.59	12.89	1.69	-0.69%
<b>HE Capital</b>	356.9	368.27	11.37	3.19	0.81
<b>Combined</b>	<b>1,117.60</b>	<b>1,141.86</b>	<b>24.26</b>	2.17	0.22



## Student numbers

- Last year saw a lot of concern about funded numbers and the potential impact this could have on opportunities for applicants. This centered around the Scottish Government's decision to remove the first cohort of 1,289 "SQA places" as those students graduated.
- We have sought to reassure stakeholders over the last year that there is sufficient headroom in the system for the "SQA places" to come out without detriment to entrants at a sector level. The additional "SQA places" was an unplanned expansion, in response to unique circumstances in the covid-era.
- In academic year 2024/25, funded places for Scots are at near-record highs. Comparing the situation now to the year before the pandemic, there has been a 10% increase in funded numbers for Scotland over that period. In 2024/25 there were 119,540.2 funded places (non-controlled) available to Scots in 2024/25 across all years of undergraduate study, compared to 107,982.0 places (non-controlled) in 2019/20.
- Looking at what actually happened in regard to Scots-domiciled entrants in the academic year 2024/25 (starting September 2024), there was the largest number of Scots-domiciled acceptances since records began in 2015 and a 7% increase in Scots acceptances (37,805) in 2024 compared to the year before. It was also positive for widening access with a record 6,500 SIMD 20 applicants accepted, compared to 5,835 in 2023; an increase of 11.4% on 2023.<sup>3</sup>
- This is what gives us the confidence to say that the planned removal of the 2,500 "SQA places" in 2025/26 can also be achieved without detriment to learners. Positively, what's different this year is that the Scottish Government is keeping the resource linked to those places (£14.5 million) in the sector rather than remove it as it did for the £7m linked to places in 2024/25.

## Financial stability for all HEIs as a minimum

- The Funding Council has a very challenging job to turn the HE resource budget into allocations for each individual institution. It will do that over the coming months with indicative allocations usually published in late March. We ask for close and inclusive dialogue with the Scottish Government and Scottish Funding Council throughout that process. We would like to acknowledge this early engagement post budget has been positive.
- Every year, the funding allocations land slightly differently for each institution as reflects their mission, specific student and subject mix as well as other factors. That said, and picking up on our point about stability, we ask that the Funding Council pays particular attention to the financial sustainability of each individual institution when modelling allocations for 2025/26. The extent of the financial pressure now in the sector makes this more important than ever.
- To illustrate the variability of last year's allocations, in terms of teaching grants, the overall cut year-to-year was -3.6% in cash terms but at institutional level this ranged from -0.6% to -10% in cash terms. Across all grants (teaching and research), there is a notable pattern of our modern institutions faring worse than

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<sup>3</sup> [UCAS End of Cycle Report, published December 2024.](#)

the average cash cut of -0.8%. Uniquely, the modern universities also had to bear a significant increase in the employer's contribution to Scottish Salaried Teachers Pension Scheme.

### **Cost and impact of national insurance**

- The increase in Employers' National Insurance Contribution (ENIC) is estimated to cost Scottish HE at least £45 million in 2025/26 (the IFS has said the cost could be as high as £57m<sup>4</sup>). The sector has no means to absorb this cost without further negative impact at institutional level.
- In late November, we took the unprecedented step of increasing our budget ask of Scottish Government. Originally asking for 1% real terms on HE resource, we felt we had no choice but to ask for an additional 3% real terms increase (£49 million) to cover this. See table 2. This has not been met.
- When the 2025/26 budget settlement and ENIC costs are considered, Scotland's universities will be left at least £32.1 million worse-off, before considering other rising costs.
- We recognise that the ENIC increase is a UK Government decision beyond the Scottish Government's control. We further recognise that the total budget made available to the Scottish Government by the Treasury to mitigate the impact of the ENIC for the public sector has not yet been confirmed (and the cost to Scotland is likely to exceed the total of the funds allocated given relativities in the size of the public sector workforce and salary levels).
- Across the UK, the HE sector is funded in different ways. The UK Government found a solution within its funding model for universities in England to help address the cost of ENIC in the form of an index-linked fee rise.<sup>5</sup> Like the Scottish Government, the Welsh Government is not responsible for the decision to increase ENIC. However, it has found a solution within the Welsh funding model by matching the fee rise in England and by investing an additional £10m of public funding into Welsh Universities.
- ENIC is part of a package of staff costs for HEIs alongside pay, pensions and other benefits. When we consider the elements that contribute to the cost of teaching, staff costs are one of the biggest elements of expenditure. When costs rise, whether they be staff costs or other inflationary pressures, the costs of teaching increases. Within a publicly funded model, the onus is on the Scottish Government to provide a fair settlement for universities that recognises the rising cost base and supports the sector to meet those costs.
- We know that when the Scottish Government makes decisions to mitigate the impact of UK Government policy in Scotland (as for other policy areas in the 25/26 budget) it weighs up a range of issues, not least the fact that mitigating actions have significant cost implications. We believe there is a strong evidential base to support Scottish Government action within its funding model for higher education, to recognise the increased costs facing the sector and support the financial sustainability of Scotland's universities.

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<sup>4</sup> [IFS November 2024 briefing](#)

<sup>5</sup> Most lower and middle earning university graduates won't pay more as a result of this increase over the 40 year repayment period. [Money Saving Expert](#).

**Table 2: HE budget lines if Universities Scotland’s asks of Scottish Government were delivered in full.**

	Actuals		Budget lines as requested by Universities Scotland	
	2024/25 £m	2025/26 £m	2025/26 If US original bid had been met. 1% real terms on resource 3% cash terms on capital £	2025/26 If US revised bid had been met. 1% & 3% real terms on resource 3% cash on capital £
<b>HE resource</b>	760.7	773.59	786.48 (+25.8)	827.5 (+66.78)
<b>HE Capital</b>	356.9	368.27	367.6 (+10.7)	367.6 (+10.7)
<b>Combined</b>	<b>1,117.6</b>	<b>1,141.86</b>	<b>1,154.08</b> <b>(+36.5)</b>	<b>1,195.1</b> <b>(+77.48)</b>

**Scope for further action from Scottish Government: the SAAS transfer**

- The Scottish Government has indicated that it will again transfer £17m out of the SFC resource budget to SAAS in 2025/26 known as the “SAAS transfer”. In 2024/25 this transfer was attributed to funding “additional student places for Widening Access”. We do not understand the logic of a transfer from SFC to SAAS for this purpose nor do we understand the scale of this transfer and we have asked Scottish Government for clarity on the use of these funds.
- If this transfer was reduced, then it might provide additional funds for SFC to investment in the sector.

**Recovery of funded numbers or “clawback”**

- This is linked to our point on stability. The Funding Council has the ability to support institutional stability in the decisions it makes on both i) the allocation of resources to institutions and ii) the resources it “recovers” (also known as clawback) from institutions for under-delivery of funded places. Clawback is a retrospective process, usually with funds recovered from institutions two academic years later when the data on outcomes is available.

- Whilst the process of recovery/or clawback is not new, fluctuations in student demand over the last couple of years have recently made it a bigger feature of the SFC's role. Clawback is presently underway for institutions in this financial/academic year based on 2022/23 performance. This coincides with a far more precarious financial situation for individual institutions which means the consequences of clawback are now potentially far more damaging to institutional stability.
- We'd ask that decisions taken on recovery/clawback of places should be fully cognisant of the impact this has on institutional stability and avoid compounding problems. Institutions have been navigating a volatile environment in the post-pandemic years, with recruitment from colleges and via articulation taking a major hit in terms of student demand; and other factors beyond a university's control. Where an institution has experienced a setback in this regard, the funding model needs to allow universities some space to chart a pathway back on their student recruitment rather than have the policy of the "recovery" of funded numbers actually become a barrier to the institution's ability to recover in a wider sense and play its full part in its community and regional economy, to key sectors and to Scotland as a whole.

### **Wider HE context to the budget**

- Whilst accepting that the purpose of this inquiry is to look at the annual budget for 2024/25, the need for Scotland to take a longer-term view of the funding picture for higher education is now absolutely vital.
- The significant and growing reliance on cross-subsidy from international student fees has been a clear policy and the risks of this have been observed by Audit Scotland and by the sector in recent years. Volatility in the international student market has exposed the weakness in a funding model that relies so heavily on cross-subsidy. Alongside that, the cumulative effect of a decade of annual budget decisions which have failed to keep pace with rising costs, means that financial challenges are being felt across the sector.
- The IFS points to a 22% cut in university teaching funding between 2013/14 and 2024/25 – i.e. before this budget outcome – and points to a particularly steep fall over the last three years.<sup>6</sup>
- A modest real terms cut to higher education as planned for 2025/26, comes on the back of the funding cuts to the current year (2024/25) which were severe for HEIs, including:
  - A cut of £28.5m to HE resource year to year, on top of an in-year cut of £20m in 2023/24.
  - The removal of 1,289 funded places, which in of itself was ok, but the resource linked to those places (£7million) left the sector rather than stay in to address wider funding challenges.
  - The Upskilling Fund (worth £6.9 million) was cut entirely.
  - Financial support for those universities who are members of the Scottish Teachers Pension Fund (STPS), worth £4.8 million was also cut entirely,

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<sup>6</sup> [IFS November 2024 briefing](#)

coinciding with a 3% rise in employer contributions to 26%. This impacted the post-92 universities and our small institutions most significantly.

- Sizeable cuts were also made to the Expensive Strategically Important Subjects grant, which tops-up the cost of study for rest-of-UK students in Scotland (which was previously £18.5 million, and now cut to £12.3 million)
- In its Financial Sustainability report published in January 2024, the Funding Council forecast the sector's total cash flow from operating activities, as a proportion of all income, to fall to just 4% in 2023/24 and forecast that the sector's net liquidity days forecast would fall to 124 in 2024/25.<sup>7</sup>
- Over the last 12 months we have seen institutions, and from all parts of the sector, announce deficits which they have to take action to address. Sadly, the mitigations have included job losses as well as recruitment freezes and restructuring plans.

### Technical notes:

- Our reaction to the budget is based on the budget-to-budget figures in table 1. We have not readjusted baselines for the autumn budget revision.
- When talking about real terms changes, we are using the GDP Deflator, as adjusted by the Treasury at the autumn budget. This is 2.39%. We note Colleges Scotland is using CPI as its measure of inflation, which was 3.3% in October.<sup>8</sup> This accounts for different real terms figures presented by both organisations. The cash terms settlement for HE and FE resource was 1.7% and 1.8% respectively. Whilst we use the GDP deflator, many commentators have noted that it does not reflect the real inflationary pressures facing operations over recent years. The figures that we have used should therefore be seen as a significant underestimate of the impact of real terms cuts vs the reality of cost pressures facing our sector.

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<sup>7</sup> [SFC's Financial Sustainability report, 2024](#)

<sup>8</sup> [Colleges Scotland News Release December 2024.](#)

## **UCU Scotland draft budget briefing for the Education, Children and Young People Committee, December 2024**

### **About UCU**

The University and College Union (UCU) is the largest trade union in the post-16 education sector in the UK, representing 120,000 academic and related members across the UK, and is the largest union in the higher education sector in Scotland with 9,000 members in Scotland's universities.

UCU represents academic workers (including lecturers, researchers, professors, teaching fellows, graduate teaching assistants, post-graduate researchers and other "early careers" academics, etc.), as well as professional support staff (including librarians, administrators, IT staff, student support staff, human resources staff etc.) in Scottish higher education institutions. UCU does not organise in the college sector in Scotland and our submission therefore focuses on higher education funding and sustainability.

### **Pre-budget situation: A decade of underinvestment**

In our submission to the committee in September we noted the 'decade of underinvestment' in the sector by the Scottish Government and, up to that date, funding per student having fallen by 39% in real terms and the SFC research excellence grant having fallen by 43 per cent since 2014/15.

Since then, the Institute for Fiscal Studies, commenting on the perfect storm facing Scottish universities ahead of this year's budget noted that "...tuition fee[s] for home fee students remained flat in cash terms in 2024-25 at £1820 - remarkably the fifteenth year in a row it had been at that level..." The equivalent income source for universities elsewhere in the UK increased during the same period three times in 2010, 2017 and again in 2024. This significant decrease in funding for tuition in Scotland is having a detrimental impact upon teaching, student support and education in our universities.

### **The draft budget: Confusion over figures**

The draft budget announcement in the Parliament by the Cabinet Secretary for Finance and Local Government and accompanying level three figures left a confusing picture for the actual financial situation for universities for 2025/26.

First, the Scottish Government compared the newly announced 2025/26 figures with the autumn budget revision (ABR) figures which include in year additional money for controlled places such as initial teacher education and various health related courses. Using these figures gives a 4.5 per cent cut to the resource budget and a 3.2 per cent increase to the capital budget.

However, the comparison is normally made to the figures from the previous December rather than those reflecting in year revisions. Comparing the 2025/26 figure announced on 4 December 2024 with the previous year's gives a 1.7 per cent increase to resource and the same 3.2 per cent increase to the capital budget. With inflation considered this still leaves a real terms cut to the resource budget.

There is also a third figure. The cabinet secretary announced to the chamber during her speech that she was "...increasing total investment in higher education by 3.5 per cent..." That figure appears at odds with published budget although we understand it refers to the money otherwise due to end from the SQA/Covid additional places funding alongside the 1.7 per cent increase. In any event, the overall resource funding for universities is not rising by 3.5 per cent but is in fact, taking inflation into account, a 0.7 per cent real terms cut.

	% change of Autumn Budget Revision figures <sup>1</sup> (Oct 2024)	% change of Draft budget (Dec 2023)	Cab Sec statement (Dec 2024)
Resource	-4.5%	+1.7%	+3.5%
Capital	+3.2%	+3.2%	

### What the draft budget means for jobs

The consistent underfunding of the sector evidenced by trade unions, university principals, and student representatives, in the evidence heard by the committee in Autumn has not been addressed by this draft budget. The draft budget is having real consequences in Scottish universities with jobs being cut and staff facing the threat of compulsory redundancy.

In early 2023 we saw jobs lost at the University of Aberdeen. Although those jobs went through voluntary severance we now have an ancient Scottish university with no offer of single honours modern language or Gaelic degrees. Having had a voluntary severance scheme running over late 2023, the University of the Highlands and Islands is again making cuts at the university's executive office where a sixth of the university's staff are under threat of redundancy. The University of Glasgow has also announced the loss of 98 jobs with the closure of its Social and Public Health Sciences Unit. Glasgow Caledonian University has closed its advanced higher hub which provided vital widening access opportunities to local school students. 135 jobs are currently at risk at Robert Gordon University after a further 130 jobs went there earlier this year. Heriot-Watt university has announced job losses in its School of Social Sciences; and both the University of Dundee and the University of Edinburgh have announced they plan to reduce staff numbers and have refused to rule out the use of compulsory redundancies, with the situation at Dundee leading to an exodus of senior management.

Diminishing funding, and departures of staff is exacerbating the already excessive workloads of workers in the university sector. Our members are also alarmed at the number of “silent redundancies” that we are witnessing; that is the high number of university staff on fixed term or precarious guaranteed hours contracts who are simply not seeing their contract renewed. Such workers provide vital teaching, tutoring, research and student support, and all too many are seeing their contracts terminating and not renewed.

## Conclusion

UCU’s Scotland official, Mary Senior, wrote to the Minister for Further and Higher Education ahead of the budget listing these cuts and job losses indicating that the threats to jobs across the sector are at the highest level witnessed for decades, and calling on the Minister to ensure the sector was protected by the budget. A copy of her letter is included with this submission. With the draft budget resulting in yet another real terms cut to the resource budget it is difficult to see that that message has been heeded.

The roots of the job losses detailed in the previous section are varied, and amongst the factors are changes to UK government immigration policy; Medical Research Council cuts; and, as always, poor planning by university senior management. However, the constant, recurring theme is underfunding by the Scottish Government and, in particular, the resource budget and the funding of teaching.

As UCU said in our press comment following the draft budget...

*“... this falls short of what is needed at a time when higher education funding is under unprecedented strain. Ministers are happy to take the credit for the successes of our universities, and for popular policies like free tuition, but they need to back that up by funding the sector properly.”*

*“Ultimately, this is another disappointing budget, on the back of many others and is likely to increase the pressure on jobs. UCU will continue to push the Scottish Government to fund universities and will fight to defend jobs wherever they are threatened.”*

While it will be for branches and members to make the final decisions in how to oppose job losses in their institutions, we believe it increasingly inevitable that there will be strikes in institutions in the early part of 2025.



**Correspondence from Mary Senior, UCU Scotland Official, to the Minister for Higher and Further Education; and Minister for Veterans**

Graeme Dey MSP  
Minister for Higher and Further Education; and Minister for Veterans  
The Scottish Government  
St Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG

21 November 2024

Dear Minister,

**Scottish Budget 2025 – Higher Education**

Thank you for meeting with the UCU Scotland president, Jeanette Findlay and I in September to consider current issues impacting on universities and our members in the higher education sector.

You will recall one area we discussed was higher education funding, and the year-on-year real-term cuts endured by the sector. Ahead of the Scottish Budget, I wanted to make an urgent plea that, as the minister responsible for the sector, you use every power available to you to influence your ministerial colleagues and the cabinet to ensure a settlement for higher education which will address the years of underfunding of teaching, along with the newer challenges relating to increased running costs and the decline in international students' tuition fee income.

Financial pressures in the university sector are impacting upon workers and the education being delivered to students, given the number of redundancy consultations and threats of job cuts that we are currently seeing. Earlier this year we saw jobs go at the University of Aberdeen, albeit on a voluntary basis, but where there is no longer any provision for single honours modern languages and Gaelic degrees. We currently have a situation at the University of the Highlands and Islands where the employer is looking to lose around a sixth of the workforce at the University's Executive Office. Glasgow Caledonian University has closed its advanced higher hub due to funding cuts, ending vital widening access support to local school pupils. 135 jobs are currently at risk at Robert Gordon University, after 130 people left earlier this year. Heriot-Watt University has announced job losses in its School of Social Sciences, and the University of Dundee announced last week its intention to make staff redundant without ruling out the possibility of compulsory redundancies. This week saw the University of Edinburgh principal Peter Mathieson, making a similar announcement, suggesting that workers could be made compulsorily redundant.

Clearly there are factors influencing the financial health of the sector in Scotland which are not within the Scottish Government's control, but, as this week's report from the Institute for Fiscal Studies points out, Scottish Government funding levels for tuition have remained at the same level for fifteen years while the costs of

providing teaching have risen substantially since then, a situation the IFS calls “remarkable”.

In addition to the threat to jobs detailed above where universities are citing funding as the reason for cuts, I want to draw your attention to the University of Glasgow’s Social and Public Health Sciences Unit which provides specialist research into health inequalities, an area of study of significant importance to Scotland generally and Glasgow and the West of Scotland in particular. In 2025, as a result of changes to Medical Research Council (MRC) funding across the UK, the unit will close with the loss of 98 jobs, and the current work on health inequalities will cease. UCU is urging the MRC and the UK Government to backtrack on these changes to research funding. Our union would ask that as minister for higher education in Scotland you do what you can to avoid the loss of this important research unit and skilled jobs at the University of Glasgow.

I know that each year ministers hear requests from every sector with demands for money and increased funding. I would note that in my time with UCU I cannot recall a period where there has been such a flurry of severance schemes and job losses announced. The continuous, real terms cuts to teaching funding in universities is having this impact, and consequently the uncertainty and worry for staff across the sector in Scotland. I urge you to do everything you can to ensure a fair settlement for the sector in the Scottish Budget which allows university workers to continue with the teaching, research and knowledge exchange which makes Scottish higher education world leading.

Yours sincerely

Mary Senior  
Scotland Official