



SFC Corporate publication

Scottish Funding Council Mainstreaming and Equality Outcome Report

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Summary: This is a progress report for the period 2015-2017 on how we mainstream equality and diversity both externally, supporting the colleges and universities that we fund; and internally in accordance with the Equality Act 2010. It also provides our Equality Outcomes for the period 2017-2021.

FAO Staff and students of Scotland's colleges and/or universities and SFC staff

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Scottish Funding Council Mainstreaming Report 2017

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Ambition

Our ambition is to make Scotland the best place in the world to learn, to educate, to research and to innovate. To be competitive in a globalised world, our economy must draw on the talents and ability of everyone in society. Equality is a necessary goal if we want a society in which everyone is treated fairly, regardless of difference, and given the opportunity to fulfil their potential in life. Central to this is the principle that;

'No one should be denied opportunities because of their race or ethnicity, their disability, their gender or sexual orientation, their age or religion. This principle underpins all the work of the Scottish Government'

www.gov.scot/Topics/People/Equality

SFC recognises the importance of meeting both the general duty and the specific duties, and of demonstrating commitment through the development and monitoring of evidence-based policies and practices. Moreover, we are committed to continual improvement, and this report is a snapshot of progress of mainstreaming equality and diversity within SFC's function.

Our role

1. The Scottish Funding Council (SFC) is a Non-Departmental Public Body (NDPB) of the Scottish Government and was established on 3 October 2005. SFC has circa 100 Full time Equivalent employees in total across four directorates together with a small team in the Chief Executive's Office:
 - [Access, Skills and Outcome Agreements](#) (Access, Skills, Outcome Agreements, Quality)
 - [Finance](#) (Finance, Institutional Governance and Financial Sustainability, Funding and Analysis)
 - [Corporate Services](#) (Communications, Facilities, Human Resources, Information Systems, Projects, Records Management, Strategy)
 - [Research and Innovation](#) (Research, Innovation, Capital and Climate Change, Strategic activities)
2. Our [Strategic Plan 2015-18](#) states that our task is to care for and develop the whole system of colleges and universities and their connections and contribution to Scotland's educational, social, cultural and economic life. In undertaking this task, this strategic plan sets out three key outcomes:
 - High-quality learning and teaching.
 - World-leading research.
 - Greater innovation in the economy.
3. Our [Funding](#) contributes to the costs of teaching and skills development, research, innovation, knowledge exchange, widening access, equality, student support and bursaries, buildings and equipment and strategic initiatives in Scotland's 25 colleges (see [Colleges that we fund](#)) and 19 universities and higher education institutions (see [Universities and Higher Education institutions that we fund](#)).
4. The SFC allocates the majority of this funding direct to colleges and Higher Education Institutions (HEIs) to deliver around 250,000 Full-Time Equivalent places (FTEs) per academic year. Table 1 provides an overview of these funded places. The majority of these places in table 1 are filled by students who live in Scotland (table 2) before their course begins, with the remaining places occupied by students from the EU or the rest of the UK.

Table 1: Number of funded FTEs (AY 2011-12 – 2015-16)¹

	Colleges²	HEIs	Additional research postgraduate students eligible for funding at Scottish HEIs	Total FTEs funded
2011-12	122,068	119,580	6,620	248,270
2012-13	119,759	124,990	6,535	251,285
2013-14	120,555	125,345	6,890	252,790
2014-15	121,309 ³	124,925	7,125	253,360
2015-16	121,184	124,290	7,185	252,660

Source: Scottish Funding Council (FES, HESA).

¹ Unless otherwise stated, all values are rounded to the nearest 5.

² College data includes SFC, SDS and ESF funded places.

³ Methodology changed from AY 2014-15, therefore the results of previous years are not comparable

Table 2: Scottish-domiciled FTEs at Scotland's Colleges and HEIs (AY 2011-12 - 2015-16)

	FE-level	HE-level					All levels
	FE at College	HE at College	Sub-degree at HEI	Degree at HEI	TPG ⁴ at HEI	RPG ⁵ at HEIs	
2011-12	84,520	155,280					239,800
		37,140	8,555	96,685	8,805	4,100	
2012-13	78,535	154,640					233,170
		36,905	7,545	97,150	8,965	4,080	
2013-14	82,230	155,050					237,275
		36,900	7,400	97,075	9,675	4,000	
2014-15	82,925	157,150					240,080
		37,655	7,400	98,205	9,950	3,945	
2015-16	83,270	158,405					241,675
		36,450	7,315	100,365	10,370	3,905	

Source: Scottish Funding Council (FES, HESA).

⁴ Taught Postgraduate (TPG)

⁵ Research Postgraduate (RPG)

The context of this report

5. The [Equality Act 2010](#) requires us and Scotland's colleges and universities to deliver on the [Public Sector Equality Duty in Scotland](#). SFC adheres to the Equality and Human Rights Commission Scotland-specific [advice and guidance](#).
6. [The public sector equality duty \(PSED\)](#) came into force on 5 April 2011, replacing the previous separate equality duties for race, disability and gender. A summary of the requirements of the PSED is provided in Annex A.
7. In April 2015 we published [Mainstreaming and Equality Outcomes Reports](#) to cover the period 2013-15. This report focuses on progress over 2015-17 and priorities for 2017-21. A review of the 2015 Equality Outcomes has informed our Equality Outcomes for 2017-21. These are documented within this report.
8. To help us advance equality and diversity, we work closely with the Equality Unit and Sponsorship Teams in Scottish Government, the Equality and Human Rights Commission (EHRC) and other partners in the Non-departmental Public Bodies Equality Forum to strengthen our approach. We also fund the [Equality Challenge Unit \(ECU\)](#) to support a national programme of equality work with our colleges and universities. ECU oversees sector liaison groups to support students and staff; it also leads a Post-16 Sector expert group, of which SFC is a member.

Communication and Accessibility

9. We are reviewing our website to ensure it is accessible and user-friendly. The current site has been built to comply with 'AA' level of the World Wide Web Consortium's [Web Accessibility Initiative](#) (WAI). The site also provides guidance and resources to users who may have additional needs, e.g. visually impaired users of screen reading software.

Structure of this report

10. This report provides information on the mainstreaming of equality in our own organisation (Section 1) and on our role in the mainstreaming of equality and diversity in the college and university sector (Section 2). Based on this assessment and a review of our existing Equality Outcomes, it also confirms our Equality Outcomes for 2017-21 (Section 3).

Section 1

Internally facing: High Performing SFC

This section considers the mainstreaming of equality and diversity within SFC. It demonstrates our progress towards the following Equality Outcomes:

- Equality Outcome 1 (Internal) - We will better understand and improve equality and diversity within our workforce through increased disclosure and positive action initiatives.
- Equality Outcome 2 (Internal) - Equality and diversity consideration is central to SFC policy development, decision making and delivery.

This includes:

1. Progress since our last Mainstreaming Report
2. Employee Equality Information
3. Council Equality Information
4. Equal Pay

1. Progress to mainstream equality for SFC staff

Background

11. Equality and Diversity within our organisation is clearly articulated in our [Strategic Plan 2015-18](#) where we state – *“We will contribute to a more equal society by embedding equality and diversity across all our functions, supporting participation, tackling prejudice, and by placing good relations at the heart of our organisation.”*
12. SFC has some 100 FTE employees – headcount can vary depending on secondments, use of agency staff and factors such as extended leave. Employees work across four Directorates with a small team working in the Chief Executive’s Office. Human Resources reports to the Chief Operating Officer and consults with the recognised trades union (Unite).

Consultation, Negotiation and the Staff Handbook

13. We continue to work with Unite in the development and review of our staffing policies. Consultation and negotiation on updating these policies takes place at SFC’s Policies and Procedures Working Group (PPWG) and new/updated policies and procedures are ratified at the Joint Negotiation and Consultation Forum (JNCF). Equality and diversity considerations form a part of this process in the following ways.
 - Unite has an Equality and Diversity Officer
 - The terms of reference of the Equality and Diversity Group make reference to that group engaging with PPWG. This is currently addressed by having two EDG members who participate in PPWG – one Unite rep and one member of the Human Resources team.
 - An Equality and Human Rights Impact Assessment is completed for every new and updated policy/procedure and is shared at PPWG/JNCF. The Chief Operating Officer approves the EHRIA at the same time policies are ratified at JNCF.
14. Recent HR-led policy and procedure updates of particular relevance to this report include updating of our Equality and Diversity Policy. This policy covers all aspects of the work of the SFC including its policies, management, employment practices and terms and conditions of service. It is endorsed by the SFC Unite Committee and the Senior Management Team (SMT). Notable changes made since the last Mainstreaming Report:
 - We encourage a more active approach to promoting equality and diversity at SFC, in keeping with our obligations as a Scottish public sector organisation.
 - Provide more clarity on our monitoring and reporting responsibilities.

- We set out the responsibility for SFC as a whole and for individual/particular members of staff as well as for the Council Board. Many of these relate to responsibilities we hold under the public sector equality duty and how we can achieve our equality outcomes.
15. Additionally, there have been specific developments to:
- **Gender Reassignment Guidelines** which have been introduced as a preliminary measure to set expectations of how matters relating to gender reassignment will be approached at SFC as we develop our understanding.
 - **Fair Absence Management Guidelines** that seek to reduce inequality for those who have a protected characteristic, and those who don't, through targeted provision relating to disability or pregnancy.
 - **New and Expectant Parents and Parental Leave** policy which was revised to incorporate legislation introducing Shared Parental Leave, and to match the pay for Shared Parental Leave as much as possible to that for Maternity and Adoption Leave to enable parents to share leave more flexibly, giving the mother/primary adopter more control over leave and their partner more ability to be active and supportive in the home.
 - Our **Bullying and Harassment** policy goes beyond the legal considerations of harassment based on protected characteristics and seeks to foster good relations by setting expectations for expected behaviours towards all staff. This policy is currently being reviewed to encourage all members of staff to promote dignity and respect at work.
16. All SFC's staff policies and procedures are subject to regular review, with consultation or negotiation with Unite as appropriate.

SFC Staff Survey

17. The Staff Survey continues on an annual basis, with results shared with staff and with the Council Board, and followed up with “all staff” meetings and workshops to identify action points. Some questions deal directly with equality and diversity and the responses to these are outlined below:

Staff Survey Questions	Positive Response 2014	Positive Response 2015	Positive Response 2016
Staff engagement at SFC	73%	58%	71%
I feel the work I do is valued and respected by other parts of SFC	54%	40%	57%
I have a good understanding of SFC's approach to equality and diversity	81%	75%	71%
SFC is committed to equality and diversity	68%	60%	72%
I am treated with fairness and respect at work	77%	61%	64%
I am aware of the SFC staff values	99%	85%	88%

18. We are pleased that our work to improve staff engagement has resulted in an improvement of staff survey results. (Positive responses to staff survey questions were in general lower in 2015 than 2014 following organisational restructuring.) The questions relating to equality and diversity and values have comparatively high scores against other areas though lower scores in some areas will require focused intervention.

Creating a Culture of Equality and Diversity

19. SFC continues to work to continually develop and improve how staff treat each other and how they are treated as employees. The staff values (Respect, Trust, Commitment, Fairness, Openness and Honesty) are central to our work to define and improve our workplace culture in response to Staff Survey Reports and the initial recommendations we have received as we aim to maintain and improve our existing Investors in People accreditation. Several of the behaviours associated with the values are linked with creating a culture of equality, diversity and inclusion.
20. Throughout our work in this area (over this mainstreaming reporting period) we are clear that understanding and improving equality and diversity has interlinking elements. An example is SFC participation in the Aurora initiative (see page 15) – it can improve equality and diversity by increased applications

to, and success in applying for, senior level roles by women; but looking qualitatively at its impact also increases our understanding, helping us to adapt our approach to improving gender equality.

Equality and Diversity Group

21. Since the last Mainstreaming report we have created an Equality and Diversity Group (EDG) to help us deliver the SFC's Equality and Diversity policy. The EDG supports collaborative working and drives action on delivering our Equality Outcomes (EO). Each Equality Outcome is overseen by a co-ordinator who works with colleagues and reports progress to the EDG. The membership of the EDG includes volunteers, assigned EO co-ordinators, the Interim Director for Access, Skills and Outcome Agreements, the Assistant Director for Access and the Interim Chief Executive Officer (CEO). It is currently chaired by a Senior Policy/Analysis Officer who is responsible for progressing and reporting on our Equality Outcomes.
22. We are grateful for the input and work of the EDG. To enable us to progress our Equality Outcomes for 2017-21 we will update the remit and membership of the Group, and ensure each member has their work reflected in their Forward Job Plans and Review processes. The Group will also be chaired at a senior level to ensure equality continues to be embedded across the organisation, and better to support group members to progress their work.

Embedding equality into SMT decisions

23. As well as attending the Equality and Diversity Group, the Senior Management Team (SMT) hold a monthly Issues of the Moment meeting where they engage and share views and ideas with staff about the internal and external factors affecting SFC. The Assistant Director of HR & OD attends SMT meetings and uses this opportunity to ensure the experiences and requirements of staff are reflected in strategic decisions. Promoting equality and diversity within our staff culture has been centred on the achievement of our Internal Equality Outcomes 1 and 2.

Promoting protected characteristics with staff

24. We have updated our equality and diversity monitoring questions for both applicants and employees so that the questions and lists of options to choose can be better benchmarked against other organisations and as much as possible reflect the preferred wording for different groups. Emphasis and explanation of the benefits of filling out diversity forms for internal applicants has increased disclosure. We promote the completion of monitoring forms when advertising posts externally.

25. In recruitment, we have seen a rise in disclosure of diversity information, and a slight rise in BME applicants (BME communities are under-represented in SFC's workforce) - though there remains under-representation in BME candidates being shortlisted for posts. To encourage more diversity we have used straplines in adverts encouraging applicants from diverse communities, and have also advertised on minority job boards - though evidence suggests these have not attracted candidates. We are currently approaching relevant interest groups to help us in diversity work.
26. In addition to consultation and negotiation with staff through our relationship with Unite we engaged with Aurora participants (see page 15 for more on the Aurora Programme) to organise events for International Women's Day 2016. This led to a wider communications strategy to gather staff feedback on a calendar of significant diversity dates we could acknowledge and support in 2017/2018. Staff ideas for their own learning and development inform our corporate learning and development plan and we seek staff ideas via a Task Group for our Staff Development Day to meet people's equality and diversity training requirements.
27. Our calendar of equality and diversity events comprises training sessions (described below in the section on Learning and Development) to raise awareness of dates and events with relevance to Equality and Diversity – e.g. International Women's Day, Movember/International Men's Day. In response to staff survey feedback we will raise awareness of equality and diversity related activity and of the rationale for the different activities we promote: Human Resources collaborated with Communications to identify how to draw staff attention to the launch of the Gender Reassignment Guidelines and to co-ordinate a "teaser" campaign to foster staff curiosity ahead of consulting about the 2017/18 diversity calendar. This led to our promoting International Day for the Elimination of Racial Discrimination on 21 March and seven other dates are scheduled to be promoted between April 2017 and February 2018.
28. Our Communications Team re-launched SFC's Style Guidelines during 2016 to improve communications to staff and presentation of other HR paperwork. As well as emphasizing consistency in corporate communication, the Guidelines are mindful of factors such as colour-blindness and the requirements of people using screen reading technology.

Promoting specific protected characteristics and addressing under-representation

29. The section below provides specific examples of our work to promote equality for specific groups, or to address under-representation.

Age

30. Younger people (under 25) are under-represented at SFC. In some ways this is to be expected given the time it takes to acquire the skills and experience required for posts that form the majority of SFC vacancies. To offer opportunities to younger people and raise awareness of our organisation to a younger demographic we have therefore taken part in Edinburgh Council's Job, Education and Training (JET) Programme, offering work experience placements to school students. We took on a JET student in 2015-16, and in the first term of 16-17 and have emphasised to Edinburgh Council our enthusiasm to take a student in 17-18. Feedback from students via Edinburgh Council has been positive.

Disability

31. SFC had been a participant in the "Positive about Disabled People" scheme and in October 2016 successfully migrated to the "Disability Confident" scheme. By October 2017 we will have completed a self-assessment and committed to key actions to support the recruitment and development of applicants and employees with disabilities.

Female progression

32. The Aurora Programme is a women-only leadership development programme run by the Leadership Foundation. We support this programme, and encourage relevant female staff across the organisation to take part: 30% of SFC's female staff have done so, and there is evidence of progression and development for high proportion of participants. Of those who have completed the Aurora programme, 50% had experienced some form of career progression (promotion, additional responsibilities, and external opportunities) and a further 25% had actively pursued progression and feedback either at SFC or externally. We have encouraged female members of staff to apply for positions on the Senior Management Team: of those that disclosed their gender when applying for Director Level positions we have had 38% female applicants, 54% female shortlisted, 50% female appointments (including 1 job share for an interim role). Human Resources have sought feedback from Aurora participants and are working with key colleagues to further understand and improve gender equality at SFC.

Race

33. An HR Officer attended several events during Scotland's Refugee Festival and blogged about this, as a springboard to promote events during Black History Month.

Learning and Development

34. In the 2015 report we reported our success in achieving the Investors in People (IiP) Bronze standard. The accreditation framework for IiP has been updated since then and we are currently taking part in a periodic review against the new IIP standard.
35. Alongside continued participation in the Aurora Programme, the key learning and development activity related to equality and diversity have been workshops geared towards increasing understanding of Equality and Human Rights Impact Assessments amongst staff.
36. We have continued to offer staff an introductory equality and diversity e-learning module (developed in collaboration with Scottish Qualifications Authority) with a 91% completion rate amongst staff for this training. We have also offered staff standalone workshops and sessions relating to equality to diversity, in particular as part of the programme of events on our annual Staff Development Day. In the period covered by this report 58% of staff had additional equality and diversity training.

Processes and procedures

37. Since our last mainstreaming report, we have made improvements to:
 - How we report on our mainstreaming progress.
 - Development and use of Equality and Human Rights Impact Assessments.
 - Ensuring equality is considered in all our funding decisions.

Reporting Progress: Governance and Accountability

38. In the 2015 report we referred to the Strategic Performance Management Framework where reports were made to the Council Board by means of a “balanced scorecard”. This approach to presenting information has been revised and the scorecard was replaced with a **Performance Report** developed with our internal auditors and introduced in 2016. Promoting Equality and Diversity is considered an indicator of success under the outcomes High-Performing Colleges and Universities and Employer of Choice.
39. SFC complies with the Best Value in Public Services: Guidance for Accountable Officers. The self-assessment document is assessed by both the SFC Audit Committee and Audit Scotland. Equality is a constituent part and links directly to the SFC Performance Report.
40. We will review our Performance Report model to ensure it is promoting equality throughout our organisation and we will seek to embed the [‘10 good practice building blocks’](#) model.

41. The SFC Access and Inclusion and Remuneration Committees both have a specific focus on equality and diversity. We will review the remits of our other Committees to ensure that Equality is considered fully in their work and their membership. Committee information can be found [here](#).

Equality and Human Rights Impact Assessments (EHRIsAs)

42. Since 2015, we have sought to better embed the use of EHRIsAs across all SFC functions, and core and strategic funding processes, supporting this effort with targeted training and development and, through the use of an internal Equality and Diversity Group, by providing departments with Equality Champions. In addition, we have used our role to promote an expectation of EHRIsAs from the colleges and universities that we fund. Examples of our progress are provided below:
 - Our expectation for EHRIsAs was outlined in the Financial Memorandum (FM) for Colleges. The same will apply when the University FM is revised this year.
 - SFC Outcome Agreement (OA) Guidance makes clear the legal requirement for EHRIsAs on OAs.
 - All Strategic Fund proposals must now include an EHRIsA.
43. We will continue to promote the use of EHRIsAs across the SFC and within colleges and universities and we will improve our publication of EHRIsAs. We are considering how we can develop our approach, for example, through the use of the FAIR methodology to enable us continually to improve the development, use, and publication of our EHRIsAs.

Embedding Equality and diversity in our funding decisions

44. Since the last Mainstreaming Report it is a requirement that any application for SFC funding includes an EHRIsA. As noted above, the Outcome Agreement process (which covers all funding to institutions) now requires an EHRIsA.
45. SFC also provides annual grants totalling over £16m to various non-institutional bodies in pursuit of sectoral objectives. SFC is either the main funder, buys specific services, or contributes a proportion of the organisation's funding (often as part of a UK-wide arrangement). These payments are not covered by SFC's Financial Memoranda with universities and colleges, and occur under a variety of mechanisms including Service Level Agreements and Memoranda of Understanding as well as Outcome Agreements. Examples include our funding of Education Scotland and the Quality Assurance Agency. Since the last Mainstreaming Report we have reviewed and standardised our approach to embedding equality and diversity in these funding arrangements. This includes time-limited Strategic funds.

46. A standard text is now used in all letters offering funding to non-institutional bodies with an expectation that, in accepting the funds, the organisation will:
 - Work with accessible and diverse partner organisations.
 - Demonstrate how the funded project or services contributes to the delivery of the Public Sector Equality Duty.
 - Be required to report on how actions arising from the EHRIA have been reflected in the use of funding.
47. All of the above actions mean the SFC now has a standard process ensuring EHRIAs are undertaken prior to any organisation being considered for Strategic Funding and that equality is fully embedded in the reporting on the impact of this funding.
48. We are pleased with the progress in this area. We now want to consider how we can develop a clear internal policy on upholding the Scottish Public Sector Duties when engaging with non-institutional bodies located out with Scotland.

Working Environment

49. SFC's existing lease for its accommodation in the Haymarket area of Edinburgh expires in 2017. An Accommodation Review project in the lead up to this concluded SFC will remain in its current building, though will share meeting space with Scottish Enterprise with a view to reducing office space to a single floor. This will involve a temporary decantation of all staff, a refurbishment of the ground floor, and the introduction of agile working to create more mobile workspaces. To ensure this meets our equality and diversity requirements, an EHRIA has been carried out on the Accommodation Review project, considering how the proposed changes to staff office space will impact upon different groups.
50. The EHRIA has not yet been published and is a "live" document that will evolve as the project progresses. We have consulted with staff groups, trade unions, third sector partners and expert groups. Evidence reviewed includes appropriate information from HR, staff satisfaction surveys, staff consultation and workshops with external consultants, information on how other institutions have assessed impact, and shared experience from another non-departmental public body.
51. Examples of provisions made/maintained for different groups include:
 - Pregnancy and Maternity: Provision of space for breastfeeding mothers to express milk.
 - Religion: Provision of a quiet space.

- Gender Reassignment: Availability of gender neutral facilities in disabled bathroom –proposal to adjust signage to reflect this.
- Disability: Bathroom Space, incorporation of special requirements into seating plan, large Screens, audio induction loops, accessibility/mobility considerations, incorporation of fire escape regulations.

2. Employee Equality Information: Our Workforce and Staff Data

52. We collect equality monitoring data on staff working at the Council largely through staff members updating their personal details through the desktop HR Information system (staff are periodically asked to check and update their records to ensure they are current). In addition, we collect equality monitoring data from job applicants, recorded on a secure database to provide information on the recorded protected characteristics.
53. As part of working towards our Internal Equality Outcome 1 we have revised the wording of our equality and diversity questions, for both applicants and existing members of staff and re-launched our monitoring systems accordingly. The revised options are based on the Good Practice Guide developed by the Non-departmental Public Bodies Equality Forum.
54. When the 2015 report was published we said that, in keeping with civil service guidance, we were not collecting information on transgender individuals. We have revised our approach consistent with Gov.uk's Guidance on the Recruitment and Retention of Transgender Individuals. We now ask questions about gender identity so that transgender applicants and employees feel gender reassignment is recognised as a protected characteristic and feel they are free to express that aspect of their identity if they choose.
55. We collect data on all the protected characteristics for employees and eight of the protected characteristics for applicants (we do not collect applicant data on pregnancy and maternity). We have also begun to collect data on caring responsibilities.

Representation of Protected Characteristics amongst SFC Employees

56. Diversity information for April 2015, 2016 and 2017 is provided below. (Percentage points have been rounded for ease of reading and in some cases for confidentiality.)

Age

	2015	2016	2017
Up to 25	0%	0%	0.0%
26-35	18.3%	16.7%	11.3%
36-45	32.1%	30.6%	32.1%
46-55	37.6%	36.1%	35.8%
56-65	11.9%	15.7%	20.8%
Over 66	0%	0.9%	0.0%

57. The average age as at 1 April 2017 was 47 years. We have no staff under the age of 25, and see this as the result of the level of experience required for many of SFC vacancies (see pages13-14). We also have no employees aged 66 or over, possibly related to the default retirement age of the Civil Service Classic Pension Scheme. The general trend is for the age profile to move upward, consistent with an organisation with relatively low levels of staff turnover.

Disability

	2015	2016	2017
Yes	9%	9.5%	11.3%
No	91 %	90.5%	84.0%
Prefer not to say	0%	0%	4.7%
Blank	0%	0%	0.0%

58. Previously our HR Information System did not provide a “Prefer not to say” option for Disability (the default was set to “No”), explaining the rise in people selecting “Prefer not to say”. There has also been a rise in people declaring a disability that may be linked to our revised approach to absence management that makes reference to considerations for people with a disability.
59. Currently 10.5% of staff declare a disability. Less than 5% have selected “Prefer not to say”. The Scottish Household Survey’s Core Questions 2014 indicate 23% of adults in Scotland have a disability but does not offer further information on how many of these are in a position to take up employment. Scotland’s Annual Population Survey for 2015 indicated that 42% of disabled people were in employment. This suggest that circa 10% of our employees having a disability is proportionate to the rest of the population, particularly taking into account some people may choose not to disclose a disability.

Gender Reassignment

60. We have begun asking for diversity information in this area only recently and cannot yet provide meaningful data. It may be possible to provide this data for the next Mainstreaming Report but we are mindful of its sensitivity.

Marital/Civil Partnership

61. This information is currently held in our payroll system. On 1 April 2016 the ratio of staff who declared themselves as married or in a civil partnership compared to staff who declared themselves as single was 46:54. On 1 April 2017, it was 47:53.

Pregnancy/Maternity

62. This characteristic is harder to report on given its transient nature. SFC has competitive maternity pay that exceeds the statutory minimum – our contractual maternity pay is full pay for 26 weeks. An XpertHR survey in 2014 indicated of all those employers that pay some maternity leave at full pay, the median number of weeks is 12, with the lower quartile at six and the upper quartile at 16. We also have flexible working provisions to support all employees including women who are pregnant and women who are returning to work after their maternity leave.

Race

	2015	2016	2017
Not stated	9%	9%	7%
White	91%	91%	92%
Minority Ethnic	0%	0%	1%

63. SFC is currently mainly composed of staff of white ethnic origin in the broadest sense (drawn from a variety of different nationalities within and outside the European Union). The 2011 census indicates that just over 8% of Edinburgh’s population and 4% of Scotland’s Population are of black, asian and other minority ethnic origin though it does not indicate what proportion are eligible for work. There has been work to increase BME representation that has led to more job applications from BME individuals, but the focus now needs to be on more shortlisting and successful applications.

Religion

	2015	2016	2017
None	40	42	46
Christianity	36	36	34
Prefer not to say	6	7	8.5
No Response	16	14	8.5
Others	2	2	3

64. The Scottish Surveys Core Questions 2014 indicate that 44.5% of the population had no religion, 51.8% indicated some form of Christianity, 3.1% were Muslim or another religion and 7% did not know or did not disclose.
65. We have a lower representation of Christians than the general population at SFC, though this might be balanced against the higher proportion of employees who did not disclose their religion. We have grouped together “other” religions

for confidentiality and reporting purposes, no SFC staff members have disclosed being of Muslim faith.

66. There has been progress here with non-disclosure dropping slightly and more people selecting to “Prefer not to say” rather than providing no response.

Gender

	2015	2016	2017
Female	60%	60%	60%
Male	40 %	40 %	40%

67. The organisation is currently 61% Female and 40% Male. The majority of employees at grades A2 – E2 are female – in particular there is only one male at grades A2 – E1. Grade breakdown is discussed in more detail in the section on “Equal Pay”. There is close to a 50:50 split at M1 and E3 grade.
68. The SFC Senior Management Team consists of the Interim CEO and four Directors, one of whom is an interim appointment. One of the Directors is female and all other members are male.
69. The Assistant Director of HR & OD is female and she attends SMT meetings and is considered an active member of SMT for that purpose. This brings the representation of women at the SMT meetings to 33%. This is an improvement on the figure of 12.5% in April 2015 (though the size of that team has diminished following organisational restructure, meaning there are fewer posts which were previously occupied by male staff members). During the period of this Mainstreaming Report we have also had a fixed term Director level vacancy filled by two female staff on job share.

Sexual Orientation

	2015	2016	2017
Heterosexual/Straight	75%	75.90%	78.30%
Homosexual/Gay	3%	3.70%	4.70%
Bisexual	0%	0%	0.00%
Prefer not to say	6%	5.60%	8.50%
Blank	16%	14.80%	8.50%
Other Options*	Option not available	Option not available	0.00%

* “Other” (with option to specify) and “Not Sure”

70. The Scottish Surveys Core Questions 2014 indicate that 1.6% of people are lesbian, gay, bisexual or “other” and 2.4% did not provide a response. Disclosure has increased as has the number of people indicating “Prefer not to

say” rather than leaving this option blank and overall it would appear that LGB+ people are well represented at SFC. That said, the absence of bisexual employees and employees who define their sexual orientation in other ways should be noted – this could be because there are none, or because they have chosen not to disclose their sexual orientation.

Recruitment

71. SFC had thirteen vacancies with closing dates between 1 April 2015 and 31 March 2016 and thirteen vacancies with closing dates between 1 April 2016 and 31 March 2017. Nine of these were advertised only internally. Given the small volume of appointees, confidentiality means it is inappropriate to give a breakdown of the protected characteristics of the successful candidates. A breakdown of applications and levels of shortlisting for each protected characteristic is given below. [Figures rounded to nearest percentage point].
72. Diversity information is not included in the documentation provided to panel member at shortlisting/selection stage. We have done work to improve the levels of recruitment data disclosed and while completion of diversity information at the application stage remains at 70% for external applicants, for internal applicants it has moved from 11% to 79%.
73. The greatest disparity in the recruitment data is the proportion of BME candidates who are being shortlisted for roles. Application levels have risen as a proportion of those who disclose their race, and are up overall since the 2015 report (1.7% of applicants). However, fewer BME applicants than White applicants are being shortlisted. The emphasis now needs to be on having higher numbers of applicants being shortlisted as well as applying for jobs. It is also worth noting that several positions were advertised only internally which made them significantly less likely to be filled by BME candidates, particularly given that for a large part of the reporting period no staff members declared BME.
74. A higher proportion of women are being shortlisted for positions than men and this is the case for the majority of the pay grades. In some cases having a higher proportion of women shortlisted for e.g. senior roles can help to address an imbalance but this may also correspond to the majority of people in the lower pay grades being women. More reflection on shortlisting processes may be useful moving forward.

Race

	Applied 15- 16	Shortlisted 15-16	Applied 16- 17	Shortlisted 16- 17
Not Stated	37%	36%	20%	18%
Prefer Not to Say	0%	0%	0%	0%
White	57%	62%	76%	80%
Minority Ethnic	6%	2%	4%	2%

Age

	Applied 15- 16	Shortlisted 15-16	Applied 16-17	Shortlisted 16-17
Under 25	6%	7%	1%	0%
25-34	18%	16%	28%	31%
35-44	15%	24%	19%	18%
45-54	18%	16%	20%	20%
55-64	5%	3%	11%	10%
65+	0%	0%	0%	0%
Not Disclosed	36%	33%	21%	20%
Prefer Not to Say	1%	2%	0%	0%

Gender

	Applied 15- 16	Shortlisted 15-16	Applied 16 -17	Shortlisted 16-17
Female	31%	40%	43%	48%
Male	34%	28%	38%	35%
Not Provided	35%	33%	20%	17%

Disability

	Applied 15-16	Shortlisted 15-16	Applied 16-17	Shortlisted 16-17
Yes	5%	5%	8%	6%
No	57%	59%	69%	73%
Prefer not to say	2%	3%	1%	2%
Information Missing	36%	33%	23%	18%

Gender Reassignment

75. The updated application forms were launched in October 2016. Given the low volume of data together with its sensitive nature it is not appropriate to share this information at this stage.

Sexual Orientation

	Applied 2015-2016	Shortlisted 2015 – 2016	Applied 2016- 2017	Shortlisted 2016 - 2017
Heterosexual/Straight	57%	59%	71%	76%
Homosexual/Gay & Bisexual*	3%	5%	5%	4%
Prefer not to say	4%	2%	3%	2%
Not Disclosed	36%	34%	21%	18%
Other Options**	Option not available	Option not available	0%	0%

**Combined for confidentiality*

*** "Other" (with option to specify) and "Not Sure"*

Marital/Civil Partnership

76. This was added to monitoring form in the latter half of 16-17. There is therefore not enough data to maintain confidentiality or provide meaningful findings.

Pregnancy/Maternity

77. We do not ask job applicants if they are pregnant or a new mother.

Religion

	Applied 15-16	Shortlisted 15-16	Applied 16-17	Shortlisted 16-17
None	26%	29%	39%	41%
Christianity	27%	28%	29%	29%
Prefer not to say	5%	7%	9%	10%
No Response	38%	34%	23%	18%
Others	4%	2%	1%	2%

Progression

78. Fifteen of the vacancies (temporary and permanent) that were advertised between 1 April 2015 and 31 March 2017 were filled internally, thirteen of which equated to promoted posts. The small number of appointees means confidentiality precludes us from disclosing all the protected characteristics of internal appointees. But we can confirm there were nine female appointees and six male appointees.

79. Eight promotions were given to women and five to men. Where a temporary promotion was offered initially and the individual was successful in applying for the permanent post this has been counted as one promotion. Opportunities for progression and organisational development must be balanced against the need to recruit diverse external candidates.

Retention

80. Between 1 April 2015 and 31 March 2017, fourteen people left employment at SFC. There were seven leavers between 1 April 2015 and 31 March 2016 (6.4% turnover) and seven leavers between 1 April 2016 and 31 March 2017 (6.5% turnover). Again, the small number of leavers means confidentiality precludes us from disclosing all their protected characteristics. A breakdown of the gender and grade of leavers is below:

Gender	2015- 2016	2016 - 2017
Male	3	4
Female	4	3

Grade	2015- 2016	2016 - 2017
A1 – E1	0	0
E2	4	2
E3	1	1
M1/M2	0	3
Senior Management Team	2	1

3. Council Equality Information

81. On 15 May 2015 the Council Board consisted of five women and eight men. On 22 April 2016 and 17 March 2017 the Council Board consisted of seven women and seven men. We are proud that the Scottish Funding Council was one of the first public bodies in Scotland to achieve the Scottish Government's ambition of equal gender representation.
82. While SFC does not appoint its own Board members it carefully considers the skills and make-up of the Board to inform the Chair's advice to the Scottish Government on future Board appointments and re-appointments. This process involves considering the skills and balance of the Board and the gaps that need to be filled to cover the needs of the organisation: for example, finance/audit, college/university sector, research and innovation alongside the gender and diversity balance of the Board.
83. We also, as part of an Institute of Directors and Scottish Government joint initiative for "board ready" females, have had an observer present at each Board meeting who is, through shadowing the Board, gaining experience and confidence in what is required from Board members of a public body.

4. Equal Pay

84. SFC is committed to equal pay and this is reflected via a Job Grading and Evaluation Procedure that ensures each role is aligned to the correct pay grade, as well as a Salary Determination Procedure that is used to ensure that each member of staff is offered a fair salary in relation to others with equivalent experience. Since 2003 SFC has reported on equal pay on a year by year basis, through [pay audits](#) and now via the published Mainstreaming Reports.
85. A gender pay gap analysis is given below for May 2015/2016. This data has been drawn from our HR Information System. For year-on-year progress, please see the 2012 – 2014 figures from our 2015 Mainstreaming Report.

Hourly Rate for SFC Employees	Average 01.05.15	Median 01.05.15	Average 01.05.16	Median 01.05.16
Female	£19.20	£17.46	£ 19.35	£ 17.72
Male	£25.07	£21.66	£ 25.18	£ 21.99
Female: Male	77%	81%	77%	81%

Occupational Segregation

86. The gender segregation of employees across SFC's pay grades on 1 May 2015/2016:

Pay Grade	Male 2015	Female 2015	Male 2016	Female 2016
SMT	4	1	4	1
M1/M2	11	11	11	11
E3	16	12	14	14
E2	13	25	14	23
A2/E1	1	16	1	16

87. Equal pay at SFC is influenced by two factors. The pay review process is affected by Scottish Government pay policy and the economy. This influences how quickly staff can progress to the top of their pay grade. Currently there are more men within the Senior Management Team (SMT) and fewer in the lower pay grades. Work is ongoing to address this imbalance as described elsewhere in this Report.

Section 2

Externally facing: High performing colleges and universities

This section presents analysis of the mainstreaming of equality and diversity within SFC-funded colleges and universities. It is designed to demonstrate our progress towards the following Equality Outcomes:

- Equality Outcome 1 (External) - More even patterns – at both a sectoral and an institutional level - of participation, retention and success by different groups of learners, from protected characteristic groups and including those from areas of deprivation and care backgrounds where they interact.
- Equality Outcome 2 (External) - Understand the diversity of college and university staff, management and governing bodies leading to specific Equality Outcomes for improvement by AY 2017-18.
- Equality Outcome 3 (External) - An improved and aligned evidence base for equality, informed by increased rates of disclosure across protected characteristics.
- Equality Outcome 4 (External) – Advancement in the mainstreaming of equality and diversity within colleges and universities within the outcome agreement process.

It includes:

1. Progress since our last Mainstreaming Report
2. Our evidence base

1. Progress since our last Mainstreaming Report

88. Our role in promoting Equality and Diversity is clearly articulated in our [Strategic Plan 2015-18](#).
- “We will support the work of colleges and universities to promote equality and diversity by taking forward our published equality outcomes and, in doing so, help to create a more equal society.”
 - “Help create a more equal society by widening access to learning for communities that are under-represented and by promoting equality and diversity.”
 - “We will work in partnership with colleges and universities, the Scottish Government, the Equality and Human Rights Commission and other agencies to promote equality and diversity.”
 - “We will promote equality of opportunity in the career progression of all researchers, whatever their background or community.”
89. This section provides an update on our work to promote equalities through our:
- Outcome Agreement approach.
 - SFC policy priorities.
 - SFC funding to support colleges and universities advancing equality and diversity.

SFC Outcome Agreements

90. We outlined the role Outcome Agreements play in promoting equality in our last Mainstreaming Report. Since that report we have focused on improvements in the consistency of how information is provided on equalities in each outcome agreement (this has included the use of a data matrix from which institutions can set ambitions) and ensuring there is a link between the PSED reports and the outcomes that institutions set in return for the public funding allocated by the SFC. The latter has been supported through our funding of the ECU (as outlined earlier in this report). We have also introduced a new requirement that all Outcome Agreements must have an EHRIA. These requirements are outlined in the OA Guidance for [Colleges](#) and [Universities](#) for AY 2017-20.
91. In addition to this, the SFC assesses all draft and near final OAs for their consideration and commitment to equality and diversity. This information is fed back to the SFC Outcome Agreement Manager, to enable them, where necessary, to secure improvements. It is also shared with both the Interim

Director of Access, Skills and Outcome Agreements and the Interim CEO prior to approval.

Equality and diversity within SFC Policy Priorities

92. Since the last Mainstream report we have:

- Undertaken a full review of widening access in the SFC Triennial Review, to be published in the near future.
- Supported the Commission on Widening Access, and are now working to implement our contribution to its final report.
- Published a SFC Gender Action Plan and are now implementing it, including a requirement for all institutions to set Gender Outcomes and to develop their own Gender Action Plan.
- Engaged with the Scottish Government's Race Equality Framework to promote access and equality in relation to BME groups.
- Completed a review of the funding used to support students with additional needs, and introduced a new reporting methodology that focuses on outcomes, impact and inclusive approaches.

93. More detail on each area is provided below.

SFC Triennial Review

94. [Section 16 of the Post-16 Education \(Scotland\) Act 2013](#), placed a duty on SFC to conduct reviews of widening access every three years. In summary, this section of the Act requires SFC to:

- Undertake a Triennial Review of progress on enabling, encouraging and improving participation in fundable further education and fundable higher education by under-represented socio-economic groups.
- [Ensure] each review makes recommendations for actions Council deems appropriate to widening access.
- Do a Triennial Review within three years of commencement, and then within every three years.

95. The key findings in relation to protected characteristic groups are discussed later in this report.

Commission on Widening Access

96. The Commission on Widening Access (CoWA) was announced by the First Minister as part of the Scottish Government's 2014-15 [Programme for Government](#). The [remit](#) of the Commission was to achieve the Scottish Government's ambition that a child born today in one of our most deprived

communities should, by the time he or she leaves school, have the same chance of going to university as a child born in one of our least deprived communities.

97. In equality terms this links to socio-economic intake and outcomes. SFC staff provided secretariat support to the Commission. The [Blueprint for Fairness](#): final report of the Commission on Widening Access was published in March 2016. An update on our progress to implement the recommendations of this report including our full support for the newly appointed Commissioner for Fair Access can be found [here](#).

SFC Gender Action Plan

98. In December 2014, the Scottish Government published [Developing the Young Workforce - Scotland's Youth Employment Strategy](#), a seven-year programme that aims to better prepare children and young people from the ages of 3–18 for the world of work. The headline objective is to reduce youth unemployment by 40% by 2021. A key component in the strategy is to develop the talents of all young people.
99. Within the strategy the Scottish Government committed SFC to develop a [Gender Action Plan](#) (GAP) to address gender imbalances at a subject level within colleges, in partnership with Skills Development Scotland and other partners. Published in summer 2016, this plan builds on these expectations and brings together our ambitions for both colleges and universities.
100. The research that underpins the GAP mapped approaches to tackling gender imbalances across Scottish Colleges and Universities and the report outlines the different approaches in place as focusing on the following five broad themes of:
- Infrastructure.
 - Influencing the influencers.
 - Raising awareness and aspiration.
 - Encouraging applications.
 - Supporting success.
101. The latter theme includes retention of students and ensuring successful outcomes for all, and the plan sets out how we will work with every institution to support improvement in each of these five. We will drive this through the Outcome Agreement process and the development of institutional Gender Action Plans.
102. The research also emphasised the need to enhance the evidence base. We have already invested in further research and we will be conducting regional and subject based expert groups through to 2020. We will be developing a replacement for our annual *Learning for All* publication which reports on progress in widening access and any future iteration will include analysis on

gender and its intersection with other protected characteristics as well as deprivation and care experience.

103. We will extend such an approach within our second Triennial Review due by March 2020. Together with our annual monitoring of the Outcome Agreement commitments from 2016, this will provide a solid evidence base. We will continue to ensure the actions outlined in this plan align with our wider aspirations for institutions in terms of all protected characteristics as well as socio-economic background and care experience.

Access and equality in relation to BME groups

104. We provided an initial [report on access and equality to BME groups](#) to our Access and Inclusion Committee (AIC) in September 2016. This concluded that generally the outcomes achieved by the overall BME community in the college and university sector are good; but AIC identified the need to undertake more analysis in this area and use that to influence other partners specifically in relation to employment outcomes/destinations of BME groups. It was also agreed that SFC would develop its evidence and inform the Scottish Government's Race Equality Framework 2016-30.
105. Since then in our 2017-18 to 2019-20 Outcome Agreement guidance to Colleges and Universities published in October 2016, SFC built in a commitment to work with institutions to consider the Race Equality Framework for Scotland 2016-2030, and to ensure that people do not face barriers to full participation and successful outcomes across Further and Higher Education. SFC has since then engaged with the Scottish Government officials and the Coalition for Racial Equality and Rights (CRER) on their extensive consultation and evidence gathered from BME stakeholder groups in relation to the education goals and visions set out within the Race Equality Framework for BME communities.
106. As part of this work, as a commitment to minority groups set out in the SFC Gender Action Plan published in August 2016, SFC will consult with relevant ethnicity and disability representatives to improve our understanding of the issues faced by such minority groups and how they differ by gender. Building on work with stakeholders, SFC will seek to identify what further guidance is required.
107. Through our work on the Triennial Review, we have taken forward further data analysis on representation, successful completion/retention and destinations of BME groups in both sectors. We are also working with the NUS to consider the intake and outcomes of refugees and asylum seekers.

SFC Access and Inclusion Strategy

108. As reported in our last Mainstreaming Report we undertook a review of the funding allocated to help learners with additional support needs in the college sector during AY 2015-16. That review and EHRIA on the recommendations is complete and the recommendations are being implemented in full. The main recommendation was to change the reporting requirements for that fund from one that focuses on the need of the individual to one that sought assurance from the college that they are using the funds to invest in inclusive practices that have evidenced impacts and outcomes. This approach was integrated into our Outcome Agreement Guidance for 2017-20 onwards. The guidance can be found here.

Supporting equality and diversity in the staffing, management and governance of colleges and universities

109. In addition to our Equality Outcomes relating to students we also want to promote and support equality and diversity in college and university staff, management and governing bodies. To do this we have committed to:

- Provide high quality, sector level information about the university workforce to enable institutions to understand the national profile of their staff and use this data to inform their own benchmarking and target setting as appropriate.
- Promote the UK-wide equality charter marks (Athena Swan and Race Equality) and career development programmes such as those provided by the Leadership Foundation for Higher Education, the Higher Education Academy and Vitae.
- Deliver the HR Excellence in Research Action Plan, enables us to encourage universities to enhance the Scottish research environment by supporting the researchers who underpin this.
- Work in partnership with the other UK Funding Bodies to build and embed equality and diversity into the development of UK level higher education policy, with a particular focus on major policy initiatives such as REF2021 and the Teaching Excellence Framework.
- Support the delivery of SFC's Gender Action Plan - Aim 14 (to enhance career progression for female staff in colleges and universities), potentially commissioning a longitudinal study on staff progression and equality issues that will support the identification of future actions as required.

- Work with HEIs, ECU and other key stakeholders to support the recommendations of the HEI Governing Bodies Equality and Diversity Report 2015.

SFC Funding to support colleges and universities advancing Equality and Diversity

110. SFC provides funding to ECU, College Development Network (CDN) and the Higher Education Academy (HEA) to support a national programme for equality and diversity for Scottish colleges and Universities. ECU will report on the impact of this award in January 2019. The intention of this funding is to support institutions to deliver their current equality outcomes (reported in April 2017), and to use lessons learned to help the sector develop equality outcomes for 2017-2021.
111. ECU's programmes are developed to meet strategic priorities and are intended to be responsive to the needs of the sectors. More details on their programme of work for 2016-18 can be found [here](#). In Scotland, ECU runs two liaison groups, one for the Higher Education Institution (HEI) sector and one for the college sector, to enable consultation with equality and diversity (E&D) leads in institutions.
112. In 2016-17, ECU rolled out "Attracting Diversity", its largest action research project (across the UK) to date. Twenty Scottish are currently engaged in the programme.
113. We also fund ECU to produce statistical reports for [colleges](#) and [universities](#). These provide benchmarking data for the sectors on protected characteristics.

2. Our evidence base

114. On an annual basis, SFC releases a range of Statistical Publications on the SFC website. These statistics are used in a variety of ways, such as:
- Providing advice to Ministers.
 - Informing the decision-making process on Further and Higher Education policy in Scotland.
 - Inclusion in reports, briefings and news articles.
 - Academic research and public enquiry.
115. SFC also publishes technical guidance for [Universities](#) and [Colleges](#) on the data that institutions should use to collect and report progress on in their outcome agreements. Over the next reporting period, and delivered through specific Equality Outcomes, we will consider ways in which we can advance guidance for institutional staff data.
116. Since our last Mainstreaming Report, we have developed an internal data presentation enabling Outcome Agreement Managers to access national, regional and institutional data which they can use in discussion with their institution or region.
117. As outlined earlier in this report we have undertaken a Triennial Review of widening access for the Scottish Government as required by Section 16 of the Post-16 Education (Scotland) Act 2013. This includes an analysis by selected protected characteristics (age, disability, ethnicity and gender, compulsory data categories within our statistical collections) for the intake and outcomes of students in each sector; and intersectionality analysis by SIMD where possible.
118. The Act requires that we publish this review. We expect to have done so by June 2017. This will provide information on intake, successful completions (colleges), retention (universities) and positive destinations. Rather than repeat that data here we have chosen to provide headline data and conclusions from that report.
119. Upon publication of the Triennial Review findings, we will update this document.

College and University Equality Data

120. The tables below provide some overview tables for both sectors. Please note that the analyses focus on students within the definition used for SFC Outcome Agreements. Unless otherwise stated, all university data is based on Scottish-domiciled undergraduate entrants (SDUE) entrants only, while college data includes the data of all students. The analyses include full-time as well as part-time students.

College equality data and conclusions

Table 3: Proportion of Colleges FTEs delivered by protected characteristics (AY 2011-12 - 2015-16)

Protected Characteristics		2011-12 (%)	2012-13 (%)	2013-14 (%)	2014-15 (%)	2015-16 (%)
Age	Under 16	3.1	2.5	2.3	2.3	2.6
	16-19	46.0	46.6	45.5	46.0	45.6
	20-24	20.8	21.3	21.9	22.3	21.8
	25 and over	30.1	29.6	30.3	29.4	30.0
Deprivation	10% most deprived	15.8	16.0	16.2	16.4	16.8
	20% most deprived	29.5	29.7	30.3	30.4	30.5
Disability	No known disability	83.4	82.7	83.5	82.5	83.2
	Disability	16.6	17.3	16.5	17.5	16.8
Ethnicity	White	93.4	93.8	94.0	93.8	93.4
	BME	6.6	6.2	6.0	6.2	6.6
Gender	Male	48.5	49.1	49.1	48.8	48.8
	Female	51.5	50.9	50.9	51.2	51.2

121. Our assessment of the data available to us in relation to equality and diversity shows that in the college sector there is good representation from those from a deprived community and by disability, ethnicity and gender. A high proportion of students are also younger students i.e. under 25 years of age.
122. **Socio-economic** - Colleges across Scotland are succeeding in delivering provision to those from our most deprived areas, with high representation at FE and HE level. Despite their success in recruiting students from the most deprived backgrounds, more focus should be paid to ensuring these students achieve as well as students from the least deprived areas. There are significant disparities between the successful completion rates of those from the most deprived communities for both FE and HE.
123. **Age** - A high proportion of students in college are young (19 or under) which is perhaps to be expected given the nature of provision and the Scottish Government's current strategic focus on younger students. That said, intake of 20-24 year olds, are increasing and provision for those aged 25 and over is largely static in proportionate terms. However, younger students are not achieving as well as those aged 25 and over. An opposite trend can be found in the university sector. Despite this, younger students still have high levels of positive destinations post-college. Going forward we will consider the case for a shift in focus in the outcome agreement process from the intake of 16-19 and 20-24 year old groups towards equalising the outcomes and achievements of this group.

124. **Disability** - The proportion of students with a disability fairly evenly matches that of the Scottish population (based on a comparison with the declaration of disability by age in the Scottish population). Furthermore, for HE level they have lower successful completion rates than those with no disability. At FE level they are as likely to successfully complete their course as those with no disability but successful completions are lower in FE than in HE for those with and without a disability. Finally, students with a disability are more likely to continue their studies and slightly less likely to enter a positive destination than those without a disability.
125. **Ethnicity** - Despite recent decreases in the BME intake, there is still good representation of the BME population in the college sector and BME students have high successful completion rates. In terms of positive destinations, those from a BME background are slightly more likely than those from a white background to progress to full-time further study and full-time employment.
126. **Gender** - There is a broadly equal gender balance in student intake at colleges (out with subject-specific imbalances) but this masks:
- An increasing gender gap at HE level with more females than males.
 - A significant - albeit decreasing - gap in HE successful completions with women outperforming their male counterparts.
 - A small but increasing gap in FE successful completions with women again outperforming their male counterparts.
 - Women are less likely to enter full time employment and study.
127. More work is required to understand the reasons for these trends and how to overcome them. This will be taken forward as part of our wider work on the Gender Action Plan.

University equality data and conclusions

Table 4: University intake Scottish-domiciled undergraduate entrants by protected characteristics (AY 2011-12 - 2015-16)

Protected characteristics		2011-12 (%)	2012-13 (%)	2013-14 (%)	2014-15 (%)	2015-16 (%)
Age	Under 21	67.1	67.8	66.4	66.7	65.2
	21 and over	32.9	32.2	33.6	33.3	34.8
Deprivation	20% most deprived	12.8	13.3	14.0	14.1	14.4
	40% most deprived	28.6	29.0	30.0	30.8	31.4
Disability	No known disability	91.2	90.7	89.7	89.1	88.3
	Disability	8.8	9.3	10.3	10.8	11.7
Ethnicity	White	93.9	93.4	93.2	93.5	92.8
	BME ⁶	6.1	6.6	6.8	6.5	7.2
Gender	Male	42.5	42.7	43.1	42.3	41.3
	Female	57.5	57.2	56.9	57.7	58.7

Source: Scottish Funding Council (HESA)

⁶ Black and Minority Ethnic (BME) group

Table 5: University retention Scottish-domiciled undergraduate entrants' retention⁷ (from Year 1 into 2) by protected characteristics (AY 2011-12 - 2015-16)

Protected characteristics		2011-12	2012-13	2013-14	2014-15	2015-16
		(%)	(%)	(%)	(%)	(%)
Age	Under 21	90.6	92.2	92.7	91.8	91.9
	21 and over	86.1	87.3	87.2	87.1	87.3
Deprivation ⁸	20% most deprived	84.6	87.2	87.7	87.5	86.7
	40% most deprived	85.7	87.7	87.8	88.1	87.7
Disability	No known disability	89.5	91.0	91.5	90.7	90.8
	Disability	88.4	89.4	89.6	89.3	89.4
Ethnicity	White	89.7	91.0	91.2	90.5	90.6
	BME	90.9	89.9	92.6	90.7	92.0
Gender	Male	87.4	89.4	90.1	88.8	88.9
	Female	90.9	92.0	92.2	91.8	92.0
Total Retention		89.4	90.9	91.3	90.5	90.6

Source: Scottish Funding Council (HESA)

128. Our assessment of the data available to us in relation to equality and diversity shows that in the university sector there is good intake by disability and ethnicity compared to the Scottish population. There is also a high intake from younger students. But there is an under-representation from the most deprived communities and males.

129. **Socio-economic** - Over the past four years there has been a gradual increase in both the number and proportion of undergraduate entrants to university coming from Scotland's most deprived areas. This progress needs to be accelerated to meet the expectations of the Scottish Government and Commission's targets. There are also lower retention rates for those from the most deprived communities (particularly from the Post-92 and specialist HEI institutions) but overall they are improving and the gap with other students is narrowing. Other findings are:

⁷ Retention rates are based on full-time students only

⁸ Most deprived (Quintile 1), least deprived (Quintile 5)

- Broadly balanced representation of the most deprived communities in higher education when college provision is taken into account.
 - The greatest under-representation of the most deprived communities in universities is in the younger cohort i.e. 16-19 year olds.
 - Men from the most deprived backgrounds are particularly under-represented in universities.
 - Students from the most deprived communities are less likely to declare a disability in universities.
 - School pupils from the most deprived communities are least likely to have achieved more than one SCQF level 6 (Higher) or SCQF level 7 (Advanced Higher).
130. **Age** - There is a high intake of younger students in the university sector but the intake of 20-24 and 25+ is increasing. Students aged under 21 perform well in the university sector and have the highest retention rates. Retention rates reduce with age in the sector - the opposite of successful completions in the college sector. However, positive graduate destination figures are high for the university sector and show very little difference by age.
131. **Disability** - As with the college sector, there is a good intake of students with a disability compared to the Scottish population (when based on a comparison with the declaration of disability by age in the Scottish population). The retention rates of those with a disability are lower but they are improving. Students declaring a mental health issue show the lowest retention rates but students with a physical impairment or specific learning difficulty have higher retention rates than those with no disability. The positive graduate destination data demonstrates a 4% gap between graduates with and without a disability.
132. **Ethnicity** - There is good intake of the BME population in the university sector compared to the Scottish population. These students also have high retention rates but when looking at individual racial groups, the black ethnic minority group have slightly lower retention rates. This group are also more likely to be from the most deprived communities. The positive graduate destination data shows high levels of positive destinations for all groups but demonstrates a 4% gap between BME and non-BME graduates.
133. **Gender** - There is a gender gap in the university sector with under-representation of men (which worsens when we consider deprivation). In addition, male students have lower retention rates and positive graduate destinations than females. This is in addition to the subject imbalances within the sector. Actions to overcome these issues are outlined in our Gender Action Plan.

Next steps

134. Over the next Mainstreaming Reporting period, the SFC will:

- Consider the case for a shift in focus in the college outcome agreement process from the intake of 16-19 and 20-24 year old groups towards equalising the outcomes and achievements of this group.
- Seek to develop a more detailed understanding of successful completion rates by protected characteristic and between protected characteristics i.e. intersectionality in the college sector particularly in relation to age and socio-economic backgrounds.
- Seek to develop a more detailed understanding of the lower retention rates of mature students.
- Revise current statistical publications to consider the learner journey and to include more data from other organisations.

Section 3

SFC Equality Outcomes

This section confirms our Equality Outcomes for the period 2017-21. These are shown below. It builds on our mainstreaming presented in Section 1 and Section 2 and the Equality Outcomes in place during that time.

The new external Equality Outcomes are:

1. To achieve more even patterns – at both a sectoral and an institutional level - of participation, retention and success by different groups of learners, from protected characteristic groups and including those from areas of deprivation and care backgrounds where they interact. [unchanged]
2. Understand the diversity of college staff, management and governing bodies leading to specific recommendations and guidance for Colleges in AY 2019/20 [new]
3. Support the university sector to achieve a diverse and representative workforce [new]
4. To achieve an improved and aligned evidence base for equality, informed by increased rates of disclosure across protected characteristics. [unchanged]
5. Equality and diversity considerations are evident in outcome agreements and across all core and strategic funding agreements. [updated]

The new internal Equality Outcomes are:

1. We will better understand and improve equality and diversity within our workforce through improved disclosure and positive action and development initiatives [updated]
2. Equality and diversity responsibilities will be clearly established in our strategic and operational planning and advanced through forward job plans and evaluation processes [updated]

Developing our Equality Outcomes

135. Our existing and new Equality Outcomes are designed to support all protected characteristic groups; Age, disability, gender reassignment, pregnancy and maternity, race, religion or belief (including lack of belief), socio-economic, sex and sexual orientation.
136. Our reflection of our equality outcomes follows in the next section, and, where appropriate introduces a new or updated equality outcome for 2017-2021.

Equality Outcome 1 (External)

137. Equality Outcome 1 aims to achieve more even patterns – at both a sectoral and an institutional level - of participation, retention and success by different groups of learners, from protected characteristic groups and including those from areas of deprivation and care backgrounds where they interact. We do not intend to change this outcome.
138. The 2015 Student Equality Outcome has been progressed significantly by the development of a Triennial Review as reported in Section 2. This report has enabled us to identify key recommendations to further develop the above outcome over the next reporting period. This will include at least the following areas and comparisons of the intersectionality between these groups. This data is defined as compulsory data fields for colleges and universities to collect so the information is reliable from a statistical perspective.
- Age.
 - Disability.
 - Race.
 - Sex.
 - Socio-economic.
139. The following data fields have been collected since 2013-14 but they are not mandatory so it is not as reliable as the above data. We will however, work with the sector on the reliability of this data and, where possible, include it in our analysis.
- Religion (will be compulsory in the college sector from 2016-17 and in the university sector from 2017-18).
 - Sexual Orientation (will be compulsory in the college sector from 2016-17).
 - Gender identity (recently introduced in the college sector in 2016-17, but non-compulsory. Similarly, gender identity is in the HESA data collection for 2016-17 for all students but it is optional).
 - We do not collect information on pregnancy and maternity at this stage.

Equality Outcome 2 (External)

140. Equality Outcome 2 aims to understand the diversity of college and university staff, management and governing bodies leading to specific Equality Outcomes for improvement by AY 2017-18.
141. Robust quantitative and qualitative data is essential to fully understand the diversity of college staff, management, and governing bodies.
- Currently, the three quantitative staff data returns (Scottish Government Public Sector Employment in Scotland Statistics, College Financial statements and SFC College staffing data) do not match in timing, measurement, coverage; nor are they aggregated at such a level to enable a detailed understanding of the diversity of the whole college sector - or allow for any benchmark or comparisons to be made.
 - SFC relies on colleges to collect staff data and report it back to us. At present not all colleges have detailed staff information and (unlike that for students), SFC does not have access to individualised staff data. Our current guidance is [here](#).
 - Part of our funding to the ECU has been used to support a national project “Supporting workforce diversity: progressing Staff Equality in Colleges”. We are hopeful that this project will establish a baseline for colleges to use to support their recruitment, retention and progression over the next reporting period. SFC and Colleges Scotland representatives are involved in the project.
142. In the University sector, the data is more reliable, and available via the Higher Education Statistics Agency (HESA). However, we now need to improve our analysis and public reporting of this data with a view to ensuring the sector uses it to achieve a diverse and representative workforce. In parallel, we need to continue to support established programmes and champion equality and diversity matters through our stakeholder engagements and policy influence.
143. SFC has published high level college staff information for AY 2014-15 and 2015-16 with analysis by age, gender, disability and ethnicity. Defined as ‘Experimental Statistics – data being developed’ in the Code of Practice for Official Statistics, involvement of Scottish Colleges, ECU, CDN and staff unions will support ‘new official statistics undergoing evaluation that are published in order to involve users and stakeholders in their development as a means to build in quality at an early stage’. The full report is available [here](#).

144. We will continue to develop the college staffing collection quality assurance processes and to refine and improve the completeness and robustness of these data. Other key areas for development include:

- To enhance the collection, analysis and public reporting of college staffing data to identify under-representation and include all protected characteristics where appropriate.
- SFC is funding the Equality Challenge Unit to support the improvement of staff data in Scotland's colleges. This incorporates national strategy, national policy and local practice.

145. Our work to advance this outcome has therefore identified that we have quite different data issues for staff in colleges and universities. We have concluded that we need to maintain an outcome related to staff, management and governing bodies but that this outcome should be separated into one for the college sector and one for the university sector. These are:

- Colleges - understand the diversity of college staff, management and governing bodies leading to specific recommendations and guidance for colleges in AY 2019/20.
- Universities - support the university sector to achieve a diverse and representative workforce.

Equality Outcome 3 (External)

146. Equality outcome 3 aims to achieve an improved and aligned evidence base for equality, informed by increased rates of disclosure across protected characteristics.

147. We do not intend to change this outcome. As outlined in Section 2 of this report, this has been progressed by our requirement to produce and publish a triennial review for 2017. In addition to publishing a further triennial review in 2020, it is also our intention, in line with the overall data recommendations from the *Blueprint for Fairness*, to consider a new publication to support the next generation of access policy and developments. We have also provided funding to the ECU up to 2019 to support colleges and universities in their Equality Mainstreaming and development of Equality Outcomes.

Equality Outcome 4 (External)

148. Equality outcome 4 aims to advance the mainstreaming of equality and diversity within the outcome agreement process.

149. We have made good progress on this, as presented in Section 2. This also evidences our achievements to embed equality and diversity into support for

organisations who are not colleges and universities and into requests for additional, strategic or non-institutional funding.

150. We have updated this outcome to reflect that work and progress;

- Equality and diversity considerations are evident in outcome agreements and across all core and strategic funding agreements

Equality Outcome 1 (Internal)

151. Equality Outcome 1 aims to better understand and improve equality and diversity within our workforce through increased disclosure and positive action initiatives.

152. We have made good progress on this, as presented in Section 1. During the period covered by this Report we have also sought to improve disclosure rather than always to increase disclosure. We have used terms such as “prefer not to say” to help us understand staff views on these questions and this has been successful in encouraging more engagement with equality and diversity monitoring information. We are developing this approach and have updated our Equality Outcome to reflect that.

153. Our previous outcome also committed to positive action initiatives and we intend on updating that to “positive action and development initiatives”. There are two different sections of the Equality Act 2010 that relate to positive action – one is general, and one relates to recruitment and selection. It is important to retain the reference to positive action as regards recruitment to explain, e.g., straplines on adverts. To add “and development initiatives” would cover positive action as it relates to recruitment and allow for other initiatives that create an internal culture that is more receptive to increased equality and diversity. We have updated the equality outcome to reflect these points:

- We will better understand and improve equality and diversity within our workforce through improved disclosure and positive action and development initiatives.

Equality Outcome 2 (Internal)

154. Equality Outcome 2 aims to ensure that equality and diversity is central to SFC policy development, decision making and delivery. As outlined in Section 1, we have made significant progress here within our organisation that we will embed and continue. We are proud that both our Strategic Plan and Operation Plans have a strong focus on equality. Looking ahead, we also want to ensure that responsibilities for progressing equality are clearly outlined in staff Forward Job Plans to ensure important work to progress equality is fully recognised and appraised.

155. We have updated the Equality Outcome to reflect that priority;

- Equality and diversity responsibilities will be clearly established in our strategic and operational planning and advanced through forward job plans and evaluation processes.

Annex A: The Public Sector Equality Duty

The Public Sector Equality Duty (PSED) consists of a general duty, with three main needs (in section 149 of the Equality Act 2010), supported by specific duties (set out in the secondary legislation that accompanies the Act). The specific duties are intended to assist public bodies to meet the general duty. In Scotland, these were commenced on 27 May 2012, and amendments were made in March 2016.

Public bodies are required to publish

1. A report on its progress in **mainstreaming the general duty** into all functions since 2015, which should include:

Employee equality information

- An annual breakdown of information on the number and relevant protected characteristics of employees, including information on recruitment, development (career progression) and retention.
- Details of progress made in gathering and using employment information to better perform the general duty.

Governing body / board diversity information

- The gender breakdown of governing body / board members.
 - How information on the protected characteristics of the governing body / board has and / or will be used to improve diversity amongst members.
2. A report on final progress in delivering the institution's set of equality outcomes for 2013-17.
 3. A report setting out its new set of equality outcomes, which have been developed using evidence and involvement and that cover all protected characteristics (or explain why not).
 4. For institutions with 150 or more staff: **Gender pay gap** information and a statement on **equal pay, including occupational segregation**, for gender, race and disability - **or** - for institutions with between 20 and 149 staff: **Gender pay gap** information and a statement on **equal pay, including occupational segregation**, for gender.

The 2016 amendments to the duties have resulted in the following changes to 2017 reporting:

- First publication of governing body / board diversity information in mainstreaming reports.
- First publication of gender pay gap information and equal pay statements for gender by institutions with between 20 and 149 staff.
- The original duties also require one extension to reporting in 2017.

- Equal pay statements should include disability and race (as well as gender) for institutions with 150 or more staff.