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Press release

Strictly embargoed until 00:01 Thursday 13 September 2007

Scotland's £5 billion higher education estate needs a sustained commitment to its upkeep

The condition of buildings in Scotland's higher education (HE) sector is improving, with more money going into their development and upkeep. But institutions, the Scottish Funding Council and the Scottish Government need to tackle a growing maintenance backlog.

An Audit Scotland report published today, *Estate management in higher education*, says there should be a sustained commitment to maintaining and developing the estate, which is worth almost £5 billion.

Scotland's 21 HE institutions, which include universities and colleges, have almost 1,000 non-residential buildings across 72 sites. While spending on the estate has increased in recent years, almost half of it needs to be improved over the next few years. It will cost approximately £700m to bring it all up to a sound standard. Public sector money accounts for about a third of HE institutions' spending on their estates.

Auditor General for Scotland Robert W Black said: 'Increasing amounts of public money are going into developing and maintaining new and existing buildings at universities and other HE institutions. The overall condition of the estate is improving but there is still a significant and growing backlog of buildings that need work.'

The report recommends the Scottish Funding Council (SFC) works with the Scottish Government and institutions to support their strategic planning. It says institutions should develop realistic funding plans to support their estate strategies and make better use of performance information.

In 2005/06, HE bodies spent £211 million on their estates. Of this, £74 million was public sector funding. By March 2008, the SFC will have distributed £459 million to improve the estate over the previous seven years. However the SFC does not yet publicly report on the outcome of this investment.

The SFC started providing funding specifically for the HE estate in 2001/02. Since then the overall condition of the estate has improved, but the maintenance backlog has also grown. About 70% of the backlog is at five of the biggest university estates reflecting their size; those at the Universities of Strathclyde, Edinburgh, Glasgow, Heriot-Watt and Dundee.

Mr Black said: 'The condition of the facilities and buildings at a higher education institution can affect both a student's decision on where to study and their experience once there. There are also wider implications for Scotland's economy. For example, new or improved research facilities can attract investment as well as leading academics and overseas students, and contributes to Scotland's knowledge and skill base and attractiveness to private businesses.'

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Notes to editors

- This is the first report by the Auditor General for Scotland into the higher education sector. The AGS is not
 responsible for the audit of higher education institutions (HEIs) but he has a statutory right to initiate studies
 into the economy, efficiency and effectiveness in the majority of HEIs. This statutory right does not apply to the
 eight oldest institutions, but they all agreed to take part in the study. HEIs receive significant levels of public
 sector support.
- 2. There are currently 21 HEIs in Scotland, including 14 universities, two colleges of higher education, two art schools, the Open University Scotland, a conservatoire and the Scottish Agricultural College. The University of Paisley and Bell's College have announced that they will merge this year.

- 3. All Audit Scotland reports published since 2000 can be found on Audit Scotland's website www.audit-scotland.gov.uk
- 4. Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act, 2000. Audit Scotland has prepared this report for the Auditor General for Scotland.
- 5. The Auditor General is responsible for securing the audit of the Scottish Executive and most other public bodies in Scotland, except local authorities. He investigates whether spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Auditor General is independent and is not subject to the control of the Scottish Executive or the Scottish Parliament.
- 6. The report sets out a number of further recommendations for the Scottish Government and is due to be considered at the Scottish Parliament's audit committee on 26 September.