



Scottish Funding Council

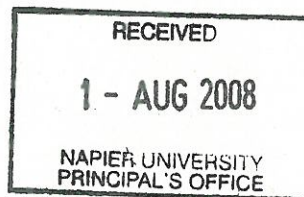
Promoting further and higher education

Comhairle Maoineachaidh na h-Alba

A' brosnachadh foghlam adhartach agus àrd-ìre

Professor Joan K Stringer CBE
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30 July 2008



Dear Joan

Craighouse campus

Thank you for your letter of 11 July regarding the Council's decision to give approval for the University to dispose of its Craighouse campus. I have responded to your two specific queries below.

The fact that you had raised the matter with the Funding Council was discussed at the Council meeting on 9 May and, in particular, Council agreed that greater transparency and clarity was needed with respect to the Council's capital investment policies and procedures. Since then we have updated our website to make clearer both the obligation placed upon the Council by the Scottish Government with regard to Exchequer-funded assets and also the fact that Council will always act fairly when assessing what proportion of the eventual sale proceeds an institution can retain. As I said in my letter to you of 23 May, in the vast majority of cases institutions retain all such proceeds.

In-principle approval to retain and reinvest disposal proceeds simply recognises that the University is at an early stage in the process. The Craighouse campus has been subject to a professional valuation: however, as we have seen in many other cases, the actual disposal value achieved will depend on many factors, such as planning constraints imposed on the site and the prevailing market conditions. This is why the Council has to reserve its position until the actual site value is known.

I trust this addresses your specific points.

Yours sincerely

Laurence Howells
Interim Chief Executive