Merger of Art College and Edinburgh University given Government approval

A proposed merger between the University of Edinburgh and Edinburgh College of Art (ECA) has been approved by The Scottish Government and will be backed by £13.8 million of new investment from the Scottish Funding Council.

The decision follows an open and transparent 12-week public consultation on proposals — which have the overwhelming backing of the two institutions — drawn up last year.

Education Secretary Michael Russell, who announced the decision today in a letter to the principals of both institutions, noted that the academic case for merger was compelling but criticised the financial management of the ECA.

Mr Russell revealed that around £14m of public money will be invested in ECA as part of the merger plan and highlighted advice from the Scottish Funding Council that, even with this new investment, ECA could not deliver a long-term, sustainable funding situation as an independent institution.

The Cabinet Secretary for Education and Lifelong Learning said:

"I have listened to all views and representations received over recent weeks and have decided to back merger plans that have the overwhelming support of both institutions. Whilst I recognise the benefits that will result, I have approved the merger with regret as well as anticipation.

"It is clear that the financial situation within ECA is unsustainable in the medium to longer term. This position should not have been allowed to develop, and it points towards very significant weaknesses in ECA's internal controls and governance structures at crucial stages in recent years.

"Even with £13.8 million of additional public money now being made available, the scale of the difficulties at ECA mean that even this significant injection of funds would not have made ECA financially sustainable. I very much regret that these matters have overshadowed, and had a bearing on, my decision.

"However, I do recognise the significant academic benefits of joining two institutions with outstanding reputations and histories of success. I am encouraged that the University is committed to raising ECA's already strong international profile and that major new activity, in both teaching and research, will be pursued.

"Given that both staff and student bodies have supported the merger, I believe they must be rewarded with an enhanced College of Art, with its identity and ethos not simply maintained but allowed to develop and flourish in the years ahead."

The merger will now go before the Scottish Parliament and if final approval is granted, the intention of the institutions is for the merger to be implemented on August 1, 2011.

The Principals of Edinburgh College of Art and the University of Edinburgh today welcomed the announcement.

The proposal was agreed by the governing bodies of both the College and the University and submitted to Mr Russell in September. He then instituted a 12-week public consultation which ended in December. He will now lay orders before the Scottish Parliament and the decision will be made this spring.

'If the merger gets the backing of the Scottish Parliament, then this will lead to a step-change in academic collaboration between our two institutions, bringing considerable benefits to students, the arts and creative industries and, more widely, to Scottish higher education, society and the economy,' said the Principal of the University of Edinburgh, Professor Sir Timothy O'Shea.

'We would like to thank everyone who has contributed to the development of the proposal and responded to the consultation. A lot of hard work still lies ahead in order to make any merger a success for both the College and the University, but this is a very important step on the way,' said the Principal of Edinburgh College of Art, Professor Ian Howard.