

**BOARD OF MANAGEMENT**

Board Meeting to be held  
On 24 March 2021 at 1330 by Teams

<b>Agenda Number</b>	<b>Item</b>	<b>Presented By</b>	<b>Action Required: Decision, Discussion, For Noting</b>
<b>BM.21.02.01</b>	(i) Resignations	Clerk	Noting
	(ii) Appointments		
<b>BM.21.02.02</b>	Apologies for Absence	Clerk	Noting
<b>BM.21.02.03</b>	Any Additional Declarations of Interest including specific items on this Agenda	Chair	Noting
<b>BM.21.02.04</b>	Minutes of previous Board meetings:	Chair	Decision
	(i) Draft Minutes of Special Board Meeting held on 25 February 2021*		
<b>BM.21.02.05</b>	Matters Arising from previous Board meetings:	Clerk	Noting
	(i) Matters Arising from Board Meeting held on 25 February 2021 *		
<b>BM.21.02.06</b>	Principal's Report – RESERVED*	D Patterson	Noting
	(i) Overview		
	(ii) Return to Campus arrangements		
	(iii) Student Recruitment		
	(iv) Moray Growth Deal		
	(v) Health and Safety Incident Report		
<b>BM.21.02.07</b>	Strategic Planning *	D Patterson	Noting
<b>BM.21.02.08</b>	Learning and Teaching Update	N Yoxall	Noting
<b>BM.21.02.09</b>	Curriculum Update	C Newlands	Noting
<b>BM.21.02.10</b>	Finance Update *	S McInnes	Noting
	(i) Q2 Management Accounts		

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<b>BM.21.02.11</b>	<b>Estates Update *</b>	D Duncan	Noting
	(ii) Update on Backlog Maintenance and Capital Spend		
<b>BM.21.02.12</b>	Minutes from previous Committee Meetings		Noting
	(i) Draft Minutes from Joint Audit/F&GP Committee on 11 February 2021 *	J McLeman	
	(ii) Draft Minutes from Audit Committee on 16 February 2021 *	J McLeman	
	(iii) Draft Minutes from Finance and General Purposes Committee on 17 March 2021*	M Easton	
<b>BM.21.02.13</b>	Draft Minutes of Regional Strategic Committee 10-02-2021	P Graham	Noting
<b>BM.21.02.14</b>	UHI Draft Partnership Agreement *	D Patterson	Discussion
<b>BM.21.02.15</b>	UHI Update	D Patterson	Noting
	(i) UHI Strategic Plan *		
	(ii) UHI Blueprint *		
	(iii) UHI Change Management *		
<b>BM.21.02.16</b>	Update on Cyber Security Incident	D Duncan	Noting
<b>BM.21.02.17</b>	HISA Update	H Morris/K Gee	Noting
<b>BM.21.02.18</b>	Emerging Issues		
	(i) Update to Audit Committee Terms of Reference *	J McLeman	Approval
	(ii) Draft Schedule of Committee meetings for 2021-22 *	Clerk	Approval
	(iii) Draft Externally Facilitated Board Effectiveness Review *	Scott McCready	Discussion
	(iv) Use of Acronyms in Board Reports	S Mustard	Discussion
<b>BM.21.02.19</b>	Date of Next Meeting: 22 June 2021		
<b>RESERVED ITEMS</b>			
<b>BM.21.02.20</b>	Reserved Minutes of Previous Board Meetings.	Chair	Decision
	(i) Reserved Draft Minutes of Board Meeting 25 February 2021 *		

Draft Agenda Board Meeting 24-03-2021

<b>BM.21.02.21</b>	Reserved Matters Arising/Actions from previous Board meetings:	Clerk	Noting
	(i) Reserved Matters Arising/Actions from Board Meeting 25 February 2021 *		
<b>BM.21.02.22</b>	Reserved Minutes from previous Committee Meetings		
	(i) Reserved Joint Audit/F&GP Committee on 11 February 2021 *	J McLeman	
	(ii) Reserved Audit Committee on 16 February 2021 *	J McLeman	
	(iii) Reserved Finance and General Purposes Committee on 17 March 2021*	M Easton	
<b>BM.21.02.23</b>	Staffing Reductions	C Thomson	Discussion



University of the  
Highlands and Islands  
Moray College

**BOARD OF MANAGEMENT**

**Draft Minutes of Special Meeting held on**

**Thursday 25 February 2021**

**At 1330 hours by Teams**

**Present:**

Peter Graham (Chair)	Rosemary McCormack
David Patterson	Caroline Webster
Murray Easton	Jessie McLeman
Dawn McKinstrey	Deborah Newton
Anne Campbell	Seonaid Mustard
Hugh Hamilton	Stewart McCracken
Paul Mitchell	Hermione Morris (HISA)
Kyle Gee (HISA)	

**In Attendance:**

Shelly McInnes  
Derek Duncan  
Cathie Fair (Clerk)

Item		Action	Date
<b>BM.21.01.01</b>	<b>(i) Resignations</b>		
1.1	Jeremie Fernandes (Support Staff Rep) resigned from the Board. The vacancy has been advertised and the closing date is 5 March 2021.		
	<b>(ii) Appointments</b>		
1.2	There were no new appointments.		
<b>BM.21.01.02</b>	<b>Apologies for Absence</b>		
2.1	Apologies had been received from: Chris Newlands Carolyn Thomson Nikki Yoxall El Melton		
<b>BM.21.01.03</b>	<b>Any Additional Declarations of Interest including specific items on this Agenda</b>		
3.1	No additional declarations of interest were noted.		
<b>BM.21.01.04</b>	<b>Minutes of previous Board meetings</b>		
	<b>(i) Draft Minutes of Board Meeting held on 15 December 2020</b>		
4.1	The Minutes were accepted as an accurate record of the meeting. Proposed: Anne Campbell Seconded: Rosemary McCormack		
<b>BM.21.01.05</b>	<b>Draft Matters Arising/Action sheet from meeting held on 15 December 2020.</b>		

Draft Minutes of Special Board Meeting 25 February 2021  
Agenda item: BM.21.02.04

5.1 <b>Action</b>	<u>8.4</u> – CN to keep Board informed of future developments over the Curriculum Analysis Report.	<b>CN</b>	As required
5.2 <b>Action</b>	<u>5.3</u> - It was suggested that in relation to Strategic Planning in the meantime, we add a new interim strategic objective related to the new working arrangements due to Covid-19.	<b>DP</b>	24-3-2021 Board meeting
5.3 <b>Action</b>	<u>14.3</u> - E-mail Security – the Board requested a reminder of security protocols. – Remains outstanding – Derek to follow up	<b>DD</b>	ASAP
<b>BM.21.01.06</b>	<b>Principal's Update - verbal</b>		
6.1	The Principal provided a verbal update on the current status of Moray Growth Deal. We are due feedback from the Scottish Government on the Business Enterprise Hub and initial indication is that they are very supportive of the Project. We are still awaiting feedback from the UK Government on MAATIC.		
6.2	The Principal then provided feedback on the recent virtual visit to Moray by Todd Walker the new UHI Principal and VC. He met with SLT followed by a session with the Chair and Vice Chair. This was a very open, constructive and welcoming initial meeting and all present reported favourably of first impressions.		
6.3	SFC Budget is very much in draft format. However, indications are for a core uplift of 2% on credit funding but could be an actual uplift of 6% once various announcements of one-off funding pots are taken into account. There is no guidance as yet of the implementation on what the additional money has to be used for and by when.		
6.4	Q2 Management accounts show that £240K of staff savings have already been made this year. The projection is that College is now looking to break even by end of year although this position is not sustainable once staff are back in College.		

Draft Minutes of Special Board Meeting 25 February 2021

Agenda item: BM.21.02.04

6.5	SLT received a draft proposal for the Hospitality Team to take over the running of the Refectory as a teaching space. This was raised at JCC and there was no push back. The proposal is that this is run as a student-staffed facility with one or two staff redeployed from the Refectory. The Board questioned where this leaves us with VSS if significant sums can be saved. If the proposal goes through half the refectory staff will have been redeployed in total so some sort of lesser VSS scheme would still be needed. The Board noted that this is a very fluid situation. SFC have given permission to run the scheme but no confirmation of funding as yet. There is some transition funding available although final implementation guidance is needed on various pots of money. The Board urged caution over plans to redeploy Refectory staff as previously this area was losing money.		
6.6	Some discussion took place over the credit allowance being restricted to 16 Credits, noting that MC is one of the few Colleges in the region to implement this guidance. The College (and region) is to reinstate 18 credits per full time student for 2021/22. The Board expressed concern that the College would be disadvantaged as 2000 credits have been lost as a result of following SFC guidance. There is a commitment from UHI that the College should not be disadvantaged.		
6.7	UHI Change Group recommends a RAM review with a drive to implement a new process of allocation of funding in 2021/22. DP recommends this take place from 2022.		
6.8	The Board questioned guidance on Covid-19 restrictions and working on site. The Principal confirmed that Colleges can bring up to 5% of student population on any one site at any one time. In many of the practical courses, achievement will not be possible unless students are back on campus person. 5% guideline is to remain in place until the end of March.		
6.9	There is currently a national dispute with EIS over the possible replacement of some Lecturer roles by Instructors/Assessors and if not resolved this could result in significant industrial action from the end of March onwards.		
<b>BM.21.01.07</b>	<b>Date of next meeting - 24 March 2021</b>		
<b>RESERVED ITEMS</b>			
<b>BM.21.01.08</b>	<b>Reserved Minutes of Previous Board Meetings</b>		
	<b>(i) Reserved Draft Minutes of Board Meeting 15 December 2020.</b>		

## Draft Minutes of Special Board Meeting 25 February 2021

## Agenda item: BM.21.02.04

8.1	This item is reserved and the minute held in confidence.		
<b>BM.21.01.09</b>	<b>Reserved Matters Arising/Actions from previous Board meetings:</b>		
	<b>(i) Reserved Matters Arising/Actions from Board meeting on 15 December 2020.</b>		
9.1	This item is reserved and the Minute held in confidence.		
<b>BM.21.01.10</b>	<b>Finance Update</b>		
10.1	This item is reserved and the Minute held in confidence.		
<b>BM.21.01.11</b>	<b>External Audit Report 2019-20</b>		
11.1	This item is reserved and the Minute held in confidence.		
<b>BM.21.01.12</b>	<b>Annual Statutory Accounts 2019-20</b>		
12.1	This item is reserved and the Minute held in confidence.		
<b>BM.21.01.13</b>	<b>Audit Committee's Annual Report to the Board 2019-20</b>		
13.1	This item is reserved and the Minute held in confidence.		
BM.21.01.14	<b>Compliance with Code of Good Governance</b>		
14.1	This item is reserved and the Minute held in confidence.		

Matters Arising/Actions from Board Meeting on 25 February 2021  
 Agenda Item: BM.21.02.05

Item	Action	Action By	Date	Update/Status
<b>BM.21.01.05</b>	<b>Actions Arising from meeting held on 15 December 2020</b>			
5.1	<u>8.4</u> – CN to keep Board informed of future developments over the Curriculum	<b>CN</b>	As Required	On Agenda
5.2	<u>5.3</u> – It was suggested that in relation to Strategic Planning in the meantime, we add a new interim strategic objective related to the new working arrangements due to Covid-19.	<b>DP</b>	24-03-2021	On Agenda
5.3	<u>14.3</u> – E-mail Security – the Board requested a reminder of security protocols – remains outstanding – Derek to follow up.	<b>DD</b>	ASAP	



Agenda Item:

**BOARD OF MANAGEMENT**

**Joint Meeting of Audit Committee & Finance and General Purposes Committee  
Draft Minutes of Meeting  
held on  
Thursday 11 February 2021  
at 1330 by Teams**

Present: J McLeman Convener  
D Newton  
D McKinstrey  
G Johnston  
K Gee (HISA)  
M Easton  
P Graham  
D Patterson  
R McCormack  
H Morris (HISA)

In attendance: S McInnes  
G Scanlin EY – External Auditors  
G Gillespie Wylie & Bisset LLP – Internal Auditors  
D Duncan  
C Fair Clerk

		<b>ACTION</b>	<b>DATE</b>
<b>A.21.01.01</b>	<b>Resignations and Appointments</b>		
1.1	There were no resignations nor appointments.		
<b>A.21.01.02</b>	<b>Apologies for Absence</b>		
2.1	Apologies were received from: Steven Reid - EY El Melton		
<b>A.21.01.03</b>	<b>Any additional Declarations of Interest including specific items on Agenda</b>		
3.1	There were no additional declarations of Interest		
<b>RESERVED ITEMS</b>			
<b>A 21.01.04</b>	<b>Draft External Audit Report EY</b>		
4.1	This item is reserved and the minute held in confidence.		
<b>A.21.01.05</b>	<b>Draft Annual Financial Statements 2019-20 *</b>		
5.1	This item is reserved and the minute held in confidence.		
<b>A.21.01.06</b>	<b>Draft Annual Report from the Audit Committee to the Board</b>		
6.1	This item is reserved and the minute held on confidence.		

Agenda Item:

		<b>ACTION</b>	<b>DATE</b>
<b>A.21.01.07</b>	<b>Statement of Compliance with Code of Good Governance Checklist</b>		
7.1	This item is reserved and the minute held in confidence.		
<b>A.21.01.08</b>	<b>Date of Next Meeting of Audit Committee 16-02-2021</b>		

**BOARD OF MANAGEMENT**  
**Audit Committee**  
**Draft Minutes of Meeting**  
**Held on**  
**Tuesday 16<sup>th</sup> February 2021**  
**At 13.30 by Teams**

Present : J McLeman Convenor  
D Newton  
D McKinstrey  
G Johnston  
K Gee

In attendance: S McInnes  
G Scanlin Ernst & Young – External Auditors  
S McCready Wylie & Bisset LLP – Internal Auditors  
D Duncan  
E Kingham Clerk

		<b>ACTION</b>	<b>DATE</b>
<b>A.21.02.01</b>	<b>Resignations and Appointments</b>		
1.1	There were no resignations or appointments		
<b>A.21.02.02</b>	<b>Apologies for Absence</b>		
2.1	Stephen Reid – Ernst & Young Cathie Fair		
<b>A.21.02.03</b>	<b>Any Additional Declarations of Interest including specific items on this Agenda</b>		
3.1	There were no additional declarations of interest		
<b>A.21.02.04</b>	<b>Draft Minutes of Audit Committee meeting held on 24 November 2020</b>		
4.1	The minutes were accepted as a true and accurate record and approved by the Committee: Proposed: D McKinstrey Seconded: G Johnston		
<b>A.21.02.05</b>	<b>Draft Matters Arising/Action Sheet from Audit Committee meeting held on 24 November 2020</b>		
5.1	The Committee reviewed the status of the actions arising, the majority of which have been completed and closed or were on the agenda for discussion. The following actions remain open:		
5.2	6.2.1 - To suggest a Risk Workshop take place prior to June or Sept [2020] Board meeting – remains open. Jessie to speak to Peter. Following discussion, it was felt not to be appropriate to hold a Risk Workshop by Teams but to plan for one in Spring, or as can be arranged.	J McLeman	Remains open
5.3	11.1.2 status of review of college policies; In the meantime, to circulate the paper to all Convenors	C Fair	Immediate -
<b>A.21.02.08</b>	<b>Risk</b>		
8.1.1	<b>(i) Review of Risk Register</b> In her presentation, Ms McInnes noted that the risk levels of three risks had been amended, and the residual risk rating of all three was increased,		

	<p>namely Ineffective curriculum planning; Graduate, Modern and Foundation Apprenticeships not achieving target; and Technology not fit for purpose.</p> <p>The Committee noted that overall, the updated risk register showed high levels of risk with all risk areas either red or amber apart from three.</p> <p>The Committee questioned some of the mitigating actions in place. The impact of Brexit was still considered a high risk because of ongoing uncertainty and also and having to unpick the impact on the College for example of Erasmus.</p>		
8.1.2	<p>Mr Johnston commented that he did not think the situation was as bad as portrayed in the report; for example, the Principal had done a lot to enhance The College's reputation.</p> <p>He also commented that as the College estate was not fit for purpose, the re-evaluated needs to include the impact of changing work patterns caused by COVID.</p>		
8.2	<p><b>(ii) Overview of obligations and risks relating to carbon neutrality.</b></p> <p>Mr Duncan presented a paper setting out the legal and policy obligations applying and initial commentary on the key risks to the college achieving Scottish Government's targets by 2045.</p>		
8.2.1	<p>D Duncan commented that the college has a number of particular risks due to its reliance on fossil fuels and the condition of the estate which includes two listed buildings. There is also a lack of internal expertise.</p> <p>In the discussion there was consensus that further work needs to be done to develop an approach and a plan, and then follow-up and monitoring. It was noted that this is a very specialist area and input will be needed to help deliver on future plans.</p> <p>While the Audit Committee has an interest from a compliance perspective, there should be Board visibility given the scope of the issues involved, the impact on estates and financial planning and also from a governance perspective, including involvement of appropriate committees, e.g. F&amp;GP for Estates matters. The matter can be highlighted in the Board discussion of the Audit Committee's report.</p>		
8.2.2	<p>It was also commented that the College should look at carbon offset as well as reduction, and the importance of having expert advice as the issues are complex.</p> <p>The Committee agreed this matter needs further work, the risks areas set out in the paper, which includes financial impacts, are a starting point for the SLT in the development of an approach and a plan.</p>		

<b>ACTION</b>	<b>Re addressing carbon neutrality, D Duncan to follow up on the areas set out in the paper with a view to developing an approach and a plan, and to update the Committee on the status at its meeting in October 2021.</b>	<b>D Duncan</b>	<b>October 2021 Audit Committee</b>
8.3	(iii) <b>ICT Security update for Boards and Senior Managers; and</b> (iv) <b>UHI Information and Cyber Security (ICS) Risk and Maturity Report</b> Mr Duncan presented papers on each of the above areas		
8.3.1	Mr Duncan commented that some colleges have been subject to ransomware attacks. UHI is being proactive to seeking to mitigate risks and the briefing paper for Board members and senior staff provides an overview and includes recommendations on the approach to be taken by Boards and senior management.		
8.3.2	Given the importance of this subject, it was suggested that this issue be taken to the Board meeting in March. The Committee noted that the paper included discussion of the use of personal devices, a matter which the Board has discussed before but which merited further discussion in view of current risks.		
<b>ACTION</b>	<b>Re ICT Security Briefing for Board Members, D Duncan to brief Board of Management at its March meeting.</b>	<b>D Duncan</b>	<b>Board meeting March 2021</b>
8.3.3	Regarding the UHI wide risks, the Committee questioned how the risk status is updated. A register is kept and constantly updated when internal and external actions are taken. UHI colleges use the same systems and technology and so are able to pool resources and expertise to enable a stronger response to this threat.		
8.3.4	The Committee noted the work undertaken to mitigate ICS risks as set out in the UHI Risk and Maturity report. However, it raises questions relating to assurance and monitoring as affects the Board of the College. It would be appropriate to raise the matter at the Board discussion.		
<b>Action</b>	<b>Re ICS risks, Convenor to raise at the March Board meeting approach to assurances the Board should be seeking on this matter.</b>	<b>J McLeman</b>	<b>Board meeting March 2021</b>
<b>A.21.02.09</b>	<b>Internal Audit</b>		
9.1.1	(i) Confirmation of scope of Learning and Teaching Audit. A proposed scope for the above audit was presented by Scott McCready from Wylie Bisset.		
9.1.2	There was a question as to whether students would be involved in the audit. Mr McCready advised that before the detail can be agreed, a discussion would need to take place with both staff and students to understand how that might fit in with the audit.		

9.1.3	The Committee agreed the scope of the Learning and Teaching audit as presented.		
9.2	(ii) Status of audits in progress		
9.2.1	Budgetary and Planning Control Audit; a draft report to be ready for management by 1 <sup>st</sup> March 2021, and a final report will be presented to the Committee at its meeting on 18 <sup>th</sup> May 2021.		
9.2.2	Estates Management Audit: the draft scope was presented to management. However, it was felt to be too focused on Health & Safety aspects, and further work was needed. If it's not possible, the audit may need to be changed for another area, following a review of page 52 of the Audit Needs Report.		
<b>ACTION</b>	<b>S McCready to provide the Committee with the proposed scope for the Estates Management Audit, or, failing that, with an alternative scope in line with above.</b>	<b>S McCready</b>	<b>May 2021 Audit Committee</b>
9.2.3	Board Effectiveness Review: This audit is in hand and on target – next step the March Board meeting.		
<b>A.21.02.10</b>	<b>External Audit</b>		
10.1	(i) Any matters arising from External Audit, Governance letter and report to the Board.  Re the External Audit, Mrs Scanlin advised that follow up actions arising from the recent joint Committee meeting are still in hand, and their report will be finalised as soon as possible.  In its report, the Committee noted that relevant sections of the risk register will be shared on an on-going basis with the appropriate Committees (other than the F&GP who already see the Risk Register), following Board discussion.		
<b>ACTION</b>	<b>The Committee asked that relevant risks be shared with other appropriate Committees on an on-going basis.</b>	<b>C Fair</b>	<b>ASAP as required.</b>
<b>A.21.02.11</b>	<b>College Policies</b>		
11.1.1	(i) Overview of status of all College policies, plan for review of all policies		
11.1.2	D Duncan stated that policy schedules are being updated onto Sharepoint which will give better visibility, control and reporting. There is some backlog with HR due to current working. By the next meeting there will be a report on the status of all policies, and the plan to review them.		
11.1.3	The Committee asked if it was possible for the Governance Committee to review 8 policies in 1 sitting. D Duncan responded that this was not possible as there is too much to look at. Also, no dates are associated with any of the F&GP policies. A realistic plan needs to be proposed. As it stands, the Committee is not able to assess how much of a		

	backlog has built up, and it wishes to avoid the previous situation.		
<b>Action</b>	<b>Derek Duncan to provide a report giving an overview of the status of all College policies, and a review plan to deal with the backlog.</b>	<b>D Duncan</b>	<b>May 2021 Audit Committee</b>
11.2	(ii) Review of Fraud Policy and Response Plan		
11.2.1	S McInnes updated the Fraud Policy to include the College's participation in the National Fraud Initiative.		
11.2.2	The Committee asked if there was a requirement for mandatory fraud and bribery training for staff. Although the policy contains no requirement for such training, the area is covered in a mandatory training module as part of induction training. There was a question as to how this process aligns with the Whistle-blower Policy – unclear from the documentation. Ms McInnes to review the Fraud Policy in light of the questions and to re-circulate to Committee Members for approval by correspondence.		
11.2.3	The National Fraud Initiative contains a recommendation for the Audit Committee to complete a checklist. This will come to the next meeting as part of the NFI agenda item.		
<b>ACTION</b>	<b>Ms McInnes to review and update the Fraud Policy and Response Plan in light of the comments received, and to circulate to members for approval by correspondence.</b>	<b>S McInnes</b>	<b>ASAP</b>
<b>A.21.02.12</b>	<b>GDPR Update</b> Presented by D Duncan		
12.1	The Committee noted that while continuing vigilance is required, the reports had stabilised over some period now. D Duncan commented that there has been an attitude change throughout the College with the experience of GDPR implementation, but continuous training is still required. Working from home has not seen a notable increase in potential breaches. The Committee commented on the importance of a 'just culture' and that appears to be the case from the reports.		
<b>ACTION</b>	<b>D Duncan to update the Committee annually in October in relation to GDPR, unless there are any exceptions or serious incidents which should be reported immediately. The Committee could also review cyber security matters as part of the same report, approach to be confirmed following Board discussion.</b>	<b>D Duncan</b>	<b>October 2021 Audit Committee</b>
<b>A.21.02.13</b>	<b>Monitoring and responding to requests for institutional information</b> Presented by S McInnes		
13.1	The Committee had asked how the College ensures that it responds in a timely way to such		

	requests. Ms McInnes prepared a paper in response, setting out the arrangements in place at the College. Ms McInnes was thanked for the paper and the very helpful overview.		
<b>A.21.02.14</b>	<b>Audit Committee Terms of Reference</b> Presented by Convenor		
14.1	An amendment was proposed to address a recommendation from the SFC that internal management and governance arrangements ensure the robustness of the efficiency information by including a review of the underlying processes within the scope of the Audit Committee's remit. The proposed amendment is to para 1.2.8 of the TORs as set out in the accompanying paper.  The Committee had separately received a copy of the Committee of University Chairs (CUC) Code of Practice for Higher Education Audit Committees, along with model terms of reference. The Committee agreed to recommend to the Board the proposed change to para 1.2.8 of the TORs following the SFC recommendation; and at its next periodic review of TORs, to include review of the material from the CUC.		
<b>ACTION</b>	<b>Amendment to the Terms of Reference to be proposed to the next meeting of the Board.</b>	<b>C Fair J McLeman</b>	<b>March Board meeting</b>
<b>A.21.02.15</b>	<b>Emerging Issues</b>		
15.1	(i) Committee Workplan There were no specific matters discussed As Mrs Fair was unable to attend the meeting.		
15.2	(ii) Update on status of Financial Services Alignment discussion. S McInnes updated the Committee that the plan to achieve £20m of savings has now taken priority, and there is a pause on the discussions to align financial services.		
15.3	(iii) Next UHI Audit Committee Chair's meeting		
<b>ACTION</b>	<b>J McLeman to raise at the next UHI Audit Committee Chair's meeting the issues of carbon reduction targets and cyber security</b>	<b>J McLeman</b>	<b>May 2021</b>
15.4	(iv) Any other matters. There were no other matters arising		
<b>A.21.02.16</b>	<b>Date of next meeting 18-5-2021</b>		
<b>RESERVED ITEMS</b>			
<b>A.21.02.17</b>	<b>Draft Reserved Minutes from Audit Committee held on 24 November 2020</b>		
17.1	This item is Reserved and the Minute held on Confidence.		
17.2	This item is Reserved and the Minute held in Confidence.		



**Finance and General Purposes Committee  
Draft Minutes of Meeting held on  
Wednesday 17 March 2021 at 1400 hours by Teams**

**Present:**

Murray Easton (Convenor)  
Peter Graham  
David Patterson  
Caroline Webster

**In Attendance:**

Deborah Newton  
Shelly McInnes  
Derek Duncan  
Cathie Fair (Clerk)

Item		Action	Date
<b>F.21.01.01</b>	<b>(i) Resignations</b>		
3.1	• There were no resignations.		
	<b>(ii) Appointments</b>		
3.2	• There have been no new appointments.		
<b>F.21.01.02</b>	<b>Apologies for Absence</b>		
3.1	Apologies were received from Rosemary McCormack Hermione Morris (HISA) El Melton		
<b>F.21.01.03</b>	<b>Any Additional Declarations of Interest including specific items on this Agenda</b>		
3.1	There were no additional declarations of interest.		
<b>F.21.01.04</b>	<b>Draft Minutes of Finance and General Purposes Committee Meeting held on 21 April 2020</b>		
4.1	Subject to a minor modification, the minutes were accepted as a true record and approved by the Committee: Proposed: Caroline Webster Seconded: David Patterson		
<b>F.21.01.05</b>	<b>Matters Arising/Actions Sheet from F&amp;GP Meeting held on 21 April 2020.</b>		
5.1	Majority of actions had been completed and 7.2 – laundry claim would be discussed under Estates Update.		
<b>F.21.01.06</b>	<b>Emerging Issues</b>		
	<b>(i) UHI Aligned Finance Service</b>		

6.1	This is currently halted in lieu of UHI Blueprint and proposed £20M savings.		
	<b>(ii) UHI Budget</b>		
6.2	A UHI Budget paper has been to Partnership Council outlining £20M savings. The paper is to be shared with the Board on 24 March 2021. £20M now becomes £15M plus new income. All Academic Partner Colleges are heading towards break even. No savings from EO forthcoming. The paper will be presented to UHI Court today and will come back with strategic guidance. It is unclear how to make these savings a reality as the plan is very conceptual. All APs are actively engaging although £20M of savings would inevitably lead to a loss of jobs.		
	<b>(iii) Student Residences</b>		
6.3	Murray updated the Committee on the current position with residences. Court F&GP met 3 weeks ago and discussed residences and subsequently a special meeting was held. The proposal is to purchase the residences from Cityheart for a figure of £3M. F&GP raised a number of questions and concerns. It is essential to have lessons learned exercise so that past mistakes are not repeated. The Committee questioned who advised UHI in the original contract and queried whether there is any case for challenge.		
<b>F.21.01.07</b>	<b>2020-21 Financial Forecast Return – comparison v budget</b>		
	<b>(i) Management Accounts to 31 January 2021</b>		
7.1	The Committee noted a greatly encouraging reduction in the deficit. Risks and opportunities continue to present a moving picture and the College has benefitted considerably from the extension of furlough.		
7.2	Shelly is comfortable by the end of year College will be in a break-even position.		
7.3	The Committee questioned staff levels and also the impact to the budget on national bargaining. When an ATR (authority to recruit) is raised, this is considered by SLT and every vacancy is challenged. Every vacancy is advertised internally in the first instance with a view to consider at risk Refectory Staff for redeployment.		

	National Job Evaluation has been undertaken since September 2018 so potentially any uplift will be backdated. Job Evaluation presents a massive risk as Colleges are underfunded for this and there is the risk of industrial action over this. Pay rises have been lower than anticipated although pension contributions are due to rise.		
7.4	A discussion took place over ESIF funding. There is a risk of potential clawback.		
7.5	By following SFC guidance over a reduction to 16 credits Moray College is 2000 credits short. There is a plan to go back to 18 credit next year. Every UHI partner will fail to meet their targets for this year. If SFC were to use this year as a basis for allocation of funding this could potentially have a very negative impact.		
7.6	It is very unlikely that a drawdown cash advance from UHI will be needed by the College. Furlough income has been extremely useful. College anticipates additional transitional funding which could be used to fund VSS. It is very difficult to estimate what savings are likely to be sustainable. College is unlikely to be able to keep staff costs down. Operating costs are likely to increase but income streams are also likely to increase.		
7.7	The Committee questioned whether the VSS figure of £450K was still realistic and whether the closure of the Refectory be sufficient.		
<b>Action</b>	A new Proposal on VSS for Refectory staff needs to come to the Board meeting on 24-03-2021	<b>SLT</b>	24-03-2021
7.8	Some students may have to defer to next year and this may affect credit income. There are significant concerns over ESIF income generally across the sector.		
<b>F.21.01.08</b>	<b>Estates Update</b>		
8.1	Derek highlighted the key points from the Estates Update including: <ul style="list-style-type: none"> <li>• Campus Restart 2021</li> <li>• Move4Ward End of Lease</li> <li>• Academy Building heating</li> <li>• Gull Management</li> <li>• Essential Repairs</li> <li>• AGBC Storm damage repairs</li> <li>• Laundry Claim</li> <li>• Capital and BLM Plan update</li> </ul>		

8.2	Derek further explained he had written to the Loss Adjuster requesting them to review the settlement offer and consider extending the business interruption settlement to reflect the significant disruption caused.		
8.3	The Committee questioned whether flood under Academy building heating would result in an insurance claim. Pick Everard to be asked to inspect the area.		
8.4	Committee questioned the overall status of the leased space in AGBC. Currently the Ambulance Service is the only tenant although there are potential new tenants.		
8.5	Committee questioned opportunities to spend our allocation of capital spend. Covid restrictions have meant we have been unable to use all of our allocation.		
<b>F.21.01.09</b>	<b>Policies Due for Review</b>		
9.1	There was nothing available to report under this item.		
<b>RESERVED ITEMS</b>			
<b>F.21.01.10</b>	<b>Draft Reserved Minutes of Finance and General Purposes Committee Meeting held on 24 November 2020</b>		
10.1	This item is reserved and the minute held in confidence.		
<b>F.21.01.11</b>	<b>Reserved Matters Arising of Finance and General Purposes Committee Meeting held on 24 November 2020</b>		
11.1	This item is reserved and the minute held in confidence.		
<b>F.21.01.12</b>	<b>Update on 2021/22 Budget and 4 Year Financial Plan</b>		
12.1	This item is reserved and the minute held in confidence.		
<b>F.21.01.13</b>	<b>Risk Register</b>		
13.1	This item is reserved and the minute held in confidence.		
<b>F.21.01.14</b>	<b>Date of next meeting – 8 June 2021</b>		

# Regional Strategy Committee (RSC)

Wed 10 February 2021, 11:00 - Wed 10 February 2021, 14:30

Webex Teams: 143378345@uhi.webex.com

## Attendees

### Board members

Garry Coutts (Chair), Andrew Campbell (Chair Argyll College UHI), Archie Macdonald (External independent member), Beverly Clubley (Vice Chair), Blair Sandison (Chair North Highland College UHI), Brian Crichton (Chair Perth College UHI), Bruce Robertson (External independent member), David Sandison (External independent member), Diana Murray (Chair SAMS UHI), Florence Jansen (HISA President), Michael Foxley (Vice Chair), Sarah Burton (Chair Inverness College UHI), Stuart Smith (External independent member), Todd Walker (Principal and Vice Chancellor)

### In attendance

Fiona Larg (Chief Operating Officer & Secretary), Gary Campbell (Vice Principal - Strategic Development), Lydia Rohmer (Vice Principal - Tertiary), John Kemp (Vice Principal Further Education), Niall McArthur (Director of Corporate Resources), Ali Jarvis (Board Observer), Nicholas Oakley (Clerk)

## Meeting minutes

### 1. \*Welcome

 RSC Agenda - 10 February 2021.pdf

#### 1.1. \*Welcome & apologies

The Chair welcomed the members to the meeting and noted the apologies received from Angus Campbell. The Chair also welcomed Professor Todd Walker, Principal and Vice Chancellor, to his first Committee meeting. Prof Walker expressed his gratitude to the Chair and the members for their warm welcome and his initial, productive, meetings with them.

#### 1.2. \*Declaration of Interest

There were no declarations of interest.

#### 1.3. \*Notification of Any Other Competent Business

There was no other competent business raised.

#### 1.4. \*Starring

The Chair made some changes to the running order of the meeting agenda, and that items 3.1, 3.2, and 4.1 would be discussed together.


Members requested that items 4.1, 4.2, and 4.4 also be starred for discussion.

## 2. Governance

### 2.1. \*Minutes of the last meetig held 5 November 2020

The Committee **approved** the minutes of the meeting held on 5 November 2020 as an accurate record.

Approve

 RSC19-20-031 Minutes\_Regional Strategy Committee (RSC)\_051120.pdf

### 2.2. \*Matters Arising

The Committee **noted** the matters arising.

Note

 RSC20-21-032 RSC Matters Arising February 2021 20210203.pdf

### 2.3. \*Review of Delegated Decisions

There were no delegated decision to review.

## 3. Strategic Issues & Items for Discussion

The Chair invited T Walker to introduce the following items.

T Walker reported that there were some overlaps and gaps in the 18 workstreams emerging from the assembly work. He expressed his concern about the insufficient management resource applied to the work, and acknowledged that some workstreams had been paused pending his appointment. T Walker also made the following observations on the work-to-date:

1. There was no embedded project methodology either individually or as a body of work.
2. The lack of an effective project management system. T Walker reported that he had requested an immediate move to MS Projects to improve the reporting and alignment of interdependencies.
3. No project control group to manage the 18 workstreams and oversight. T Walker reported that this will be introduced.
4. That there will be a revision of the 18 workstreams to align or merge workstreams as necessary. Each stream will have a separate project plan, but the Committee will be receiving a consolidated, strategic overview progress report, with individual project plans available for review.

Members welcomed the approach proposed by T Walker, noting the complexities, and reported this would be extremely helpful for both the executive and the non-executive. Members noted that the sequential operation approach taken to date had delayed activities, and concurrency of activities needs to be emphasised moving forward.

Members unanimously **endorsed** the proposed approach.

### 3.1. \*Gaelic - Interim report & strategy statement

Neil Simco

[Moved from item 3.3]

Neil Simco updated the Committee on the Gaelic strategy interim report.

Members requested more detail on the current position, and in particular how Gaelic was being promoted across the partnership beyond SMO, with information such as course activity, uptake trends, financial information (funding) and evidence of activity. The final report to Court should also include an action plan specifying targets, course proposals, funding and future plans for 2021/22.

Action: Gaelic Strategy - N Simco to incorporate the Committee's feedback into the full report to Court.

N Simco reported he would be presenting the full report to the Court in March 2021. He also noted that there was a previous paper from Autumn 2020 which includes benchmarking and agreed to provide this to members after the Committee meeting.

Action: Gaelic Strategy - N Simco to provide members with Gaelic background papers.

In the discussion about the item the following points were also made by the members:

1. Perth College noted that there was little student demand for Gaelic resources amongst their students, and so focusing resources for Gaelic where it could best be applied would be more effective.
2. Strong support and commitment from AP chairs was needed to enable this to progress; members noted that this would be sought following the action plan at Court and the RSC **agreed** to provide N Simco the full support of the Committee to ensure effective implementation.

[Blair Sandison joined the meeting at 11.30]

The Committee **noted** the report.

 RSC20-21-035 Gaelic interim report and strategy statement.pdf

### 3.2. \*Curriculum Review - Summary/Overview of the process and progress

Gary Campbell

[Moved from item 3.3]

G Campbell updated members on the curriculum review progress. He noted that this was a fully tertiary plan, including both FE and HE elements. He also reported that:

1. It represents the best approach for the partnership, but that implementation may sometimes be a challenge for individual partners.
2. Provides collective control where it is required, i.e. for the collective curriculum
3. Fits in with 'fewer partners' and 'strong federal' structures but does not support 'everyone for themselves'.
4. It has been approved by Partnership Council and implementation is underway.

Members **noted** the report, and that progress on the curriculum review was imperative despite recognition that it may involve some hard choices to ensure effective delivery.

 RSC20-21-034 Curriculum Review Strategy and Framework 100221 .pdf

### 3.3. \*RAM Review - Outcome from consultation

John Kemp

[Moved from item 3.1]

J Kemp updated the Committee on the RAM review. He reported that it was was a key tool in delivering the curriculum review, but also about financial strategy and tertiaryness.

The Committee **agreed** and **approved** the curriculum review and the RAM review papers, and fully supported the proposals contained therein.

[B Robertson left the meeting at 12:15]

 RSC20-21-033 RAM Review 100221.pdf

### 3.4. \*RSC Externally Facilitated Governance Workshop 8 January 2021 - Next Steps

John Kemp

J Kemp gave members an update on the externally facilitated governance review, based on the workshop held on 8 January 2020. He noted that the discussion had focused on the structure of the university which were regarded as impeding the strategic discussions. The proposal was therefore to embed these into the work on the strategic plan to ensure embeddedness and not siloed as a separate workstream.

The Committee **agreed** the proposal and noted the change in the manner the committee was operating.

 Minutes\_RSC Development Workshop\_080121.pdf

 RSC20-21-036 development10Feb 21.doc.pdf

### 3.5. Committee Effectiveness Review

The Committee **noted** the committee effectiveness review.

 RSC20-21-037 RSC Effectiveness Report 20210203.pdf

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## 4. General Updates & Reports for Noting

### 4.1. Consolidated Strategic Update Report

Neil Simco

[Moved from item 4.1]


N Simco introduced the strategic update report. The Committee **noted** the progress and that they will now be driven by a project management system.

 RSC20-21-038 Strategic update paper100221.pdf

### 4.2. Financial Sustainability: Update on progress to deliver savings targets

Niall McArthur

The Committee **noted** the update on financial sustainability, and that the announced increase in funding was welcome but that there were still increasing cost pressures.

 RSC20-21-039 - fin sust update.pdf

### 4.3. Alignment of Financial Services: Progress report

John Kemp

The Committee **noted** the reported without further discussion.

 RSC20-21-043 plan update 3, Feb 21.pdf

### 4.4. Dashboard Report

Fiona Larg

J Kemp provided members with an update on the dashboard report. He reported that the credit position was poor, and although SFC will not clawback this year for underperformance against activity target where this is Covid-related, without demonstration of progress the target may nonetheless be reduced in future years. The new RAM process will need to include a review of this area, and the need to differentiate underlying trends and Covid-related underperformance. He reported that sectoral modelling was currently underway on next AY delivery and potential consequences, and that a ministerial taskforce had been formed to look at potential mitigation.

The Committee **noted** the update.

 RSC20-21-041 dashboard combined.pdf

### 4.5. AP Financial Information Update

Niall McArthur

The Committee **noted** the financial information update without further discussion.

 RSC20-21-042 AP fin monitoring.pdf

#### **4.6. Update on Change Management Plan**

The Committee **noted** the change management plan update without further discussion.

 RSC20-21-043 plan update 3, Feb 21.pdf

#### **4.7. Draft 2020-21 Highlands and Islands regional interim outcome agreement**

The Committee **noted** the regional interim outcome agreement. Members reported positive feedback from Academic Partner Chairs and expressed their thanks to the authors and those involved.

 RSC20-21-044 210129 Regional outcome agreement.pdf

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### **5. Date of Next Meeting: 4 May 2021**

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#### **6. Any Other Competent Business**

There was no other business and the Chair closed the meeting at 12:35.



**Agenda Item Reference: BM.21.02.14 (i)**

<b>Title of Paper:</b>	UHI Draft Partnership Agreement			
<b>To Committee:</b>	Board of Management			
<b>Subject:</b>	UHI Draft Partnership Agreement			
<b>Version number and date:</b>	18 March 2021 v1			
<b>Brief summary of the paper:</b>	The Board are asked to consider and discuss the attached example of the UHI Draft Partnership Agreement between UHI and Inverness College UHI. The College has not yet received the customised Moray College version of this Partnership Agreement. It is expected that this will be forthcoming soon.			
<b>Recommendations:</b>	As above			
<b>Action requested/decision required:</b>	Discussion/feedback			
<b>Status: (please tick ✓)</b>	<b>Reserved:</b>		<b>Non-reserved:</b>	✓
<b>Date paper prepared:</b>	18 March 2021			
<b>Date of committee meeting:</b>	24 March 2021			
<b>Author:</b>	David Patterson			
<b>Link with strategy:</b> Please highlight how the paper links to, or assists with: Strategic Plan including <ul style="list-style-type: none"> <li>• Curriculum</li> <li>• Learning and Teaching</li> <li>• Organisational culture</li> <li>• Partnership</li> <li>• Sustainability</li> </ul>				
<b>Equality and diversity implications:</b>				
<b>Resource implications:</b> <i>(If yes, please provide detail)</i>				
<b>Risk implications:</b>				

**Agenda Item Reference: BM.21.02.14 (i)**

<i>(If yes, please provide detail)</i>	
<b>Appendices:</b>	
<b>References:</b>	

**PARTNERSHIP AND SERVICE LEVEL AGREEMENT**

between

**UNIVERSITY OF THE HIGHLANDS AND ISLANDS**

and

**THE BOARD OF MANAGEMENT OF INVERNESS COLLEGE UHI**

2021



## **PARTNERSHIP AND SERVICE LEVEL AGREEMENT**

between

- (1) **UNIVERSITY OF THE HIGHLANDS AND ISLANDS (UHI)** a company limited by guarantee incorporated and registered in Scotland with company number SC148203 whose registered office is at 12B Ness Walk, Inverness IV3 5SQ and a charity registered in Scotland with registered number SC022228 (**UHI**).
- (2) **THE BOARD OF MANAGEMENT OF INVERNESS COLLEGE UHI** a Body Corporate in terms of the Further and Higher Education Scotland Act 1992, having a place of business at 3 Longman Road, Longman South, Inverness IV1 1SA and a charity registered in Scotland with registered number SC021197 (**Inverness College**).

### **BACKGROUND**

- (A) Inverness College has been a member of the academic partnership formerly known as the UHI Millennium Institute and now known as the University of the Highlands and Islands since 1999, as provided for in the Existing Academic Partner Agreements.
- (B) UHI is designated under the FHE Acts as the regional strategic body with responsibility for securing the provision of a high quality portfolio of fundable further education and fundable higher education in the localities of the UHI Partners.
- (C) Inverness College is a provider of Further Education and Higher Education assigned to UHI by the Assigned Colleges Order.
- (D) UHI and Inverness College have agreed to enter into this Agreement to provide for the delivery of Further Education and Higher Education by Inverness College.

### **AGREED TERMS**

#### **1. INTERPRETATION**

- 1.1 In this academic partner agreement, the following definitions apply:

**Academic Council:** the UHI Academic Council constituted under the Articles of Association of UHI.

**Academic Freedom:** has the meaning attributed to it by section 26(4) of the Further and Higher Education (Scotland) Act 2005.

**Academic Quality Framework:** the University academic quality framework academic standards and regulations, and associated policies and procedures as such regulations, policies and procedures may be issued, amended, supplemented or replaced from time to time by notice in writing to Inverness College.

**Academic Year:** each period of 12 months commencing on 1 August in each year.

**Agreement:** means this partnership and service level agreement.

**Applicable Law:** the laws of Scotland and the European Union and any other laws or regulations, regulatory policies, guidelines or industry codes which apply to the performance of Inverness College's obligations under this Agreement.

**Assigned Colleges Order:** the Assigned Colleges (University of the Highlands and Islands) Order 2014/146.

**Background IP:** Any Intellectual Property Rights owned or controlled by a party prior to commencement of or developed independently from a Research Activity, and which that party contributes or uses in the course of performing the Research Activity.

**Data Protection Legislation:** all applicable data protection and privacy legislation in force from time to time in the UK including the General Data Protection Regulation ((EU) 2016/679); the Data Protection Act 2018; the Privacy and Electronic Communications Directive 2002/58/EC (as updated by Directive 2009/136/EC) and the Privacy and Electronic Communications Regulations 2003 (SI 2003 No. 2426) as amended; any other European Union legislation relating to personal data and all other legislation and regulatory requirements in force from time to time which apply to a party relating to the use of Personal Data (including, without limitation, the privacy of electronic communications).

**Dispute:** any dispute under this Agreement.

**Existing Academic Partner Agreements:** the academic partner agreement between UHI and Inverness College dated 11 March 1999 and funding and service level agreement between UHI and Inverness College dated 29 November & 8 December 2000.

**FE Governance Code:** the Code of Good Governance for Scotland's Colleges published in August 2016 by Colleges Scotland as such code may be supplemented, amended or replaced from time to time.

**FHE Acts:** the Further and Higher Education (Scotland) Act 1992, the Further and Higher Education (Scotland) Act 2005 including any statutory modification or re-enactment thereof for the time being in force.

**Financial Memorandum:** the financial memorandum between UHI and Inverness College dated/ effective from 1 January 2016 in respect of the provision of funding for Further and Higher Education, and such other memoranda as may supplement, amend or replace it by notice in writing to Inverness College from time to time.

**FoI Legislation:** the Freedom of Information (Scotland) Act 2002 and the Environmental Information Scotland Regulations 2004 (SI 2004/520).

**Further Education:** means any course or programme of fundable further education, as defined in the FHE Acts.

**Highlands and Islands:** the local government areas of Shetland, Orkney, Western Isles, Highland, Moray, Perth and Kinross and Argyll and Bute.

**HE Governance Code:** the Scottish Code of Good HE Governance published in October 2017 by the Committee of Scottish Chairs Steering Group as such code may be supplemented, amended or replaced from time to time.

**Higher Education:** means any course of fundable higher education, as defined in the FHE Acts.

**HISA:** the students association for the University and the UHI Partners, operated by Highlands and Islands Students Association a company limited by guarantee incorporated and registered in Scotland with company number SC511955 whose registered office is at 12B Ness Walk, Inverness IV3 5SQ, or any successor body or association to the role of students' association for students of the University.

**Intellectual Property Rights:** means patents, rights to inventions, copyright and related rights, moral rights, trade marks and service marks, trade names, domain names, rights to goodwill, rights in designs, rights in computer software (including source code and object code), database rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and similar or equivalent rights which subsist or will subsist now or in the future in any part of the world.

**MG Distribution Agreement:** means the distribution agreement between UHI and Inverness College dated 6 & 27 May 1997 providing for the distribution of a proportion of the Millennium Grant to Inverness College, a copy of which is annexed as Part 7 of the Schedule.

**Millennium Grant:** means the grant funding made available to UHI by the Millennium Commission (now Big Lottery Fund) in respect of the UHI Millennium Institute Project on or around 23 May 1997.

**Other Academic Partners:** the institutions which are from time to time, members of the University of the Highlands and Islands academic partnership and have entered into academic partnership agreements with UHI (excluding UHI and Inverness College).

**Outcome Agreement:** the Highlands and Islands regional further and higher outcome agreement entered between SFC and UHI, and such other agreement(s) as may supplement, amend or replace it from time to time.

**Performance Indicators:** any performance measures, indicators, or targets agreed in writing from time to time by UHI and Inverness College.

**Personal Data:** has the meaning set out in the Data Protection Legislation.

**QAA:** the Quality Assurance Agency for Higher Education.

**Regional Strategic Committee:** the committee or other body constituted under the Articles of Association of UHI with the responsibility for ensuring the strategic delivery of high quality tertiary education across the academic partnership formed by the University (or any successor committee(s) or body(ies) with the same or a similar remit).

**Regulations:** regulations made by the UHI Court or the Academic Council and by committees of either empowered to regulate on their behalf pursuant to the Articles of Association of UHI.

**Research Activity:** activity undertaken by, within, on behalf of the University or in the name of UHI which constitutes or contributes to any process of investigation which leads to the effective sharing of new insights in any field or discipline, including knowledge exchange activity.

**Research Councils:** the research councils operated/ co-ordinated by UK Research and Innovation.

**Research Excellence Framework:** the framework for assessment of Research Activity in UK higher education institutions, as such framework may be implemented, updated or amended from time to time.

**Schedule:** the schedule in 9 parts annexed as relative to this Agreement.

**SCQF:** the Scottish Credit and Qualifications Framework or such other qualifications framework as may be adopted by the SFC at any time.

**SFC:** the Scottish Further and Higher Education Funding Council.

**Start Date:** [ TBC – date of signing ] 2021

**Student Data:** means the Personal Data of any Higher Education student or Further Education student.

**UHI Court:** the board of governors of UHI.

**UHI Foundation:** the foundation of UHI as constituted pursuant to the Articles of Association of UHI.

**UHI Partners:** together, Inverness College and the Other Academic Partners.

**UHI Principal:** the principal of UHI appointed pursuant to the Articles of Association of UHI, as appointed from time to time.

**UHI Professional Services:** the support services, university executive and administrative functions provided by UHI's executive office to Inverness College in terms of Clause 14.

**UHI Secretary:** means the Chief Operating Officer and University Secretary of UHI.

**University Policies:** the common policies of UHI adopted across the University following approval by the Partnership Council (or any successor body), and as published from time to time at the My UHI Policies Sharepoint site (or such alternative location as may be adopted by UHI from time to time) and as such policies may be supplemented, amended or replaced from time to time (and each a **University Policy**).

**University Strategic Plan:** the strategic vision and plan 2015-20 for the University developed, adopted and published by UHI, as such strategic vision and plan may supplemented, amended or replaced from time to time.

**UKVI Licence:** UHI's Tier 4 Higher Education UK Visas & Immigration licence.

**University:** means the academic partnership of the University of the Highlands and Islands comprising UHI, Inverness College and the Other Academic Partners.

**Working Day:** a day other than a Saturday, Sunday or public holiday in Scotland when banks in Edinburgh are open for business.

1.2 The following definitions and rules of interpretation apply in this Agreement:

- (a) Clause, schedule and paragraph headings shall not affect the interpretation of the Agreement.
- (b) A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's legal and personal representatives, successors and permitted assigns.
- (c) The Schedule forms part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedule.
- (d) A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- (e) Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- (f) Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- (g) A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.



- (h) A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- (i) A reference to **writing** or **written** includes e-mail and/or electronic publication unless otherwise specifically indicated.
- (j) Any obligation on a party not to do something includes an obligation not to allow that thing to be done.
- (k) A reference to **this Agreement** or to any other agreement or document referred to in this Agreement is a reference to this Agreement or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of this Agreement) from time to time.
- (l) References to clauses are to the clauses of this Agreement; references to paragraphs are to paragraphs of the relevant Part of the Schedule.
- (m) Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

## 2. **COMMENCEMENT AND TERM**

Notwithstanding the date or dates hereof, this Agreement shall commence on the Start Date and shall continue, unless and until terminated in accordance with its terms.

## 3. **COMMITMENT TO UNIVERSITY VISION AND STRATEGY**

3.1 Inverness College and UHI each acknowledge and confirm that they are committed to the University's vision for the academic partnership comprised of UHI and the Other Academic Partners, including:-

- (a) the provision and delivery of high quality tertiary education throughout the region and localities of the Highlands and Islands through an integrated and collaborative partnership network of institutions;
- (b) the undertaking of high quality Research Activity to develop the research capacity and standing of the University, and to derive the maximum possible economic and teaching benefits from such Research Activity;
- (c) the development of the regional, national and international reputation of the University in both further and higher education teaching and Research Activity;

and are each committed to working in conjunction with each other and the Other Academic Partners to develop and deliver that vision.

- 3.2 In fulfilling its obligations under this Agreement, Inverness College undertakes to UHI to actively work towards and contribute to the delivery of the University Strategic Plan. In particular, Inverness College shall be responsible for localising the University Strategic Plan by:-
- (a) synchronising the timing of its own strategic planning activities (by adjustment of Inverness College's strategic planning period as appropriate) to the timing of the University Strategic Plan such that the periods covered by such plans are the same; and
  - (b) ensuring that the aims, objectives and strategies set out in its own strategic plan are consistent with and contribute to the University Strategic Plan.
- 3.3 In fulfilling its obligations under this Agreement and performing its role as the fundable body responsible for receipt and distribution of Further Education and Higher Education funding within Highlands and Islands, UHI undertakes to Inverness College to:-
- (a) have regard to the diversity of the geographical area, economies and communities of the Highlands and Islands;
  - (b) have regard to the character of Inverness College and the Other Academic Partners as distinctive and separate institutions;
  - (c) make such representations and submissions as UHI considers appropriate to maximise the available funding provided from time to time from SFC, Research Councils and such other third party funders as may be appropriate for the benefit of Inverness College, the University and the region of Highlands and Islands;
  - (d) consult with and have regard to representations made by Inverness College in relation to any submissions or representations made pursuant to sub-clause (c) above; and
  - (e) at all times and in all respects applicable to it, comply with and conduct itself in accordance with the FHE Acts.
- 3.4 Inverness College and UHI each acknowledge and confirm that they are committed to the University Values Framework as set out in the University Strategic Plan.

4. **PROVISION OF FURTHER EDUCATION**

Where Inverness College provides or delivers Further Education, the provisions set out in Part 1 of the Schedule will apply in relation to such provision of Further Education.

5. **PROVISION OF HIGHER EDUCATION**

Where Inverness College provides or delivers Higher Education, the provisions set out in Part 2 of the Schedule will apply in relation to such provision of Higher Education.

6. **UNDERTAKING OF RESEARCH ACTIVITY**

Research Activity undertaken or conducted by or within Inverness College will be undertaken for and on behalf of and in the name of UHI as part of the University, and the provisions set out in Part 3 of the Schedule will apply in relation to such Research Activity.

7. **COMMERCIALISATION ACTIVITY**

7.1 Inverness College will actively look for, assess and seek to develop opportunities to undertake commercial activity which:-

- (a) makes use of and builds on the expertise and skills within Inverness College, UHI and the University;
- (b) seeks to commercialise, apply and realise value in the product of Research Activity undertaken within the University, subject always to having due regard for the preservation of the value of that Research Activity for the benefit of Inverness College, UHI and the University;
- (c) which has the potential to generate supplemental income for the benefit of Inverness College, UHI and the University; and
- (d) is consistent with and contributes to the delivery of UHI's commercialisation strategy, as adopted and amended from time to time.

7.2 Inverness College will have regard to the activities and relationships of the University and the Other Academic Partners in its approach to collaboration with industry and commercial partners, and will seek to maximise the benefit of such collaborative activity for the benefit of the University and the UHI academic partnership as a whole. Without prejudice to the foregoing generality, Inverness College shall:-

- (a) share details of its industry and commercial relationships with UHI and the Other Academic Partners, including by maintaining any

partnership-wide record of such relationships as may be adopted from time to time;

- (b) engage with third parties and Other Academic Partners on a sectoral/ industry basis to identify opportunities according to sector and expertise in addition to geographical location; and
- (c) adopt a collegiate and collaborative approach to opportunities for commercial and industrial activity with a view to avoiding internal competition within the University for such opportunities.

## 8. **OUTCOMES**

8.1 Inverness College will use all reasonable endeavours to make a material contribution to:-

- (a) delivery of the overall regional mission and objectives of the University;
- (b) the University Strategic Plan; and
- (c) delivery of the outcomes required by the Outcome Agreement;

and alongside the Other Academic Partners as part of the University shall deliver its contribution to the University as agreed from time to time with UHI.

## 9. **FINANCIAL MEMORANDUM & AUDIT**

9.1 Inverness College will comply with the Financial Memorandum and with such further communications relating, supplemental or ancillary to it as may be issued in writing by UHI from time to time (including, without limitation, any communications issued by SFC to UHI as a regional strategic body under the FHE Acts, and which UHI requires to pass on to Inverness College as a body to which UHI distributes funding for Further Education and/ or Higher Education).

9.2 Inverness College will provide such information, data or evidence as UHI may reasonably require and allow UHI and any auditors (both internal and external) of, or other advisers to, UHI to access any of Inverness College's premises, personnel, data, information and records as may be reasonably required by UHI (subject to UHI providing reasonable notice to Inverness College, UHI complying with any appropriate or relevant policies of Inverness College in relation to such access, and any applicable confidentiality requirements with which Inverness College requires to comply) to allow UHI to undertake such monitoring and audit functions as UHI considers appropriate from time.

- 9.3 UHI undertakes to, as far as possible, minimise duplication of effort and provision of information required from Inverness College pursuant to the reporting and compliance requirements imposed by:-
- (a) the Financial Memorandum;
  - (b) the Outcome Agreement;
  - (c) external audit requirements; and
  - (d) this Agreement.

## 10. **REPORTING & STATISTICAL RETURNS**

- 10.1 Inverness College shall:-
- (a) timeously and accurately complete and submit to SFC such monitoring and activity returns as may be required by SFC from time to time in relation to the provision of Further Education by Inverness College; and
  - (b) not less than 5 Working Days in advance of submission to SFC, provide UHI with a copy of any return to be submitted to SFC.
- 10.2 Subject to clauses 9.3 and 10.1, Inverness College shall timeously and accurately provide such information in relation to the provision of Further Education by Inverness College in such format as UHI may reasonably require from time to time.
- 10.3 Inverness College shall timeously and accurately provide such information in relation to the provision of Higher Education and undertaking of Research Activity by Inverness College in such format as UHI may reasonably require from time to time to enable UHI to monitor performance, comply with the Academic Quality Framework, and to enable UHI to submit any and all monitoring returns required by SFC and the Higher Education Statistics Agency from time to time.

## 11. **POLICIES/PROCEDURES**

- 11.1 Inverness College will implement, adopt and adhere to the University Policies.
- 11.2 UHI shall consult and agree with Inverness College and the Other Academic Partners prior to introducing any new or revised University Policies.
- 11.3 If Inverness College becomes aware of any event, occurrence or practice which is materially non-compliant with or inconsistent with a UHI Policy, Inverness College will promptly advise the UHI Secretary or Academic

Registrar (as applicable) of this and will take such steps as UHI may reasonably require to remedy or mitigate the effects of such non-compliance.

11.4 Where there is no applicable or readily adaptable University Policy Inverness College will be entitled to formulate, implement and maintain its own policy and procedures to cover or provide for such other areas or aspects of its operations as Inverness College requires from time to time, provided that Inverness College shall:-

- (a) notify UHI via the partnership council of the lack of an applicable University Policy;
- (b) insofar as possible, adopt or develop such policies from an existing University Policy or policies in existence elsewhere within the University, subject to such amendment or localisation as may be reasonably required; and
- (c) shall adopt any such policy as a temporary and interim measure only, subject to a University-wide policy being developed and adopted as a University Policy.

11.5 Inverness College will provide UHI with copies of its policies or procedures in place or produced pursuant to clause 11.4 from time to time, and make such changes to such policies or procedures as UHI may reasonably require in writing from time to time.

11.6 Notwithstanding the remaining terms of this clause 11, the parties acknowledge and agree that there are opportunities for policies, procedures and processes developed or adopted by any individual UHI Partner to be shared and applied across all of the UHI Partners by adopting these as a University Policy. The parties undertake to identify opportunities for collaboration in the development of policies, procedures and processes with a view to developing further University Policies as required from time to time to expand the range of policies and procedures covered by this, and to share knowledge, best practice and costs.

## 12. **GOVERNANCE**

12.1 Inverness College will adhere to and implement the principles and rules of governance set out in the FE Governance Code.

12.2 Subject to and in implement of clause 12.1, Inverness College will develop, adopt and implement such rules, policies or procedures as Inverness College considers appropriate to regulate its own governance and proceedings.

- 12.3 Inverness College will, upon being requested to do so by UHI, provide the UHI Secretary with copies of rules, policies or procedures in place or produced pursuant to clause 12.2, and make such changes to such rules, policies or procedures as UHI may reasonably require in writing from time to time.
- 12.4 UHI will adhere to and implement the principles and rules of governance set out in the HE Governance Code. In the event of any irreconcilable conflict between the FE Governance Code and the HE Governance Code, the HE Governance Code shall prevail.
- 12.5 Subject to and in implement of clause 12.4, UHI will develop, adopt and implement such rules, policies or procedures as the UHI Court considers appropriate from time to time to regulate UHI's governance and proceedings.
- 12.6 Inverness College will comply with such of the rules, policies and procedures adopted by UHI from pursuant to clause 12.5 as UHI may require from time to time.
- 12.7 Inverness College will produce, maintain and provide to UHI upon reasonable request, a risk register in such form and adopting such risk-assessment mechanisms as UHI may reasonably require from time to time identifying, assessing and outlining mitigating strategies for the key operational, financial and legal risks to the sustainability and continuing effective performance of Inverness College.

13. **DECISIONS REQUIRING UHI CONSENT**

Inverness College will not undertake any of the decisions, actions or matters or things listed in Part 4 of the Schedule without the prior consent of UHI.

14. **UHI PROFESSIONAL SERVICES/ RETENTION OF FUNDING TO MEET COSTS**

- 14.1 UHI will provide UHI Professional Services to Inverness College, as reasonably required by Inverness College or as the parties may agree from time to time are reasonably necessary for the purpose of enabling Inverness College to operate as part of the University or to perform any obligations under this Agreement, on the terms set out in this clause 14 and in any separate service level agreement entered into between UHI and Inverness College in respect of any particular services from time to time. The parties each undertake to identify and agree any of the UHI Professional Services which are critical to supporting the performance by Inverness College of its obligations under this Agreement and (where the parties have not already done so) will enter into a

separate service level agreement in respect of the provision of those UHI Professional Services by UHI.

14.2 Subject to Clause 14.5, in providing UHI Professional Services to Inverness College, UHI will:-

- (a) consult with Inverness College and the Other Academic Partners through the UHI committee structure in relation to the planning, allocation, budgeting and delivery of UHI Professional Services for each Academic Year, and will minute any points of disagreement;
- (b) maintain records and details of costs and expenditure attributable to the provision of UHI Professional Services to the UHI Partners and will make such information available to Inverness College upon being reasonably requested to do so;
- (c) use reasonable endeavours to provide UHI Professional Services to the UHI Partners as may be collectively agreed amongst UHI and the UHI Partners from time to time;
- (d) exercise reasonable skill, care and diligence;
- (e) will allocate sufficient resources to the provision of UHI Professional Services as agreed from time to time;
- (f) seek to achieve best value and efficiency in the procurement and delivery of the UHI Professional Services;
- (g) ensure that all goods and services purchased or utilised in connection with provision of the UHI Professional Services are procured in accordance with all applicable procurement legislation and rules; and
- (h) co-operate with Inverness College in all matters relating to UHI Professional Services.

14.3 In relation to the UHI Professional Services, Inverness College will:-

- (a) co-operate with UHI in all matters relating to the UHI Professional Services; and
- (b) provide, in a timely manner, such information and documents as UHI may reasonably request from time to time, and ensure that it is accurate in all material respects.

14.4 If there is a material failure by UHI to supply any UHI Professional Services as agreed from time to time, UHI shall:

- (a) notify Inverness College promptly of the failure;
- (b) provide Inverness College with a remediation plan outlining the proposed steps to mitigate or remedy the failure;



- (c) deploy any appropriate additional resources and take such remedial action as UHI reasonably considers is necessary to rectify or to prevent the failure from recurring;
  - (d) carry out the actions identified in the remediation plan produced in terms of clause 14.4(b); and
  - (e) if the relevant UHI Professional Service is capable of being re-performed, and if reasonably requested by Inverness College to do so, re-perform the relevant UHI Professional Service.
- 14.5 Notwithstanding any other provision of this Agreement, Inverness College's sole remedy in the event of any lapse or failure to provide the UHI Professional Services or any of them at any time shall be require UHI to implement the steps outlined in clause 14.4, and UHI shall have no financial liability or obligation to refund any sums to Inverness College arising from such lapse or failure.
- 14.6 UHI shall be entitled to retain from Inverness College such sums as are reasonably necessary from time to time in respect of the cost of providing the UHI Professional Services from any funding provided by UHI to Inverness College by retaining any sums which would otherwise be distributable to Inverness College (including, without limitation, in respect of funding for the provision of Further Education or Higher Education pursuant to this Agreement); provided always that UHI shall not, without the consent of Inverness College, be entitled to retain in any Academic Year a sum in excess of 35% of the Higher Education funding allocation to Inverness College for that Academic Year.
- 14.7 Inverness College will provide such services and functions to or on behalf of the University as may be agreed between UHI and Inverness College from time to time on such terms as may be agreed.
- 14.8 The parties agree that they are committed to the collective provision and sharing of administrative, technical and UHI Professional Services and functions as far as possible across the University and will work with the Other Academic Partners to develop and maximise opportunities to undertake collaborative provision of such services. The parties agree that any such shared or collaborative service provision must be subject to appropriate governance and management arrangements being put in place for the service, and the parties being satisfied as to the financial sustainability of the shared services and continuity of service provision.

**15. REPRESENTATION & PARTICIPATION IN UHI PARTNERSHIP**

15.1 Inverness College shall actively participate in and, provide nominees (where requested by UHI) for all applicable committees, boards, groups, meetings and other representative bodies or forums within the UHI partnership, including (without limitation):-

- (a) the UHI Court;
- (b) the Academic Council;
- (c) the Partnership Council;
- (d) the Regional Strategic Committee; and
- (e) the UHI Foundation.

15.2 Without prejudice to the generality of clause 15.1, Inverness College will take such steps and put in place such procedures as may reasonably be required (or as UHI may reasonably require) from time to time to facilitate:-

- (a) the participation by members of staff employed by Inverness College in the election of staff Governors to the UHI Court;
- (b) the participation of students (whether engaged in Higher Education, Further Education or Research Activity) enrolled with or through Inverness College in the election of student Governors to the UHI Court; and
- (c) the participation of students (whether engaged in Higher Education, Further Education or Research Activity) enrolled with or through Inverness College in HISA;

it being acknowledged and agreed that the use of video conferencing and such other telecommunications technology as may be appropriate from time to time is an accepted and important means of enabling communication between the UHI Partners.

**16. ACADEMIC FREEDOM AND OWNERSHIP OF IPR**

16.1 In relation to the provision and conduct of any Further Education, Higher Education or the undertaking of any Research Activity, Inverness College shall:-

- (a) take such action as may be reasonably necessary to ensure and preserve the Academic Freedom of any person engaged in the teaching or provision of delivery of Higher Education or Further Education, or the undertaking of any Research Activity;
- (b) comply with any direction of UHI in relation to the preservation of Academic Freedom;

- (c) not subject any person engaged by Inverness College to any detriment or adverse effect in relation to any appointment held, or entitlement or privilege enjoyed in connection with or arising from their role as a result of the exercise of that person's Academic Freedom.
- 16.2 Where Inverness College is not, for any reason, able (or is likely to be unable) to comply with the provisions of clause 16.1, it will notify UHI as soon as reasonably practical and provide a written explanation to the University Secretary as to reason for such non-compliance.
- 16.3 Inverness College will adopt, adhere to and implement the UHI IP Policy (as such policy is annexed at Part 8 of the Schedule, and as same may be updated and communicated to Inverness College from time to time) in respect of any Research Activity (or other similar or related activity) undertaken by Inverness College that is funded by UHI, undertaken in the name of or under the auspices of UHI, or is otherwise undertaken by or within Inverness College pursuant to this Agreement.
- 16.4 The Intellectual Property Rights in any and all academic, course or other materials generated by either party in relation to Higher Education shall be exclusively owned by UHI ("HE IPR") and Inverness College hereby assigns any and all rights in such HE IPR to UHI. UHI grants a non-exclusive, royalty free, non-assignable, non-sublicensable licence to Inverness College to use such HE IPR to deliver Higher Education while this Agreement remains in force and Inverness College remains an academic partner of the University.
- 16.5 Inverness College grants to UHI a non-exclusive, royalty free, non-assignable licence to use, and to allow any Academic Partner to use, any Intellectual Property Rights in any academic, course or other materials used or generated by Inverness College in the provision of Further Education, provided that UHI shall not make any use of such licence and shall not permit any other Academic Partner to make any use of such licence otherwise than in the event of the withdrawal or cessation of provision of a course by Inverness College for any reason.
- 17. **STATUTORY COMPLIANCE, CERTIFICATION & REPORTING**
- 17.1 Without prejudice to clause 16, Inverness College undertakes to UHI that it will:-
  - (a) at all times and in all respects applicable to it comply with; and
  - (b) conduct itself, its provision of Further Education and Higher Education, and any Research Activity,

in accordance with the FHE Acts (including, without limitation, those provisions applicable to assigned colleges) insofar as they apply to Inverness College.

- 17.2 Without prejudice to clauses 18 or 19, Inverness College shall at all times carry out and fulfil its obligations under this Agreement in compliance with all Applicable Law. Inverness College shall maintain such records as are necessary pursuant to such Applicable Law and shall promptly on reasonable request by UHI make them available for inspection by UHI or by any relevant authority that is entitled to inspect them.
- 17.3 Without prejudice to the generality of clause 17.2, Inverness College shall at all times comply in all applicable respects with:-
- (a) The Charities & Trustee Investment (Scotland) Act 2005;
  - (b) The Equality Act 2010;
  - (c) The Counter-Terrorism and Security Act 2015 and any applicable guidance issued under it;
  - (d) the UKVI Licence and any other UK Visas & Immigration licence of any kind or tier which Inverness College may hold from time to time, and all applicable Home Office and UK Visas & Immigration guidance in relation to overseas students;
  - (e) the Protection of Vulnerable Groups (Scotland) Act 2007 and the PVG Scheme;
  - (f) all applicable health and safety legislation, including but not limited to the Health and Safety at Work etc. Act 1974 and Occupiers' Liability Scotland Act 1960;
  - (g) The Bribery Act 2010;
  - (h) Data Protection Legislation;
  - (i) the University Policies.
- 17.4 On 30 April in each year, Inverness College will issue a letter of representation to the UHI Secretary certifying that during the preceding 12 months Inverness College has complied in full with such statutes, statutory provisions, legislative or regulatory requirements as UHI may reasonably require from time to time, including (but not limited to):-
- (a) all applicable health and safety legislation, including but not limited to the Health and Safety at Work etc. Act 1974 and Occupiers' Liability Scotland Act 1960;
  - (b) The Protection of Vulnerable Groups (Scotland) Act 2007 and the PVG Scheme;

- (c) its obligations in terms of clause 18 and Part 5 of the Schedule in relation to the FoI Legislation;
- (d) its obligations in terms of clause 19 and Part 6 of the Schedule in relation to Data Protection Legislation;
- (e) UHI's Complaints policy in relation to any complaint received by it during the preceding 12 months;
- (f) The Equality Act 2010 and UHI's Equality Policy;
- (g) the UKVI Licence;
- (h) The Counter-Terrorism and Security Act 2015 and any applicable guidance issued under it, and

to the extent that Inverness College is unlikely to be able to certify compliance with the foregoing, it shall notify the UHI Secretary in writing as far in advance as reasonably possible of 30 April in each year confirming in what respects Inverness College is non-compliant, the reasons for such non-compliance and agree on an action plan with UHI to remedy or address such non-compliance.

17.5 On 28 February, 31 May, 31 August and 30 November in each year, Inverness College will provide the UHI Secretary:-

- (a) details of any complaints received from Higher Education students or complaints relating or relevant to UHI or Inverness College's role as part of the University during the preceding period of 3 months or confirmation that no such complaints were received;
- (b) details of any complaints or instances of malpractice reported or arising under the University's research code;
- (c) provide a current copy of Inverness College's risk register produced pursuant to clause 12.7, with a note of any changes or amendments made during the preceding quarter;
- (d) management accounts for the period ending not earlier than the month preceding the relevant quarterly date in such form as UHI may reasonably require;
- (e) such other data, records information, returns, confirmations or certifications as UHI may reasonably require from time to time;
- (f) statutory and management accounts; and
- (g) internal and external audit reports.

17.6 As requested from time to time by UHI, Inverness College will provide:-

- (a) such financial information, estimates and forecasts as UHI may reasonably require in connection with any Financial Forecast Return

(or similar financial information request) required by SFC in respect of Inverness College;

- (b) within such period as UHI may reasonably request, annual and medium term budgets, together with such other financial information as UHI may reasonably require, to enable UHI to appraise and Inverness College's financial position;
- (c) promptly upon any such potential deficit becoming apparent to Inverness College, notice of any forecast in-year or outturn deficit; and
- (d) details of any mitigating action proposed or undertaken by Inverness College to seek to address any forecast in-year or outturn deficit, together with progress reports as may be reasonably requested by UHI from time to time on such mitigating action.

17.7 Without prejudice to clause 3.3(d), UHI shall at all times comply in all applicable respects with:-

- (a) The Charities & Trustee Investment (Scotland) Act 2005;
- (b) The Equality Act 2010;
- (c) The Counter-Terrorism and Security Act 2015 and any applicable guidance issued under it;
- (d) the UKVI Licence and any other UK Visas & Immigration licence of any kind or tier which Inverness College may hold from time to time, and all applicable Home Office and UK Visas & Immigration guidance in relation to overseas students;
- (e) the Protection of Vulnerable Groups (Scotland) Act 2007 and the PVG Scheme;
- (f) all applicable health and safety legislation, including but not limited to the Health and Safety at Work etc. Act 1974 and Occupiers' Liability Scotland Act 1960;
- (g) The Bribery Act 2010;
- (h) Data Protection Legislation; and
- (i) the University Policies.

## 18. **FREEDOM OF INFORMATION**

The provisions of Part 5 of the Schedule shall apply in relation to the FoI Legislation.

19. **DATA PROTECTION**

The provisions of Part 6 of the Schedule shall apply in relation to the sharing of Personal Data between the parties.

20. **MILLENNIUM GRANT**

Inverness College acknowledges that it has benefited from the Millennium Grant as a result of funds disbursed by UHI to Inverness College under the MG Distribution Agreement. UHI and Inverness College each reaffirm the terms of the MG Distribution Agreement and acknowledge and agree that the MG Distribution Agreement remains in full force and effect.

21. **GRANT FUNDING – GENERAL**

21.1 UHI agrees to provide such assistance as Inverness College may reasonably require from time to time to enable Inverness College as part of the University, to apply for, access and implement such grant funding programmes as Inverness College and UHI may agree are appropriate from time to time (including, without limitation, Research Councils, Highlands & Islands Enterprise, and European Social Fund grants).

21.2 Where any potential grant identified is accessible only through UHI, Inverness College, UHI and such of the Other Academic Partners as may be appropriate in the circumstances will collaborate on the submission of any application for such a grant. In all circumstances, Inverness College shall apply a partnership approach to applications for grant funding in order to avoid internal competition within the University.

21.3 Upon any grant application by UHI at the instigation of, on behalf of or in conjunction with Inverness College, or in respect of which activity will be undertaken within Inverness College under the auspices of the University being successful:-

(a) Inverness College and UHI will enter into such agreement(s) as UHI may reasonably require in terms of which Inverness College undertakes to UHI that it will adhere to the conditions attached to the grant or other requirement intimated to it pursuant to clause 21.3(c) and will indemnify UHI in respect of any loss, expense or claim suffered or incurred by UHI arising from any breach of the grant conditions resulting from the acts or omissions of Inverness College;

(b) Upon providing evidence to UHI of a delivery plan UHI shall pass on such grant funding (or the applicable proportion of it where such grant or other application is made jointly with any other party) to

Inverness College, under deduction of any applicable UHI Professional Services costs associated with the grant application; and

- (c) UHI will intimate to Inverness College the grant or other conditions applicable to it as the ultimate recipient of the grant or award.

## 22. **HISA**

22.1 Inverness College will ensure that all Further Education students, Higher Education students, and students engaged in Research Activity are afforded the opportunity to become members of HISA.

22.2 UHI shall:-

- (a) via discussion and agreement through the Partnership Council (or such other forum as may be agreed among UHI and the UHI Partners from time to time) determine the annual funding payable to HISA in each Academic Year;
- (b) apportion the University's aggregate liability for payment of such annual funding to HISA among the UHI Partners according to their respective numbers of full-time equivalent enrolled students (or on such other equitable basis as may be agreed among UHI and the UHI Partners from time to time);
- (c) be entitled to withhold and pay to HISA sums which would otherwise be payable to Inverness College to secure payment of Inverness College's share of the annual funding to HISA, or to direct that any sums provided by UHI to Inverness College be paid to and used to fund HISA, as determined by UHI; and
- (d) attach such conditions or requirements on HISA in relation to such funding as UHI may reasonably require.

22.3 Inverness College will provide such local or campus facilities, services and support to HISA as may be reasonably requested by HISA or UHI from time to time.

## 23. **BRANDING / COMMUNICATIONS**

23.1 Subject to Clause 23.3 below, Inverness College shall refer to the University of the Highlands and Islands in all external marketing and communications.

23.2 Subject to Clause 23.3 below, Inverness College shall use the University of the Highlands and Islands standard branding and corporate communication style in such external marketing and communications as made available from UHI from time to time.



23.3 It is acknowledged by the parties that in limited circumstances, it may be preferable (subject to the consent of UHI, which shall not be unreasonably withheld) for Inverness College to use its own brand and not refer to the University of the Highlands and Islands in its external marketing and communications.

## 24. **INSURANCE**

24.1 Subject to clause 24.2, Inverness College shall maintain in force at least the following insurance policies with reputable insurance companies to cover its relevant potential liabilities arising in connection with or related to performance of its obligation under this Agreement:

- (a) a public liability insurance policy with a limit of at least £10 million per claim;
- (b) a directors and officers liability insurance policy with a limit of at least £4 million per claim;
- (c) employer's liability insurance with a limit of at least £10 million for claims arising from a single event or series of related events in a single calendar year; and
- (d) business interruption insurance with a limit of at least £40 million for claims arising from a single event or series of related events in a single calendar year.

24.2 The parties acknowledge and agree that:-

- (a) the capacity of Inverness College to maintain in force the insurance policies referred to in clause 24.1 is subject to a specific derogation in the Regional Financial Memorandum (as at the Start Date) to permit Inverness College to retain in place commercial insurance arrangements; and
- (b) to the extent that such derogation no longer applies or is not renewed or replaced, Inverness College shall not be required to maintain in place those of the insurance policies referred to in clause 24.1 which it is no longer permitted to maintain in terms of the Regional Financial Memorandum (as amended from time to time).

24.3 UHI shall maintain in force at least the following insurance policies with reputable insurance companies:

- (a) a public liability insurance policy with a limit of at least £10 million per claim;
- (b) a directors and officers liability insurance policy with a limit of at least £4 million per claim;

- (c) employer's liability insurance with a limit of at least £10 million for claims arising from a single event or series of related events in a single calendar year; and
- (d) business interruption insurance with a limit of at least £40 million for claims arising from a single event or series of related events in a single calendar year.

**25. IMPROVEMENT NOTICES**

25.1 If reasonably requested by UHI, the parties will discuss and agree Performance Indicators to measure the performance of Inverness College under this Agreement.

25.2 If at any time UHI, acting reasonably, considers that:-

- (a) Inverness College is not meeting a Performance Indicator; or
- (b) there is a breach of this Agreement by Inverness College; or
- (c) Inverness College is not fully and adequately contributing as an academic partner in the University;

UHI may, by notice served on Inverness College at any time:

- i. conduct such enquiries into Inverness College's operations and financial affairs as UHI considers appropriate, and Inverness College shall co-operate with such enquiries and provide all information and assistance as is reasonably required by UHI for that purpose, including full access to its books and records, its premises and employees as requested by UHI; and/or
- ii. recommend what steps (if any) should be taken to improve the performance of Inverness College under this Agreement and provide a timescale for the implementation of such steps, and Inverness College shall take all steps required or necessary to implement and carry into effect the recommendations made.

25.3 If Inverness College fails to comply with any notice served by UHI under clause 25.2, the terms of clause 29 will apply and UHI shall be entitled to suspend any further funding to Inverness College.

**26. SUPERSESSION OF PREVIOUS ACADEMIC PARTNERSHIP AGREEMENT**

26.1 Subject to clause 26.2, this Agreement replaces and supersedes the Existing AP Agreements with effect from the Start Date.

26.2 The replacement and supersession of the Existing Academic Partner Agreement is without prejudice to any accrued rights or obligations of either party to it as at the Start Date.

26.3 In the event of any inconsistency or ambiguity between any provision of the Existing AP Agreements and this Agreement, the provision(s) of this Agreement will prevail.

## 27. **TERMINATION**

27.1 Without affecting any other right or remedy available to it, either party may terminate this Agreement with immediate effect by giving written notice (by recorded delivery post) to the other party if:

- (a) the other party commits a material breach of any term of this Agreement which breach is irremediable;
- (b) the other party commits a material breach of any term of this Agreement which is capable of being remedied and fails to remedy that breach within a period of 90 days after being notified in writing to do so, provided that before exercising the right to terminate on this ground the party seeking to terminate has made reasonable efforts in good faith to resolve or address the relevant breach by invoking or participating in the dispute resolution process provided for in clause 29;
- (c) the other party repeatedly breaches any of the terms of this Agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this Agreement, provided that before exercising the right to terminate on this ground the party seeking to terminate has made reasonable efforts in good faith to resolve or address the relevant breaches by invoking or participating in the dispute resolution process provided for in clause 29;
- (d) the other party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;
- (e) the other party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors other than for the sole purpose of a scheme for a solvent amalgamation of such party with one or more other companies or the solvent reconstruction of such party;
- (f) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that other

party (being a company) other than for the sole purpose of a scheme for a solvent amalgamation of the other party with one or more other companies or the solvent reconstruction of such party;

- (g) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is given or if an administrator is appointed, over the other party;
- (h) the holder of a qualifying floating charge over the assets of the other party has become entitled to appoint or has appointed an administrative receiver;
- (i) a person becomes entitled to appoint a receiver over the assets of the other party or a receiver is appointed over the assets of such party;
- (j) a creditor or encumbrancer of the other party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the other party's assets and such attachment or process is not discharged within 30 days;
- (k) any event occurs, or proceeding is taken, with respect to the other party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 27.1(c) to clause 27.1(i) (inclusive); or
- (l) the other party suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business or ceases to provide delivery of Further Education, Higher Education or any aspects of the same.

27.2 Without affecting any other right or remedy available to it, Inverness College may terminate this Agreement upon giving not less than 12 months' prior written notice to the UHI Secretary, subject always to clause 28.2.

## 28. **CONSEQUENCES OF TERMINATION**

28.1 On termination of the Agreement:

- (a) any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination shall not be affected; and
- (b) the following clauses shall continue in force:
  - i. clause 1 (Interpretation);
  - ii. clause 18 (Freedom of Information);

- iii. Clause 19 (Data Protection);
- iv. clause 28 (Consequences of termination); and
- v. clause 37 (Governing law).

28.2 Termination of this Agreement, however arising, shall be conditional upon and shall trigger obligations on the part of Inverness College to :-

- (a) repay to UHI any sums provided by UHI in respect of the provision of Higher Education, or the undertaking of Research Activity which has not yet been carried out at the termination date;
- (b) make payment to UHI of any sums due in connection with any grant or loan funding in terms of which any repayment or clawback from UHI is triggered (directly or indirectly) by such termination;
- (c) return to, or purchase from UHI at an objective valuation, any moveable item or equipment supplied to it by UHI for the purposes of the University;
- (d) without prejudice to paragraphs (a), (b) or (c) of this clause 28.2, make payment to UHI and/or the Big Lottery Fund (as applicable) of any clawback or repayment of the Millennium Grant or any part of it triggered (directly or indirectly) by such termination;
- (e) return and/or provide copies of all academic and course materials owned by UHI or which shall reasonably be required by UHI to allow UHI or other Academic Partners to continue with the provision of Further Education or Higher Education carried on by Inverness College;
- (f) undertake everything reasonably necessary to maintain and protect all student experience including, without prejudice to the foregoing generality co-operating with UHI and other Academic Partners and where possible allowing use of Inverness College premises, facilities, systems and infrastructure to allow the continued teaching of Further Education and/ or Higher Education by UHI and/or other Academic Partners; and
- (g) cease to describe itself as part of or having any connection with the University, withdraw any materials or content (whether distributed in hard copy or made available electronically by any means) in which Inverness College is described as part of the University, and cease any and all use of the University of the Highlands and Islands standard branding and corporate communication style.

28.3 Termination of this Agreement, however arising, shall be without prejudice to and shall have no effect as regards:-

- (a) the Assigned Colleges (University of the Highlands and Islands) Order 2014/146; or
- (b) the respective rights and obligations of UHI (as a regional strategic body) or Inverness College (as an assigned college) pursuant to the Further and Higher Education (Scotland) Act 2005.

28.4 Both parties recognise their residual obligations to students enrolled on programmes of study with the University upon termination of this Agreement for any reason, and the parties shall each use all reasonable endeavours and provide all reasonable assistance to each other in order to ensure that the residual obligations to the students on such programmes are met to ensure that any student enrolled on a relevant programme on the date of termination or expiry is given the opportunity to continue with and complete their programme.

## 29. **DISPUTE RESOLUTION**

29.1 The parties shall attempt, in good faith, to resolve any Dispute promptly by negotiation which shall be conducted as follows:

- (a) the Dispute shall be referred, by either party, first to the Principal of UHI and the Principal of Inverness College for resolution;
- (b) if the Dispute cannot be resolved by the Principal of UHI and Principal of Inverness College within 14 days after the Dispute has been referred to them, either party may give notice to the other party in writing (Dispute Notice) that a Dispute has arisen; and
- (c) within seven days of the date of the Dispute Notice, each party shall refer the Dispute to the Chair of the UHI Court and the Chair of Inverness College for resolution.

29.2 If the Chair of the UHI Court and the Chair of Inverness College are unable, or fail, to resolve the Dispute within 21 days of the date of the Dispute Notice, or within 14 days of the reference to the Chair of the UHI Court and the Chair of Inverness College pursuant to clause 29.1(c), the parties will:-

- (a) attempt to resolve the Dispute by mediation in accordance with clause 29.3;
- (b) inform the SFC of the dispute and invite the SFC to participate in the mediation proceedings.

29.3 If, pursuant to clause 29.1 and 29.2, the parties have failed to agree on a resolution within the respective timescales provided for in those clauses, either party may refer any Dispute for mediation pursuant to this clause 29.3, but neither shall be a condition precedent to the commencement of any court

proceedings, and either party may issue and commence court proceedings prior to or contemporaneously with the commencement of mediation. The following provisions shall apply to any such reference to mediation:

- (a) the reference shall be to a single independent mediator based and to operate in Scotland agreed between the parties, and in the absence of agreement as to the identity of the mediator within 7 days of either party serving written notice of such nomination on the other, to an independent mediator appointed by the President of the Law Society of Scotland on the application of either party;
- (b) the mediator appointed pursuant to clause 29.3(a) shall determine the procedure to be adopted for the mediation process;
- (c) both parties shall, immediately on such referral, co-operate fully, promptly and in good faith with the mediator and shall do all such acts and sign all such documents as the mediator may reasonably require to give effect to such mediation; and

29.4 If and to the extent that the parties do not resolve any Dispute or any issue in the course of any mediation, either party may commence or continue court proceedings in respect of such unresolved Dispute or issue.

29.5 Nothing in this clause 29 shall prevent either party from instigating legal proceedings where an order for an interdict or interim relief or remedy is required.

29.6 Without prejudice to either party's right to seek redress in court, the parties shall continue to perform their respective obligations under this Agreement notwithstanding any Dispute or the implementation of the procedures set out in this clause 29.

### 30. **VARIATION**

No variation of this Agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

### 31. **WAIVER**

31.1 A waiver of any right or remedy under this Agreement or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent breach or default.

31.2 A failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or

any other right or remedy. No single or partial exercise of any right or remedy provided under this Agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.

32. **RIGHTS AND REMEDIES**

Except as expressly provided in this Agreement, the rights and remedies provided under this Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

33. **SEVERANCE**

If any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

34. **ASSIGNATION AND OTHER DEALINGS**

34.1 Inverness College may not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any or all of its rights and obligations under this Agreement without the prior written consent of the other party.

34.2 A change in the legal status of Inverness College shall not affect the validity of this agreement and this agreement shall be binding on any successor body to Inverness College.

35. **NO PARTNERSHIP OR AGENCY**

Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, or constitute any party the agent of another party.

36. **NOTICES**

36.1 Any notice or other communication given to a party under or in connection with this Agreement shall be in writing and shall be delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case).



- 36.2 Any notice or communication shall be deemed to have been received:
- (a) if delivered by hand, on signature of a delivery receipt;
  - (b) if sent by pre-paid first-class post or other next working day delivery service, at 9.00 am on the second Working Day after posting or at the time recorded by the delivery service.

36.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution. For the purposes of this clause, "writing" shall not include e-mail.

37. **GOVERNING LAW**

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Scotland. Subject to clause 29, each party irrevocably agrees that the Scottish courts shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS WHEREOF: These presents consisting of this and preceding 30 pages are subscribed as follows:-

**SIGNED** for and on behalf of **UNIVERSITY OF THE HIGHLANDS AND ISLANDS**

at.....

on the ..... day of ..... by

..... DIRECTOR

.....FULL NAME

BEFORE THIS WITNESS

.....WITNESS

.....FULL NAME

.....ADDRESS

.....

**SIGNED** for and on behalf of **THE BOARD OF MANAGEMENT OF INVERNESS COLLEGE UHI**

at.....

on the ..... day of ..... by

..... AUTHORISED SIGNATORY

.....FULL NAME

AND

..... AUTHORISED SIGNATORY

.....FULL NAME

**This is the Schedule referred to in the foregoing Academic Partnership Agreement between University of the Highlands and Islands and The Board of Management of Inverness College dated \_\_\_\_\_2021**

**Part 1 – Provision of Further Education**

**1. PROVISION OF FURTHER EDUCATION**

- 1.1 Inverness College will conduct and provide such teaching in Further Education as shall be agreed and funded by UHI, in the name of Inverness College, as shall be agreed and funded by UHI in accordance with the guidelines which may be set by the Regional Strategic Committee from time to time.
- 1.2 Inverness College will be responsible for and accountable to UHI for the organisation and control of Further Education conducted within or by Inverness College pursuant to the FHE Acts, to the UHI Court through the UHI Principal and the Regional Strategic Committee.
- 1.3 The principal of Inverness College will be accountable to the UHI Principal through the Regional Strategic Committee, for the use of all resources allocated by UHI to Inverness College (being a college assigned to UHI pursuant to the Assigned Colleges Order) in respect of Further Education teaching undertaken by Inverness College.
- 1.4 In each Academic Year, UHI will provide funding by way of grant, loan or other payment to Inverness College to enable Inverness College to provide Further Education.
- 1.5 In respect of each Academic Year, the Regional Strategic Committee will, on behalf of UHI, provide Inverness College with information confirming the level of funding for the delivery of Further Education for the forthcoming Academic Year, the timing of payments and details of the extent of the Further Education provision which Inverness College will be required to deliver not later than 30 days after the date on which UHI receives written confirmation from SFC of the allocation of funding for further education for the Highlands and Islands region in each Academic Year.
- 1.6 Subject to paragraphs 1.7 and 1.8 below, in each Academic Year, UHI shall be entitled to make reasonable in-year adjustments to the funding to be provided to Inverness College for the provision of Further Education.

- 1.7 UHI shall only be entitled to make reasonable in-year adjustments in the following circumstances:-
- (a) if the level of funding provided to UHI by the SFC in respect of the provision of Further Education is subject to adjustment by the SFC; or
  - (b) in exceptional circumstances (of which UHI shall be the sole judge, acting reasonably).
- 1.8 The entitlement of UHI to make in-year adjustments provided for in paragraph 1.6 is above is without prejudice to any entitlement, function, power or right of UHI provided for in or constituted by the Financial Memorandum or pursuant to the FHE Acts.
- 1.9 In relation to all aspects of its provision of Further Education pursuant to this Agreement, Inverness College will comply with:-
- (a) the Financial Memorandum;
  - (b) any notice, direction, instruction or guidelines issued by the Regional Strategic Committee from time to time;
  - (c) Education Scotland quality standards and guidance; and
  - (d) the Outcome Agreement.
- 1.10 In planning and providing Further Education pursuant to this Agreement, Inverness College will have regard to:-
- (a) the Outcome Agreement;
  - (b) the objective of providing as broad and integrated a programme of Further Education as possible across the highlands and islands region;
  - (c) Further Education provision offered and delivered by the Other Academic Partners;
  - (d) the preservation of Academic Freedom;
  - (e) the SCQF and the desirability of providing programmes of Further Education;
  - (f) the funding available from UHI to Inverness College for Further Education.

## **2. FURTHER EDUCATION – FEES**

- 2.1 Where such fees are applicable, Inverness College will charge, collect and diligently pursue payment of any fees chargeable in respect of:-

- (a) any course of Further Education in respect of which such fees are payable; and
  - (b) any student who is liable to pay fees in respect of any course of Further Education on which they are enrolled.
- 2.2 For the avoidance of doubt, UHI shall have no obligation or liability to Inverness College in respect of any uncollected fees or shortfall in fee income arising from failure to collect any fees chargeable or bad debt in relation to fees.

**3. FURTHER EDUCATION - "OPERATIONAL"/STUDENT-FACING COMPLIANCE OBLIGATIONS**

3.1 Inverness College will:-

- (a) Ensure that all students enrolled in a course or programme of Further Education are enrolled on Inverness College's standard terms of student enrolment or where applicable any standard terms of enrolment developed by the Regional Strategic Committee.
- (b) Provide the UHI Secretary with a copy of Inverness College's terms of student enrolment and notify UHI in advance of making any change to such terms.
- (c) Take account of any applicable guidance or best practice guidelines issued by Audit Scotland, the Competition and Markets Authority or the Scottish Public Services Ombudsman in relation to delivery of Further Education from time to time.
- (d) Provide students with access to articulation arrangements, as appropriate to their circumstances, to enable them to progress as seamlessly as possible from Further Education to Higher Education.
- (e) Ensure that all Further Education students are afforded the opportunity to become members of HISA.
- (f) Ensure all Further Education students have access to appropriate student welfare support services.
- (g) Ensure all Student Data is accurate and up to date.
- (h) Provide the Regional Strategic Committee with an annual summary of all student complaints received by Inverness College relating to Further Education.
- (i) Ensure that it provides the UHI as regional strategic body under the FHE Acts with all data and information on quality and student outcomes required to enable the UHI to develop and monitor the relevant aspects of the Outcome Agreement (or any successor accountability mechanism) with the Scottish Funding Council.



## **Part 2 – Provision of Higher Education**

1. **PROVISION OF HIGHER EDUCATION**
- 1.1 Inverness College will conduct and provide all Higher Education teaching for and on behalf of and in the name of UHI and as part of the University, as shall be agreed and funded by the UHI Court.
- 1.2 Inverness College will be responsible for and accountable to UHI for the organisation and control of the Higher Education conducted within Inverness College for and on behalf of UHI to the UHI Court through the UHI Principal.
- 1.3 The principal of Inverness College will be accountable to the UHI Principal for the use of all resources allocated by UHI to Inverness College in respect of Higher Education teaching conducted by or through Inverness College.
- 1.4 Inverness College may conduct such other higher education teaching and research (being higher education which does not constitute Higher Education for the purposes of the FHE Acts) funded by non-governmental or other bodies external to UHI in accordance with such guidelines as may be set by the UHI Court from time to time.
- 1.5 In each Academic Year, UHI will provide funding by way of grant, loan or other payment to Inverness College to enable Inverness College to provide Higher Education.
- 1.6 In respect of each Academic Year, UHI will provide Inverness College with information confirming the level of funding for the delivery of Higher Education for the forthcoming Academic Year, the timing of payments, and details of the extent of the Higher Education provision which Inverness College will be required to deliver not later than 30 days after the date on which UHI receives written confirmation from SFC of the allocation of funding for higher education for the University in each Academic Year.
- 1.7 Subject to paragraphs 1.8 and 1.9 below, in each Academic Year, UHI shall be entitled to make reasonable in-year adjustments to the funding to be provided to Inverness College for the provision of Higher Education.
- 1.8 UHI shall only be entitled to make reasonable in-year adjustments in the following circumstances:-
  - (a) if the level of funding provided to UHI by the SFC in respect of the provision of Higher Education is subject to adjustment by the SFC; or

- (b) in exceptional circumstances (of which UHI shall be the sole judge, acting reasonably).
- 1.9 The entitlement of UHI to make in-year adjustments provided for in paragraph 1.7 is above is without prejudice to any entitlement, function, power or right of UHI provided for in or constituted by the Financial Memorandum or pursuant to the FHE Acts.
- 1.10 In relation to all aspects of its provision of Higher Education pursuant to this Agreement, Inverness College will comply with:-
  - (a) the Academic Quality Framework;
  - (b) any notice, direction, instruction or guidelines issued by the UHI Court from time to time; and
  - (c) the Outcome Agreement.
- 1.11 In planning and providing Higher Education pursuant to this Agreement, Inverness College will have regard to:-
  - (a) the Outcome Agreement;
  - (b) Higher Education provision offered and delivered by the Other Academic Partners;
  - (c) the SCQF; and
  - (d) the preservation of Academic Freedom;
  - (e) Agreed regulations, policies and procedures for validation, approval and ongoing quality assurance of curriculum as set out in the Academic Quality Framework and UK Quality Code (being the UK Quality Code for Higher Education as may be issued and updated by QAA from time to time).

## 2. **HIGHER EDUCATION – FEES**

- 2.1 Where such fees are applicable, Inverness College will, on behalf of and as agent for UHI, charge, collect and diligently pursue payment of any fees chargeable in respect of:-
  - (a) any course of Higher Education in respect of which such fees are payable; and
  - (b) any student who is liable to pay fees in respect of any course of Higher Education on which they are enrolled.
- 2.2 Inverness College will adhere to, comply with and communicate to students (where appropriate), the UHI Fees Policy.



- 2.3 Without prejudice to paragraph 2.1, Inverness College will, on behalf of and as agent for UHI, charge, collect and diligently pursue payment of any other monies or sums due to UHI from time to time by any Higher Education student. For the avoidance of doubt, UHI shall have no obligation or liability to Inverness College in respect of any uncollected Higher Education fees or shortfall in Higher Education fee income arising from failure to collect any fees chargeable or bad debt in relation to Higher Education fees.

### **3. HIGHER EDUCATION – QUALITY MONITORING**

- 3.1 Inverness College will provide such co-operation, information, data, evidence, or access to premises, personnel and relevant records as may be reasonably required by UHI and/or QAA from time to time in relation to any monitoring or audit activity carried by QAA in relation to the University or any Higher Education activity undertaken by Inverness College.

### **4. HIGHER EDUCATION – OPERATIONAL/STUDENT-FACING OBLIGATIONS**

- 4.1 Inverness College will:-

- (a) Ensure that all Higher Education students enrolled in a course or programme of Higher Education are enrolled on the UHI terms of matriculation.
- (b) Take account of any applicable guidance or best practice guidelines issued by the Competition and Markets Authority or the Scottish Public Services Ombudsman in relation to delivery of Higher Education from time to time.
- (c) Provide the UHI Secretary with details of any complaints received from Higher Education students or complaints relating or relevant to UHI or Inverness College's role as part of the University promptly upon receipt of any such complaint, and (including where any complaint or negative feedback is provided directly to UHI) will provide such co-operation, information and access to premises and staff as UHI may require in relation to any complaint.
- (d) Ensure that all Higher Education students are issued with, fully complete and sign a UHI enrolment form in such form as UHI may require from time to time.
- (e) Ensure that all Higher Education students are provided with copies of or access to the UHI Academic and non-Academic Regulations, and the UHI ICT Acceptable Use Policy and such other student-facing regulations and policies as may be required by UHI from time to time.
- (f) Ensure that all Higher Education students are afforded the opportunity to become members of HISA.

- (g) Ensure all Higher Education students have appropriate access to student welfare support services
- (h) Ensure all Student Data is accurate and kept up to date.

### **Part 3 – Undertaking of Research Activity**

#### **1. RESEARCH ACTIVITY**

- 1.1 Inverness College will conduct Research Activity for and on behalf of and in the name of UHI as part of the University.
- 1.2 Inverness College will be responsible for and accountable to UHI for the organisation and control of the Research Activity conducted within Inverness College for and on behalf of the University (whether solely or jointly with any third party) to the UHI Court through the UHI Principal, and will conduct all such Research Activity in the name of UHI and under the auspices of the University.
- 1.3 The principal of Inverness College will be accountable to the UHI Principal for the use of all resources allocated by UHI to Inverness College in respect of Research Activity (including people, equipment, finance, IT) conducted by or through Inverness College.

#### **2. OBLIGATIONS OF INVERNESS COLLEGE**

In pursuit of Research Activity, Inverness College shall:-

- 2.1 undertake Research Activity in accordance with this Part 3 of the Schedule.
- 2.2 take steps to raise its research profile both nationally and internationally by effectively disseminating its successful research and outcomes.
- 2.3 investigate with UHI possible commercialisation and licensing opportunities for research and outcomes to ensure that potential commercial value for research is realised.
- 2.4 Encourage and support academics and students to submit research and outcomes for academic publications wherever appropriate, including open access publication.
- 2.5 work within and contribute to submissions to the Research Excellence Framework in the name of UHI and provide its submissions to UHI in a timely manner to facilitate final submissions by UHI.

- 2.6 apply for, access and implement such grant funding programmes as Inverness College and UHI may agree are appropriate in accordance with Clause 21 to maximise its core and non-core research funding.
- 2.7 take steps to attract PhD students and to secure funding for PhD courses and projects.
- 2.8 ensure Research Activity is conducted within the University Research Ethics framework.
- 2.9 without prejudice to paragraph 2.8, conduct all Research Activity in accordance with all relevant legal and regulatory requirements.
- 2.10 provide details to the UHI research office of all Research Activity being undertaken by Inverness College and obtain consent from UHI in advance of undertaking any of the following : (i) entering into any contract, agreement, memorandum of understanding or similar arrangement (including any variation or extension of such arrangement) in respect of Research Activity (Inverness College may be required by UHI to enter into a back to back letter of agreement with UHI regarding any obligations placed on UHI in relation to such Research Activity ("**Letter of Agreement**")); and/or (ii) the commercialisation, disposal or licensing (including sublicensing)of any output or result of any Research Activity.
- 2.11 undertake to comply with any and all obligations which UHI enter into in relation to any funding terms and conditions or any other terms and conditions governing specific research projects (the "**Research Terms and Conditions**") which may be entered into by UHI prior to the parties entering into a Letter of Agreement.
- 2.12 where it is free to do so, grant to UHI a non-exclusive, royalty free licence, with the ability to grant sub-licences to funders or other parties working with Inverness College on the Research Activity as appropriate, to use its Background IP as is reasonably required to enable the research to be undertaken.

### 3. **OBLIGATIONS OF UHI**

UHI shall make following support available to Inverness College in relation to Research Activity, grants and contracts :

- 3.1 Support from UHI research office:

- (a) Supports the institutional repository (PURE) for all research outputs and facilitates Academic Partners engagement, including the provision of reports;
- (b) Provides a service for all Academic Partners relating to open access requirements, and data management;
- (c) Ensures that there is an appropriate framework for research ethics which complies with the national standards, and supports researchers across the partnership in using this effectively;
- (d) Frames policy in research and knowledge exchange in line with sector practice and works with Academic Partners to deliver this;
- (e) Provides a full range of services for graduate students, in line with sector practice, involving registration, training, monitoring, assessing and awarding;
- (f) Provides detailed support to Academic Partners for the development of submissions for the Research Excellence Framework submissions;
- (g) Provides a number of staff development opportunities, including mini-sabbaticals and mentoring for researchers;
- (h) Runs cross partnership events such as the cross partner research conference, (every two years) and the Research Forum;
- (i) Engages with key stakeholders, such as UKRI and its research councils and SFC for the benefit of academic partners;
- (j) Supports the four cross partnership research clusters

### 3.2 Support from the UHI Grants and Contracts Team:

- (a) Provides detailed support and guidance – including in the preparation of business plans - for individual researchers as they prepare bids, and specifically supports the development of bids for research projects where the UHI has to be the named bidder ;
- (b) Scans the environment for opportunities for research projects and ensures that these are disseminated to Academic Partners;
- (c) Provides support post award for research bids, including in monitoring spend and supporting the preparation of reports to funders where appropriate;
- (d) Provides support for the distribution of some core funding streams, including REG, GCRF, BEIS Research Capital, and oversees required reporting of these.

3.3 Subject to the Research Terms and Conditions, UHI shall, where it is free to do so, grant to Inverness College a royalty free, non-

exclusive licence on the terms set out in the Research Terms and Conditions, to use any Intellectual Property Rights which are generated or first reduced to practice directly as a result of the work undertaken in accordance with the Research Activity.

#### **Part 4 – Decisions requiring UHI consent**

Inverness College agrees and undertakes not to do any of the following without the prior written consent of UHI:-

1. Disposal (by way of sale, gift, transfer, assignation, lease, licence, alienation or disposal of any kind) of any capital asset with a net book / value in excess of £50,000 where the acquisition, development or improvement of that asset was funded (wholly or partially) by sums distributed to Inverness College by UHI pursuant to any grant funding provided to or through UHI including, but not limited to, the Millennium Grant, any funding provided by including but not limited to Highlands & Islands Enterprise, European Commission, EU grant funding programme, or any other grant funding programme where the conditions of grant include restrictions on disposal or transfer (including but not limited to clawback arrangements).
2. The withdrawal from any course of Further Education or Higher Education, suspension, exclusion or expulsion of any student studying with, enrolled through, or undertaking Research Activity in any capacity with or at Inverness College pursuant to or under the terms of the UKVI Licence.
3. Appoint or purport to appoint any individual to the role of Principal except as provided for by paragraph 16A of Schedule 2 of the Further and higher Education (Scotland) Act 1992.

## **Part 5 – Compliance with Freedom of Information (Scotland) Act 2002**

### **1. DEFINITIONS**

In this Part 5 of the Schedule, the following definitions apply:-

**FOISA:** the Freedom of Information Scotland Act 2002, and any subordinate legislation made under the Act from time to time, together with any guidance and/or codes of practice issued by the Scottish Information Commissioner or relevant government department in relation to such legislation.

**Environmental Information Regulations:** the Environmental Information Scotland Regulations 2004 (SI 2004/520) together with any guidance and/or codes of practice issued by the Scottish Information Commissioner or relevant government department in relation to such regulations.

**Information:** has the meaning given under section 73 of FOISA.

**Request for Information:** a request for information or an apparent request under the Code of Practice on Access to Government Information, FOISA or the Environmental Information Regulations.

### **2. COMPLIANCE WITH FOISA**

2.1 UHI and Inverness College each acknowledge that they are subject to the requirements of the FOISA and the Environmental Information Regulations and undertake to assist and co-operate with each other to enable them each to comply with these information disclosure requirements.

2.2 On receipt of any Request for Information by Inverness College, Inverness College shall:-

- (a) provide a copy of the Request for Information to the UHI Secretary as soon as practicable after receipt and in any event within two Working Days of receiving the Request for Information;
- (b) prior to disclosing any requested Information, allow UHI to make representations regarding the handling of any such Request for Information;
- (c) take account of any representations by UHI regarding exemptions under FOISA or the Environmental Regulations which may be applicable to the Request for Information;
- (d) provide the UHI Secretary with a copy of all Information in its possession or power in the form that UHI requires within five Working Days (or such other period as UHI may specify) of UHI requesting that Information; and



- (e) provide all necessary assistance as reasonably requested by UHI to enable UHI to respond to the Request for Information within the relevant time for compliance set out in FOISA or the Environmental Information Regulations.

2.3 Where any Request for Information under paragraph 2.2 is made under the Environmental Information Regulations and Inverness College does not hold such Information but reasonably believes that UHI may hold such Information it shall notify the applicant and the UHI Secretary accordingly.

2.4 Where any Request for Information is made to UHI under the Environmental Information Regulations and UHI does not hold such Information but reasonably believes that Inverness College may hold such Information it shall notify the applicant and Inverness College accordingly.

## **Part 6 – Personal Data Sharing**

### **1. DEFINITIONS**

#### **1.1 In this Part 6 of the Schedule, in addition to any terms defined in the Agreement, the following definitions apply:**

**Data Controller:** has the meaning set out in the Data Protection Legislation.

**Data Processor:** has the meaning set out in the Data Protection Legislation.

**Data Security Breach:** a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to the Shared Personal Data.

**Data Subject:** the data subjects (as defined in the Data Protection Legislation) that the Shared Personal Data relates to and which shall include (without limitation) students, staff and research participants;

**General Data Protection Regulation or GDPR:** Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of the natural person with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

**Single Point of Contract or SPoC:** means an individual nominated by each party to deal with data protection issues arising under or in relation to this Agreement;

**Special Category Data:** has the meaning set out in the Data Protection Legislation.

**Shared Personal Data:** means the Personal Data and/or Special Category Data to be shared between the parties under or in relation to this Agreement;

**Data Subject Rights Request:** means a request to exercise a data subject's right in relation to their personal data held by a party or parties as referred to in the Data Protection Legislation and specifically (without limitation) Arts 13 - 22 of GDPR.

### **2. LAWFULNESS OF DATA SHARING**

#### **2.1 It is acknowledged by the parties that:**

2.1.1 Inverness College has been assigned to UHI by the Assigned Colleges Order to deliver Further Education, Higher Education and Research Activity either as funded by, or in the name of, UHI and that it is necessary to transfer the Shared Personal Data between the parties in order to give efficacy to the relationship with a view to achieving the vision and objectives

set out in Clause 3 of the Agreement to the benefit of the regions of the Highlands and Islands; and

2.1.2 the legal power to share the Personal Data as envisaged by this Part 6 of the Schedule is derived from the FHE Acts.

### **3. DATA SHARING RELATIONSHIP**

3.1 It is further acknowledged between the parties that the role of each party in relation to the processing of the Shared Personal Data shall depend on the purpose of the relevant processing activity and that the data sharing relationships may be as follows:

3.1.1 both parties act as a Data Controller in relation to the relevant processing activity;

3.1.2 the parties act as Joint Data Controllers in relation to the relevant processing activity; or

3.1.3 Inverness College acts as a Data Controller and UHI acts as the Data Processor in relation to the relevant processing activity.

3.2 As soon as reasonably practicably following signature of this Agreement, the parties shall document in a form set out in Annex A:

3.2.1 which processing activities fall under paragraphs 3.1.1 and 3.1.2 respectively, together with a description of the processing and the legal basis; and

3.2.2 which processing activities fall under paragraph 231.3 together with the information required under Art 28 of GDPR; and

once agreed upon and signed by both parties such document shall form part of this Agreement and be referred to throughout as Annex A.

3.3 Where a processing activity (as referred under Annex A) falls under the relationships outlined in either paragraphs 3.1.1 or 3.1.2, the parties shall comply with the provisions of Annex B to this Part 6 of this Schedule.

3.4 Where a processing activity (as referred under Annex A) falls under the relationship outlined in paragraph 3.1.3, the parties shall comply with the provisions of Annex C to this Part 6 of this Schedule.

3.5 The parties agree and/or acknowledge that each party shall:

3.5.1 appoint a SPoC who will work together with the other party's SPoC to reach agreement with regards to any issues arising from data sharing under this Agreement. The SPoC for each party is as follows (or such other party as may be nominated by each party from time to time and notified to the other party):

(a) For UHI: **[Insert Details]**

(b) For Inverness College: **[Insert Details].**

3.5.2 cooperate with the other party in so far as reasonably necessary to enable each other to perform their obligations under Data Protection Legislation and this Part 6 of this Agreement and to actively improve the effectiveness of the data sharing initiative; and

3.5.3 comply with all Data Protection Legislation when processing the Shared Personal Data as envisaged by this Agreement (including specifically as set out in Annex A) and in relation to Inverness College, when sharing personal data with Other Academic Partners.

3.6 Regardless of the nature of the data processing activity, Inverness College shall:

3.6.1 on request and as soon as reasonably practicable, provide UHI with any information reasonably requested in relation to its data processing activities whether referred to under this Agreement or otherwise; and

3.6.2 notify UHI's SPoC as soon as reasonably practicable of any issue that may arise concerning the data processing activities of Inverness College that concern or relate to any of the processing activities referred to in Annex A or which may otherwise reasonably concern or impact UHI (including bringing UHI into disrepute), including (without limitation) the following matters:

- (i) amendment and implementation of data protection related policies, notices and processes;
- (ii) a Data Security Breach;
- (iii) a Data Subject Rights Request;
- (iv) a Data Subject complaint concerning the processing of his/her Personal Data;
- (v) processing of Special Category of Data or any Personal Data that is considered (acting reasonably) as particularly high risk;
- (vi) data sharing with Other Academic Partners of UHI including without limitation in relation to any shared services;

and subject to Annex B and C, shall allow UHI to make representations regarding the handling of any such matter and take account of any such representations by UHI.

#### **4. Review**

4.1 The parties shall review the effectiveness of these data sharing terms every 6 months. The parties shall continue or amend this Part 6 depending on the outcome of this review. The review of the effectiveness of this Part 6 of the Schedule shall include:

- (a) assessing whether the information in Annex A is still correct and reflecting practice;
- (b) assessing whether the parties have materially complied with the terms of this Part 6 of the Agreement.

2.9 The parties will agree to any reasonable amendment to this Part 6 to reflect any review undertaken as referred to under paragraph 4 and/or to bring it into line with any amendment to or re-enactment of any Data Protection Legislation, in particular

to reflect the UK leaving the EU and the end of the UK- EU transition period, currently ending on 31<sup>st</sup> December 2020.

**Annex A to Part 6 of the Schedule**

1. This Annex A documents the processing activities of the parties where it is necessary to share the Shared Personal Data for the efficacy of the relationship as outlined in the Agreement. In recognition that data sharing and data processing activities may change and develop during the Term of the Agreement, the parties shall review this Annex A regularly in accordance with paragraph 4 of Part 6 of the Schedule and update it as appropriate. Any revised version of Annex A shall only form part of this Agreement where: (1) it is signed by the parties as a variation to this Agreement in accordance with Clause 30 of the Agreement; or (2) Annex A is updated by UHI to record a data sharing agreement, joint-controller agreement or data processing agreement entered into between the parties; or (3) Annex A is updated by UHI to reflect an entry on a Register of Processing Activity agreed by between the parties.

**Section 1. Data Processing Activity where each party is a Data Controller**

<b><u>Processing Activity</u></b>	<b><u>Why it is necessary?</u></b>	<b><u>Category of Personal Data</u></b>	<b><u>Legal Basis (under Art 6 &amp; Art 9 of GDPR)</u></b>

**Section 2. Data Processing Activity where the parties are Joint Data Controllers**

<b><u>Processing Activity</u></b>	<b><u>Why it is necessary?</u></b>	<b><u>Category of Personal Data</u></b>	<b><u>Legal Basis (under Art 6 &amp; Art 9 of GDPR)</u></b>

**Section 3. Data Processing Activity where Inverness College is the Data Controller and UHI is the Data Processor**

<b><u>Processing Activity</u></b>	<b><u>Duration</u></b>	<b><u>Nature</u></b>	<b><u>Purpose</u></b>	<b><u>Type of Personal Data</u></b>	<b><u>Category of Data Subject</u></b>

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## **Annex B**

**This Annex applies where the parties share Personal Data as Data Controller and separately as Joint Data Controllers as referred to in Annex A.**

### **1. SCOPE**

- 1.1 During the term, the parties agree to transfer Shared Personal Data between each other for the purposes set out in Sections 1 and 2 of Annex A to this Part 6 of the Schedule (“**the Agreed Purpose**”).
- 1.2 Where the processing activity falls under Section 1, for the purposes of the Data Protection Legislation, the parties shall be each a Data Controller. Where the processing activity falls under Section 2, for the purposes of the Data Protection Legislation, the parties shall be considered Joint Data Controllers. This Annex B shall apply equally where both parties are acting as separate Data Controllers and when they are acting as Joint Data Controllers, except where otherwise stated.

### **2. PURPOSE**

- 2.1 The parties agree to only process the Shared Personal Data for the Agreed Purposes.
- 2.2 The parties shall not process the Shared Personal Data in a way that is incompatible with the Agreed Purposes.

### **3. FAIR AND LAWFUL PROCESSING**

- 3.1 Each party shall ensure that it processes the Shared Personal Data fairly in accordance with the Data Protection Legislation, which shall include providing the Data Subjects with the necessary fair processing information required under the Data Protection Legislation. For the avoidance of doubt and regardless of whether the processing activity falls under Section 1 (Data Controller to Data Controller) or Section 2 (Joint Data Controllers) of Annex A, UHI shall be responsible for providing the fair processing information to Higher Education Students with Inverness College being responsible for, subject to any drafts being approved by UHI in advance, providing fair processing information to all other Data Subjects (including Further Education



students, Inverness College staff and research participants), unless otherwise agreed.

- 3.2 Each party shall ensure it processes the Shared Personal Data lawfully and in doing so, has established and recorded the Legal Basis For Processing (see Annex A).

#### **4. DATA QUALITY**

- 4.1 Each party shall ensure that before transferring the Shared Personal Data to the other party, that the Shared Personal Data are adequate, accurate, relevant and not excessive for the Agreed Purposes.
- 4.2 Shared Personal Data must be limited to the Shared Personal Data as detailed in Annex A.

#### **5. DATA SUBJECTS' RIGHTS**

- 5.1 Subject to paragraphs 3.6.2 of Part 6 of the Schedule:
  - 5.1.1 UHI shall be responsible for handling any Data Subject Request or other such similar requests from Higher Education students received by either party ; and
  - 5.1.2 Inverness College shall be responsible for handling any Data Subject Request or other such similar request it receives from any other Data Subject under or in relation to this Agreement.
- 5.2 When dealing with Data Subject Rights Requests and other similar requests under paragraph 5.1, each party shall maintain a record of individual requests for information, the decisions made and any information that was exchanged. Records must include copies of the request for information, details of the data accessed and shared and where relevant, notes of any meeting, correspondence or phone calls relating to the request.

#### **6. DATA RETENTION AND DELETION**

- 6.1 The party receiving the Shared Personal Data shall not retain or process Shared Personal Data for longer than is necessary to carry out the Agreed Purposes.
- 6.2 Notwithstanding [paragraph 6.1](#), the parties shall continue to retain Shared Personal Data: (i) in accordance with any statutory or professional retention periods applicable in their industry; or (ii) where the parties are of the view (acting reasonably) that retaining the Shared Personal Data (in whole or in part) is necessary and can be justified in accordance with the Data Protection Legislation or applicable law in which case the relevant party shall specify its own retention period taking into consideration the requirements of the Data Protection Legislation or applicable law.

- 6.3 Subject to paragraph 6.2, the party receiving the Shared Personal Data shall ensure that any Shared Personal Data are returned to the disclosing party or destroyed securely (at the option of the discloser) in the following circumstances:
- (i) on termination of the Agreement;
  - (ii) on expiry of the term of the Agreement; and/or
  - (iii) once processing of the Shared Personal Data is no longer necessary for the Agreed Purposes.
- 6.4 Following the deletion of Shared Personal Data in accordance with [paragraph 6.3](#), the receiving party shall notify the disclosing party that the Shared Personal Data in question has been deleted.

## **7. TRANSFERS**

- 7.1 For the purposes of this paragraph 7, transfers of Shared Personal Data shall mean any sharing of Shared Personal Data by the receiving party with a third party, and shall include, but is not limited to, the following:
- (i) storing Shared Personal Data on servers outside the UK;
  - (ii) sub-contracting the processing of Shared Personal Data to data processors located outside the UK; and
  - (iii) granting third parties located outside the UK access rights to the Shared Personal Data.
- 7.2 The receiving party shall not disclose or transfer the Shared Personal Data to a third party located outside the UK without: (i) the disclosing party's prior written consent; and (ii) ensuring that such transfer is permitted under the applicable Data Protection Legislation.
- 7.3 [Paragraph 7.2](#) will not apply to any data transfers carried out by one party to this Agreement to the other party in respect of Shared Personal Data.

## **8. SECURITY AND TRAINING**

- 8.1 Each party shall only provide the Shared Personal Data to the other by using secure methods as agreed between the parties in advance and shall only process such Shared Personal Data, once received, in accordance with appropriate technical and organisational security measures as required under the Data Protection Legislation.
- 8.2 Having regard to the state of technological development and the cost of implementing such measures, the parties acknowledge that the technical and organisational security measures they have in place are appropriate in order to:

- (a) prevent, in so far as reasonably practicable:
  - (i) unauthorised or unlawful processing of the Shared Personal Data; and
  - (ii) the accidental loss or destruction of, or damage to, the Shared Personal Data; and
- (b) ensure a level of security appropriate to:
  - (i) the harm that might result from unauthorised or unlawful processing or accidental loss, destruction or damage of Shared Personal Data; and
  - (ii) the nature of the Shared Personal Data to be protected.

## **9. DATA SECURITY BREACHES AND REPORTING PROCEDURES**

- 9.1 Having considered the applicable Data Protection Legislation, the parties confirm they have in place their own guidance that must be followed in the event of a Data Security Breach.
- 9.2 Notwithstanding paragraph 3.6.2 of Part 6 of the Schedule, the parties are under a strict obligation to notify any potential or actual Data Security Breach to the other party as soon as possible and, in any event, within 12 hours of identification to enable the parties to consider what action is required in order to resolve the issue in accordance with the applicable Data Protection Legislation.
- 9.3 The parties agree to provide reasonable assistance as is necessary to each other to facilitate the handling of any Data Security Breach in an expeditious and compliant manner.

**This Annex applies where the parties share the Shared Personal Data and Inverness College is the Data Controller and UHI is the Data Processor as set out in Section 3 of Annex A.**

**1. Data Processing Terms**

- 1.1** The parties acknowledge that for the purposes of the Data Protection Legislation, Inverness College is the Data Controller and UHI is the Data Processor in relation to the processing activity set out in Section 3 of Annex A ("the Services"). Section 3 of Annex A sets out the scope, nature and purpose of processing by UHI, the duration of the processing and the types of Shared Personal Data and categories of Data Subject.
- 1.2** Without prejudice to the generality of [paragraph 1.1](#), Inverness College will ensure that it has all necessary appropriate consents and notices in place to enable lawful transfer of the Shared Personal Data to UHI and/or lawful collection of the Shared Personal Data by UHI on behalf of Inverness College for the duration and purposes of this Agreement.
- 1.3** Without prejudice to the generality of [paragraph 1.1](#), UHI shall, in relation to any Shared Personal Data processed in connection with the performance of the Services:
- (a)** process that Shared Personal Data only on the documented written instructions of Inverness College unless UHI is required by applicable law to otherwise process that Shared Personal Data. Where UHI is relying on applicable law as the basis for processing Shared Personal Data, UHI shall promptly notify Inverness College of this before performing the processing required by the applicable laws unless those applicable laws prohibit UHI from so notifying Inverness College;
  - (b)** ensure that it has in place appropriate technical and organisational measures, reviewed and approved by Inverness College, to protect against unauthorised or unlawful processing of Shared Personal Data and against accidental loss or destruction of, or damage to, Shared Personal Data, appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures (those measures may include, where appropriate, pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of its systems and services, ensuring that availability of and access to Personal Data can

be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the technical and organisational measures adopted by it);

- (c)** ensure that all personnel who have access to and/or process Shared Personal Data are obliged to keep the Personal Data confidential; and
- (d)** not transfer any Shared Personal Data outside of the UK unless the prior written consent of Inverness College been obtained and the following conditions are fulfilled:
  - (i)** Inverness College or UHI has provided appropriate safeguards in relation to the transfer;
  - (ii)** the Data Subject has enforceable rights and effective legal remedies;
  - (iii)** UHI complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred; and
  - (iv)** UHI complies with reasonable instructions notified to it in advance by Inverness College with respect to the processing of the Shared Personal Data;
- (e)** assist Inverness College, at Inverness College's cost, in responding to any request from a Data Subject and in ensuring compliance with its obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;
- (f)** notify Inverness College without undue delay on becoming aware of a Personal Data Breach;
- (g)** at the written direction of Inverness College delete or return the Shared Personal Data and copies thereof to Inverness College on termination of the agreement unless required by applicable law to store the Shared Personal Data; and
- (h)** maintain complete and accurate records and information to demonstrate its compliance with this Annex C and allow for audits at the cost of Inverness College by Inverness College or Inverness College's designated auditor and immediately inform Inverness College if, in the opinion of UHI, an instruction infringes the Data Protection Legislation..

- 2.** Inverness College provides UHI general authorisation to engage third party processors of the Shared Personal Data. UHI shall notify Inverness College if it wishes to appoint or replace a relevant third party processor and allow Inverness College the opportunity to object to the same (acting reasonably and without undue delay). UHI confirms that it has entered or (as the case may be) will enter with any relevant third-party processors into a written agreement incorporating terms which are substantially similar to those set out in this Annex C and UHI confirms that they or they will reflect and will continue to reflect the requirements of the Data Protection Legislation.
  
- 3.** Either party may, at any time on not less than 30 days' notice, revise this Annex C by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when replaced by attachment to this agreement).

**Part 7 – Millennium Grant Agreement**

**[copy to be annexed for ease of reference]**

**Part 8 – Financial Memorandum for all Academic Partners**



## **Part 9 – UHI IP Policy**

[ to be inserted ]

# Daring to be Different

**University of the Highlands and Islands**

**Strategic Plan 2021-2025**

## OUR APPROACH

The University of the Highlands and Islands is a new, progressive and innovative University.

We are a partnership of independent colleges and research institutions covering the largest geographical area of any campus-based university or college in the UK. We have the largest student body in Scotland, with almost 40,000 studying with us each year, and we contribute £560 million annually to the region, indirectly supporting 6,200 jobs. As a multiplier effect, the university puts back £4 for every £1 spent into the economies of the Highlands and Islands, Moray and Perthshire.

This strategic plan represents the start of our third chapter. The university partnership is at a critical point in its history; its current strategic plan is being refreshed; it has to operate in an intensely competitive and dynamic higher education and research environment, and we face an uncertain future with COVID-19.

Our university's aspirations extend beyond the place-based education we have in our regions and communities and embraces a 'daring to be different' ethos. This ethos will harness our energy and set new ambitions in our areas of strength, namely: tertiary education, research excellence, enterprise and engagement.

The Daring to be Different strategic plan signals a shift in thinking, one for which our partnership is well prepared, and sets an ambition of becoming more engaged with our communities and more enterprising in our activity.

### Professor Todd Walker

Principal and Vice-Chancellor  
University of the Highlands and Islands

## OUR FRAMEWORK

Our strategic and planning framework identifies areas of improvements around a common set of shared values. While based on the 7S McKinsey Framework, it has been adapted to suit the needs of UHI for the future. The UHI Framework takes a current state assessment and compares it to a desired state. It implies that the University partnership will be going through an organisational change aligned with an agreed overarching strategy and vision.

The framework is summarised below.

UHI STRATEGIC FRAMEWORK 2021-2025				
MISSION	To have a transformational impact on the prospects of our region, its economy, its people and its communities			
VISION	To become a connected, streamlined and sustainable university.			
BRAND STORY	<i>A university of today for the world of tomorrow</i>			
CORE VALUES	Collaboration	Openness	Respect	Excellence
STAKEHOLDERS	Staff   Students   Alumni   Business   Government   Community   Industry			
STRATEGIC PILLARS	<b>Tertiary education</b>	<b>Research Excellence</b>	<b>Enterprise</b>	<b>Engagement</b>
	We will deliver a connected curriculum built on personalised learning with more content, to more people through more channels	We will elevate our research strategy ensuring it is internationally ranked, industry linked and world-leading	We will embrace an entrepreneurial spirit resulting in strong economic and commercial growth, and is a socially responsible and well managed enterprise	We will be an engaged organisation that values the people and the communities in which we work always striving for mutual benefit
OPERATIONAL PLANS	Academic Plan Student Recruitment Plan International Plan	Research Plan Knowledge Exchange Plan Island Plan	Sustainability Plan People and Culture Plan Digital Enhancement Plan	Alumni and Advancement Plan HISA Plan Government Liaison Plan

## **THE STRATEGIC FRAMEWORK EXPLAINED**

### **OUR VALUES**

Our values sit at the centre of our strategic planning framework. They represent the core beliefs upon which the University is based and reflect how we operate. We hold the institution and ourselves accountable to these values.

<b>Collaboration</b>	We value people working willingly and actively together on common task, because we seek to be a more connected organisation.
<b>Openness</b>	We value an environment in which colleagues share ideas and communicate clearly. We aim to be approachable and encourage others to contribute and speak up and we ensure others feel their contribution is valued.
<b>Respect</b>	We value others in the workplace and are mindful of each other's capabilities, perspectives and backgrounds, and are thoughtful on our impact on others.
<b>Excellence</b>	We value a sense of purpose in our work by taking responsibility in our performance and behaviour and we celebrate collectively in our achievements.

### **OUR PILLARS**

<b>Tertiary Education</b>	To deliver a connected curriculum built on personalised learning with more content, to more people through more channels.
<b>Research Excellence</b>	To elevate our research strategy ensuring it is internationally ranked, industry linked and world-leading.
<b>Enterprise</b>	To embrace an entrepreneurial spirit resulting in strong economic and commercial growth, ensuring it is a socially responsible and well managed enterprise.
<b>Engagement</b>	To be an engaged organisation that values the people and the communities in which we work always striving for mutual benefit.

## OUR OBJECTIVES

	<b>GOALS</b>	<b>OUTCOMES BY 2025<sup>1</sup></b>
<b>Tertiary Education</b>	To become a destination of choice for new learners and ensure successful outcomes for current learners	<ul style="list-style-type: none"> <li>• To increase the number of HE and FE students</li> <li>• To increase the number of International students</li> <li>• To recruit students from diverse backgrounds</li> <li>• To redesign our curriculum to be student centered and personal learning.</li> </ul>
<b>Research Excellence</b>	Increase our national and international standard of research and broaden our fields of research	<ul style="list-style-type: none"> <li>• To elevate our research strategy ensuring it is internationally ranked, industry linked and world-leading</li> <li>• To broaden the fields of research either through collaboration or organically.</li> </ul>
<b>Enterprise</b>	To streamline our business model to one that is sustainable and socially responsible.	<ul style="list-style-type: none"> <li>• To be a sustainable organisation</li> <li>• To demonstrate strong economic and commercial growth</li> <li>• To be a socially responsible and well managed enterprise</li> </ul>
<b>Engagement</b>	To be acknowledged externally as a connected civic university	<ul style="list-style-type: none"> <li>• To receive formal acknowledgment of our engagement strategy</li> <li>• To be known as a civic university</li> </ul>

<sup>1</sup> The outcomes are illustrative only. They will be populated once the Operational Plans have been written.

## OUR PLANS

The strategic pillars of the university (T.R.E.E.) are supported by a number of annually reviewed operational plans. Each operational plan will be designed with a common format - objectives, goals, actions and measures. Each plan will be linked to the

Objectives	A series of objectives required to meet the strategic aim of the pillar
Goals	A series of goals required to meet the specific objective
Action	A course of actions required to activate the goal
Measures	A series of measurable endpoints that define the completion of the action and goal

At present it is proposed that the University will have 12 operational plans

<b>Tertiary Education</b>	<b>Research Excellence</b>	<b>Engagement</b>	<b>Enterprise</b>
1. Academic Plan*	2. Research Plan	3. Sustainability Plan#	4. Alumni and Advancement Plan
5. Student Recruitment Plan	6. Knowledge exchange plan	7. People and Culture Plan	8. HISA Plan
9. International Plan	10. Island Plan	11. Digital Enhancement Plan	12. Government Liaison Plan

\*Academic Plan: includes the current Curriculum Renewal strategy, the Student Experience plan and the current Learning and Teaching Enhancement strategy.

#Sustainability Plan: includes the Financial Recovery Plan (UHI Blueprint) and Carbon Management Plan.

<b>Committee</b>	Partnership Council
<b>Subject</b>	Draft recovery plan / UHI Blueprint
<b>Action requested</b>	<input type="checkbox"/> For information only <input checked="" type="checkbox"/> For discussion <input type="checkbox"/> For recommendation <input type="checkbox"/> For approval
<b>Brief summary of the paper</b>	This paper sets out the draft recovery plan for the University Partnership in pursuance of the notional £20m savings and growth target set by Court. It introduces the UHI Blueprint.
<b>Resource implications</b> (If yes, please provide details)	Yes These are covered within the body of the paper
<b>Risk implications</b> (If yes, please provide details)	Yes A draft risk register has been developed for the recovery plan and should be read alongside this document. It has been provided as part of the papers for this meeting
<b>Date paper prepared</b>	26/02/2021
<b>Date of committee meeting</b>	03/03/2021
<b>Author</b>	John Kemp, Max Brown

<p><b>Link with strategy</b></p> <p>Please highlight how the paper links to the Strategic Plan, or assist with:</p> <ul style="list-style-type: none"> <li>• Compliance</li> <li>• National Student Survey</li> <li>• partnership services</li> <li>• risk management</li> <li>• other activity [e.g. new opportunity] – please provide further information.</li> </ul>	<p>This work is being linked to the developing strategic plan</p>
<p><b><u>Equality and diversity</u></b></p> <p>Does this activity/ proposal require an Equality Impact Assessment?</p>	<p>Yes</p> <p>If yes, please give details:</p> <p>This plan, and a number of the associated actions, if approved will require an equality impact assessment</p>
<p><b><u>Data Protection</u></b></p> <p>Does this activity/ proposal require a Data Protection Impact Assessment?</p>	<p>Yes</p> <p>If yes, please give details:</p> <p>It is more than likely that the implementation of this plan will require a data protection impact assessment, dependent on the elements that are taken forward</p>
<p><b>Island communities</b></p> <p>Does this activity/ proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?</p>	<p>Yes</p> <p>If yes, please give details:</p> <p>This plan, and a number of the associated actions, if approved will require an island community assessment</p>
<p><b>Status</b> (e.g. confidential)</p>	<p>This paper is not to be shared beyond the membership of partnership council at this time</p>
<p><b>Freedom of information</b></p> <p>Can this paper be included in “open” business?*</p>	<p>Yes</p>
<p><b>Consultation</b></p> <p>How has consultation with partners been carried out?</p>	<p>Discussion of this paper has been limited to the senior executive of the university partnership to date. Considerable consultation will need to be undertaken as it is taken forward</p>



\* If a paper should **not** be included within 'open' business, please highlight below the reason.

Its disclosure would substantially prejudice a programme of research	<input type="checkbox"/>	Its disclosure would substantially prejudice the effective conduct of public affairs	<input type="checkbox"/>
Its disclosure would substantially prejudice the commercial interests of any person or organisation	<input type="checkbox"/>	Its disclosure would constitute a breach of confidence actionable in court	<input type="checkbox"/>
Its disclosure would constitute a breach of the Data Protection Act	<input type="checkbox"/>	Other [please give further details] Click or tap here to enter text.	<input type="checkbox"/>

For how long must the paper be withheld? Click or tap here to enter text.

# The UHI Blueprint

## THIS DOCUMENT IS DRAFT

THE PROPOSALS NOTED WITHIN THE DOCUMENT ARE NOT DEFINITIVE

### EXECUTIVE SUMMARY

This report recommends to the University Court, a plan (“The UHI Blueprint”) that incorporates the work of the past three months designing a financial recovery strategy and the implementation of key elements of the current change management program to:

- a) address our current financial shortfalls,
- b) streamline the underlying business model,
- c) focus our resources effectively on our core purpose of teaching and research,
- d) create the capacity to invest in developing our capacity to grow income,
- e) create resilience for future financial challenges based on scenario planning.

The actions need to be consistent with the core purpose of the university to serve the whole of our region and its localities. To ensure this, these core principles will inform the way that this work is taken forward. Our aim will be:

1. That local provision of teaching and research will be maintained and, by creating more efficient and effective ways of delivering, sometimes enhanced.
2. That our overall spend on our core business will not decrease because of this exercise (unless income drops or to meet deficits), but the pattern of expenditure will change.
3. That the changes will enhance the student experience.
4. That this is a partnership exercise which will affect our core business and so we need to consider the effects on the whole partnership.

In line with our statutory responsibilities, we will carry out both an Island and an Equality and Diversity assessment to underpin the process.

We will develop a measurement framework to be agreed at Partnership Council to ensure that we can track progress to deliver the savings but also to ensure that the work delivers to the principles noted above.

The UHI Blueprint:

- sets out the savings required from how the executive office and the academic partners operate in providing services across the partnership and in carrying out regulatory and leadership functions.
- the underlying assumption is that every professional service moves towards a streamlined approach, where this produces either operational or financial benefits.
- proposes developments in the way we cost and fund academic provision to identify savings and more efficient and effective delivery.
- proposes savings (and concomitant income) that are earmarked for investment in further developing our growth.
- contains proposals for diversification of income and avenues for future investment.
- defines the baseline we will use for savings (recognising that some academic partners have already made significant savings this year).

The following table identifies possible savings and income generation. It shows the saving in two groupings: those that are underway or can be achieved within current arrangements, and those that will require a step change in how we operate.

Area of expenditure	Saving/increase	Saving/increase	Combined
Identified savings	2020-21	2021-22	2020-22 total
Mitigation of deficit (APs)			
Inverness	1,025,000	1,025,000	<b>2,050,000</b>
Perth	218,000	218,000	<b>436,000</b>
North Highland	100,000	100,000	<b>200,000</b>
Moray	500,000	500,000	<b>1,000,000</b>
Estates (EO)		Future years	
Academic delivery		1,200,000	<b>1,200,000</b>
EO budget	900,000	900,000	<b>1,800,000</b>
Non staff costs (APs and EO)	250,000	750,000	<b>1,000,000</b>
Residences		660,000	<b>660,000</b>
			<b>0</b>
Income generation			
Philanthropic giving (increased target)		300,000	<b>300,000</b>
Licencing/IP	250,000		<b>250,000</b>
Tuition fees		600,000	<b>600,000</b>
			<b>0</b>
Total (identified)	£3,243,000.00	£6,653,000.00	<b>£9,496,000.00</b>
<b>Savings with further change (estimated)</b>			
Streamlined curriculum		1,500,000	<b>1,500,000</b>
Aligned/common services		1,000,000	<b>1,000,000</b>
Academic management		500,000	<b>500,000</b>
Operational arrangements (Streamlining)		1,000,000	<b>1,000,000</b>
Maximising SFC and Govt income		1,500,000	<b>1,500,000</b>
<b>Total (further)</b>	<b>0</b>	<b>5,500,000</b>	<b>5,500,000</b>
<b>Total (identified and further proposals)</b>			<b>£14,996,000.00</b>
Cost of change (estimate)		<b>-3,000,000</b>	<b>-3,000,000</b>

The proposals in this paper do not reach the £20M notional target requested by the court. Our view is that the proposals contained in this paper are ambitious and, if implemented, will set the university on track for sustainability and growth. Some of the benefits – financial and otherwise – will be beyond the target date set by the court (the end of the next academic year). Seeking bigger changes in our budgets within that timeframe would create unnecessary risks to our core activities.

This report is predicated on systemic structural change of both our academic and professional services and offerings. It aligns with the four recommendations made by the SFC in the report on the UHI as a regional strategic body that was part of its review of Coherent Provision and Sustainability.

The report is called the UHI Blueprint because it is the first iteration of a larger piece of work that will incorporate (i) the financial recovery plan, (ii) the change management work and it will be aligned to (iii) the new Strategic Plan.

The figures in the second part of the table above are based on estimates of what implementing the Blueprint could achieve. More extensive streamlining could achieve further financial changes. In many cases, the full benefits will come in the years beyond the period covered by the table.

Many of the actions needed to achieve the savings/growth proposed will require rapid change within the partnership at a time when there are several other priorities. This will be a challenging process. This paper has an associated risk matrix that captures the key risks and our planned mitigations.

Court is asked to note the report and endorse the executive to carry out further work to develop and implement a comprehensive blueprint of improvements in operational and structural efficiencies.

## BACKGROUND

In November 2020, University Court instructed the University and Academic Partners to develop a financially sustainable and successful university partnership (Annex 1).

To date, the Executive have met through the Partnership Council to discuss the approach to resolving the delivery targets on:

- 2<sup>nd</sup> December,
- 13<sup>th</sup> January,
- at a brief special meeting on 27<sup>th</sup> January
- and on 23<sup>rd</sup> February to discuss the emerging paper and an opportunity to discuss a more advanced draft on 3<sup>rd</sup> March.

The change management plan included a workstream to consider ways to improve the financial planning across the partnership and take a collective approach to mitigate the financial deficits. Work began in July 2020 led by Fiona Larg, Margaret Cook and David Paterson working with the Finance Directors or equivalent from each partner. That work has been taken account of within this plan.

In October 2020, the workstream reported that the level of savings that could be generated through collaboration was minimal, around £0.5m and that partnership council would need to provide direction as to more substantive changes in how the partnership operates to generate the level of savings to make the partnership financial sustainable now and into the future. Partnership Council responded by holding a special meeting on 2<sup>nd</sup> December to consider how further and faster progress could be made.

Ahead of the Partnership Council meeting the University Court gave the Partnership Council its views on how this work should be conducted. That view from the Court is attached at Annex 1. The court proposed that a notional target of £20m of savings by the beginning of Academic Year 2022-23 with a plan to be reported to them at the meeting on 17<sup>th</sup> March 2021.

Partnership Council agreed to develop a financial recovery plan that outlined £20m of savings and growth but not without significant reservations of many of the members of the council. Sabhal Mòr Ostaig, (in keeping with previous decisions around the change agenda), set out that they would not take part in the exercise, though the consequences of the recovery plan will have an impact on all partners, including Sabhal Mòr Ostaig.

## CONTEXT

The request from the Court was for a plan to produce savings and growth totalling £20M. This paper proposes several measures (and actions already taken) based on firm information that total just under £10M in this period. The progress has been hampered by the lack of robust, comparable information on costs and by pressure of other work related to the most recent lockdown.

It has not been able, with the resources available, to carry out a full zero-based budget exercise on any area yet. We propose that we do this for elements of the recovery plan in the next phase of the work.

The Executive concluded there are two paths if we wish to achieve the full aims of this project:

- 1) One route is to divert the required proportion of SFC funding at source to the areas of expenditure / reserves to create headroom or surplus to reinvest.

This would reduce funding to both the university centrally and to partners and would mean each entity had to manage budgets to cope with the change. That process would produce the required sum in a predictable way but would be likely to have a negative impact on student experience as savings would be sought in an uncoordinated way across the partnership and real efficiencies might be missed.

- 2) Another alternative is to align the current change management work with a redesign of the underlying business model and change how we operate. This would mean seeking – within the current structure – to operate as a single institution as far as that is possible to do.

Changing how we operate would mean seeing single, aligned services as the default position for most if not all professional services. Most importantly, we need to ensure we deliver our curriculum as effectively as possible.

This paper contains proposals for using common costing models to better target funding. If we were to take that further and develop a partnership wide infrastructure for managing our academic provision, merging the central structures and the academic partners structures into single subject structures, we would save both management costs and be better able to develop and plan our provision.

At the moment we collectively spend around £6M a year on senior management and this should be reduced.

The executive's recommendation is that we pursue the second of the options described above. In addition to the £10M of relatively firm savings, a more aspirational and stretching set of changes could take us to a total of around £15M in savings/growth by the end of the 2021-22 academic year.

To implement this Blueprint properly, it needs to be seen in a wider context than a financial exercise. There is opportunity to leverage the Blueprint as a platform for systemic change that creates ongoing structural sustainability rather than focussing on fiscal management.

If Court decides on this path, then it is recommended that the Blueprint is incorporated into the new strategic plan.

## POLICY LANDSCAPE

### SFC Review

In October 2020, the SFC released the first phase of its review of coherent provision and sustainability. This review, commissioned by the Minister, is considering the fundamentals of how college and universities are funded, including the extent to which there should be a far more tertiary approach to funding. The review report also contained the outcome of a review of the three regional strategic bodies in Scotland.

The SFC made the following comments about UHI as a RSB:

*34. its governance is complex and with the involvement of many governors and principals, its decision-making processes can seem territorial and, at times, disconnected from a focus on optimal outcomes for students and the efficient use of public funds.*

*35. However, the current structures and ways of organising the delivery of education across UHI are expensive and unwieldy at a time when public funds will become increasingly*

*pressured, funding models will change and outcomes for learners and the Scottish economy will be paramount.*

*35. When changes have been proposed in the past, either through mergers of academic partners or more vertically integrated models, they have not commanded support from all stakeholders<sup>1</sup>*

The SFC was unequivocal in its assessment of UHI and made four recommendations:

*That UHI should:*

- 1. Deliver greater alignment of strategic planning,*
- 2. Implement the recommendations flowing from the Assembly/Programme Board project,*
- 3. Continue to make progress with a regional approach to curriculum review and planning,*
- 4. Consider mergers, shared services, recalibrated roles and responsibilities, and options to ensure UHI survives and thrives, and gets closer to the original mission of a more fully integrated tertiary institution<sup>2</sup>.*

This level of direction at the early stages of the SFC review signals its singular focus on the operations and sustainability of UHI.

### **Scottish Government Draft Budget**

At the time the Council agreed the £20M target UHI had no information on the likely SFC funding to the university for AY2021-22. At time of writing, the allocation to the university from the SFC remains unconfirmed, but we do know the planned budgets for further and higher education. The proposed increases in college and university funding in the draft budget are 5.6% and 2.7% respectively. In addition, some areas of the Foundation and Graduate Apprenticeship funding that is transferring from SDS to SFC and which at one time we expected to lead to a drop in funding now looks as if it will be funded as the same level as in the past.

The Government has also announced some additional Covid19 consequential funding for both sectors which is likely to add to the funding available – though for some of this our ability to access the funding might not be straightforward. We are expecting some college funding (circa £1.3M) to address the financial impact of Covid19 in the current academic year – something that might help mitigate any unplanned budget pressures.

Given the above, it is likely that SFC funding will increase in 2021-22. However, as costs will increase too and public finances may become more difficult in future years, the likely SFC income in 2021-22 does not substantially reduce the need for financial resilience. This does allow us to focus more on the position achieved at the end of the two-year period and the trajectory we establish for the period beyond then rather than dealing with deficits in 2021-22.

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<sup>1</sup> Review of Regional Strategic Bodies – University of the Highlands and Islands, p10, Oct 2020

<sup>2</sup> Ibid; p16,17, Oct 2020

## BASELINE SETTING

In order to set a baseline for the financial recovery plan we have collated summary budget information from the partnership, including Executive Office, based on the approved budgets for 2020/21. The baseline data is not perfect (in that it is clear for the budgets that different partners categorise expenditure in different ways) but provides a reasonable starting point in the absence of common systems.

## PROJECTED FINANCIAL POSITION FOR 2020-21

The gathering of the baseline data provides an opportunity to set out a financial profile for the partnership as a whole. As we refine the data this picture will become more robust and complete and will allow for better strategic financial decisions.

These figures are all taken from the baseline and have not been adjusted for any in year movement, these are described in table 2 below.

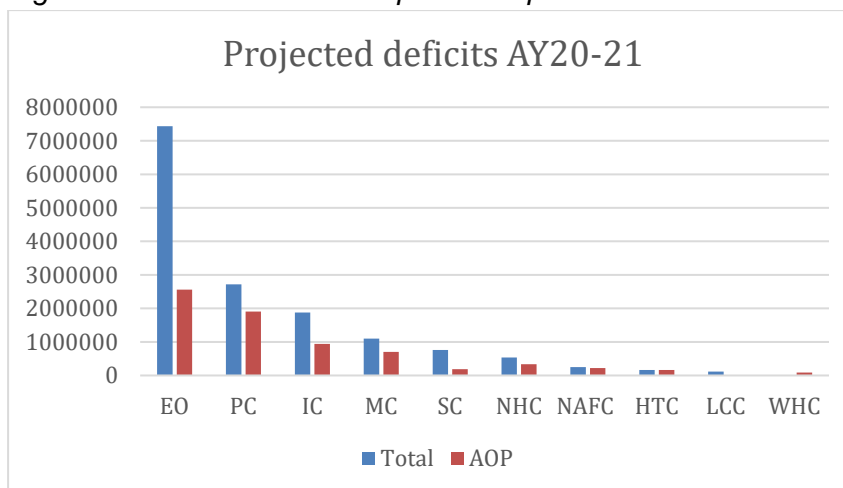
The projected deficit for the partnership for the Academic year 20/21 is £14.9m in total with an adjusted operating position (excluding non-cash items) deficit of £6.8m

*Table 1: Partnership Income vs Expenditure – AY20/21*

Partnership Income	159,985,587
Partnership Expenditure	174,900,438
Surplus / (Deficit)	(14,914,852)
Adjust to cash position	8,051,805
Surplus / (Deficit) AOP	(6,863,047)

The figures for the partners that projected a budget deficit is noted below in Figure 2.

*Figure 1 – Deficits across the partnership*



The EO represents almost 40% (£2.56m) of the current deficit (as measured in the AOP). At the time of setting the budget in June 2020, £1.955m of this deficit related to expenditure made on behalf of the partnership, for example residencies costs at Inverness, Moray and North Highland.



It will be important that the EO budget is properly delineated so we can consider savings in both the partnership elements of EO spend alongside savings in its core budget.

As some partners had projected deficits in 2020-21, we sought information on changes to budgets that had happened in year. The savings they have made against their baseline figures are:

*Table 2. Recurrent Savings in the AY20/21*

<b>Partner</b>	<b>In year recurring savings to date (AY20/21)</b>
Executive Office	£0.9m
Inverness College	£1.025m
North Highland College	£0.1m
Perth	£0.2m
Moray	£0.5m
<b>Total</b>	<b>£2.725m</b>

For the purposes of looking at the impact over the two years specified by the court we have assumed that these savings continue at the same level in 2021/22 (that is, they are recurring savings, we are not assuming further savings at that level in those partners).

The data gathered in the baseline has allowed us to set out the major areas of spend across the partnership.

*Table 3. Major cost categories of partnership expenditure*

<b>Cost Category</b>	<b>Expenditure</b>	<b>Proportion of total partnership exp</b>
Payroll Costs	106,822,706	61.1%
Property Costs excl. residences	10,851,088	6.2%
ICT Costs	4,378,190	2.5%
Consultancy	3,708,285	2.1%
Learning Resources / Library	3,122,631	1.8%
Residences	2,178,764	1.2%
Travel, subsistence and vehicle costs	1,881,508	1.1%
Equipment	1,511,055	0.9%
Other Staff Costs (excl T&S)	742,005	0.4%

## Change Management Program

The change management plan is a combination of the implementation plan for the actions agreed in the Assembly process at the end of 2019 and the crisis management actions that developed in response to the pandemic from March 2020. Most of the actions in the plan were not primarily aimed at producing savings. (The key exception to this is the financial planning and mitigation workstream.) However, some of the actions contain the potential to create efficiencies or raise income. The areas that have the potential to do this are through the curriculum review, the changes to the RAM, aligned common services and income generation.

As part of the work to put the change management programme on a firmer footing all workstreams will be asked to consider the financial impact of implementation, where this is relevant, and so their contribution to the recovery plan can be agreed and then tracked. There are also likely to be considerable benefits to the overall effectiveness of the university partnership through implementation of the workstreams and a measurement framework will be agreed to track these benefits.

Some of the potential methods of reducing costs and increasing income through the pricing of our academic curriculum are consistent with – indeed, sometimes are the explicit aims of – the curriculum review and RAM changes that are currently underway. If actions are agreed as part of this savings exercise, we recommend that the actions to implement them are taken forward as part of the implementation plans for these projects.

## INTEGRATED FINANCIAL PLAN

The timescales set by the University Court were always going to be challenging for this piece of work, and the lack of common finance and HR systems to allow for the quick extraction of the core data set has significantly hampered the ability to properly generate the data required to develop savings proposals in full.

In particular:

- Academic Partners and Executive Office have pulled together their budgets to provide the baseline for this work. Considerable work remains to make this data set fully fit for purpose as different systems, accounting and reporting practices mean that a standardised and consistent dataset cannot be generated quickly. Given the importance of this work, more time must be given to ensure the data is robust. This applies equally to staffing figures, though less has been requested in that regard. This highlights the need for single systems and common datasets that span the partnership, for core areas, to allow for proper strategic management of the business.
- The timeframe has not allowed for the detailed discussions required with front line staff to understand how services can be reconfigured to release cash savings. As noted below, we have made assumptions about the theoretical savings that can be generated by reducing units and modules with small student numbers. However, we know that some of these units are essential to the partnership and to understand this will require proper and full consultation with academic staff.
- The timeframe has not allowed us to engage with the partnership properly. To generate this level of savings will require considerable involvement of staff across the partnership. Without that involvement this process will only ever be something that is done to the vast majority of staff across the partnership and will not involve those that understand the business best across the diversity of the partnership.
- The timeframe has not allowed us to carry out a zero-based budget exercise. This approach will be particularly important when we consider professional support services.

### **Academic and Curriculum costs**

The data provided has not allowed us to fully explore the extent of the savings that can be made from the academic side of the university.

However, to reach the levels of savings that the Court requires, or to provide money for reinvestment, we would recommend that:

- a measured and evidence-based approach is taken to adapting the curriculum – for both further and higher education – so that we remove unprofitable and unpopular elements of the curriculum to provide the funds to invest in profitable and new areas of curriculum. We also need to deliver the curriculum in as efficient a way as possible.
- the partnership collapses academic and curriculum management into single regional structures and that savings are taken by reducing the number of staff required to manage the curriculum.

We describe some steps towards these aims below. Implementing these changes will involve a reshaping of the teaching workforce but in the medium term should have positive benefits for staff as our provision and student numbers become more secure. In the discussions at the partnership council and at the meeting of court members and academic partner non-executives we proposed that, while academic savings needed to be part of the saving plan, the presumption should be that the savings from this area were reinvested in academic activity. If we are to do that, it will limit the savings that are available for other uses, it will also create a risk that, unless we are very clear about how the reinvestment is done, we will simply leave funding as it is. This risk will need to be actively managed.

While the approach described below is intended to focus our curriculum by reducing the elements of the curriculum with small numbers and implies greater networking of courses and the reduction of duplication, it should not be read as necessarily moving to greater online provision where that is not the most effective – or attractive – way to deliver.

### **Academic delivery**

To find the necessary savings and generate money for reinvestment we need to improve the profitability of the curriculum that we deliver in both further and higher education.

To generate the savings within the timescales set by Court is significantly challenging and would almost certainly require us to remove areas of our curriculum offering wholesale. This will of course reduce the ability of the university partnership to recruit prospective students into those areas, and so a corresponding increase would be required in student numbers in other areas to maintain the size of the university partnership.

Even with the necessary funds to invest in much greater recruitment effort, it is likely that the net result of this – at least in the short term – would be to shrink the partnership both in terms of staffing cohort and curriculum offering. If the number of students fell there would also be a loss of income that might outweigh savings. The intention is to find a new equilibrium that puts us on a surer financial footing, but not at the expense of a significant narrowing of the diversity of curriculum that we currently offer or reducing student demand. If financial equilibrium is not found by reducing areas of curriculum, then the partnership will be in a worse position, as it will have reduced its offering but will still be required to make further savings, which will necessarily affect staffing.

With more time, a more considered approach could be taken through the curriculum review workstream approved by partnership council. The data gathered as part of the curriculum review work shows that we currently offer 2089 units / modules in higher education, many with very few students. This is considerably higher than other institutions, while the scale and delivery model are different, as a comparison the Open University with 170,000 students offers around 500 modules.

Small cohort sizes do not necessarily mean that the units / modules offered can be removed, some of these will be core elements of degrees or HNs. Other modules and units will be part of our specialist offering that will only ever attract a small number of students but are core to what we do.

However, we do have a considerable number of modules and units with very low numbers and it is very likely that we will be able to remove these with little impact on student numbers, and release staff time, or cash savings through staff reductions for reinvestment in existing more profitable areas of the curriculum or in new modules and units that may attract more students.

*Table 4. Courses / modules with very low student numbers*

No of students attached	Modules/Units with 10 or less students		Teaching Cost	
	0 - 5	6 - 10	0 – 5	6 – 10
			£	£
<b>Degree modules</b>	248	221	386,880	430,950
<b>HN Units</b>	185	127	204,425	140,335
<b>Total</b>			<b>591,305</b>	<b>571,285</b>

If we were to remove all modules and units with less than 10 students, this would produce a theoretical cash saving of £1.2m. This will not be fully achieved as some of the staff who teach these modules/units will also teach modules and units that have more students. Therefore, the resource released will be a mix of cash and time. Detailed work is required to assess the actual savings that can be released but nonetheless this represents a significant amount of resource that can be put into more sustainable areas of our curriculum.

The savings associated with the measures described above are unlikely to materialise immediately. This is because adjusting the number of courses and or modules we offer will often have to be done over several years to accommodate completing students or because the staffing implications of change will take some time to absorb.

Decisions collectively by the university partnership on the level of funding will have an impact on the bodies that actually employ the staff, the academic partners. There is therefore a risk that if partners are unable or unwilling to make the necessary changes, using the costing model and adjusting our funding could simply lead to deficits in individual partners as their income dropped without any corresponding drop in costs.

### **Academic Costing Models**

To develop this recovery plan, implement the academic savings described above, and identify the detail of the subsequent savings a consistently applied costing model is required. Academic Partners have internal costing models that they apply, which are broadly consistent but with some variation. To provide a consistent approach for this exercise, and for the future, we have used a costing models for FE and HE that are based on the ones used in Inverness and North Highland.

The model benefits from being straightforward and simple and the intention is that it will be piloted on some specific courses to ensure that it is fit for purpose on a partnership wide basis, or if any adjustments are required. The costing models for FE and HE activity are necessarily different to account for the differing funding streams. The purpose of agreeing one model is to

have a consistent way of measuring cost across the partnership. It offers options for refining how we target our funding. The draft models are attached at Annex 2.

The costing model requires input from both registry and individual partners to provide the relevant data. The models will demonstrate how much contribution each piece of activity provides towards the total overhead costs of the institution. We recognise that the direct delivery costs that the model will measure are not the only costs of providing education. The model does not capture general overheads or the specific differential costs of courses that require workshops but does allow for direct costs to be included.

The costing model allows UHI:

- to understand the cost of provision so that we can make decisions based on cost information in a consistent way across the partnership,
- in both partners and the partnership centrally, to make decisions on curriculum, to set targets for the financial efficiency of our curriculum (recognising that there may be some courses we will choose to continue even if they do not meet the financial parameters we set),
- by understanding the academic costs of delivery, to be better able to assess and manage the non academic costs of delivery, in particular in the smaller academic partners. This can be used to influence the institutional element part of the new resource allocation method,
- by using consistent costing methods be better able to network provision by splitting payment across several partners.

These tools could be applied in a number of ways. At one end of the spectrum we could simply reduce the amount we pay for academic provision by using the model to set parameters for efficiency of course and fund to those parameters. Even if we were able to do this, the savings at the centre could simply lead to either deficits in the academic partners or cuts in academic staffing that might be unacceptable to the partnership if the financial context for the actions were not seen as sufficiently serious. At the other end we could use the model to inform long term change where the impact was planned over several years.

### **Curriculum management**

The data provided has not allowed us to estimate the cost of curriculum management across the partnership and so further work will need to be undertaken to elicit this detail.

The current arrangements for curriculum management have evolved into an amalgam of planning and delivery 'cells' each of which is trying to make the best decision given the resources, drivers and information available to them. These planning bodies include, but are not limited to, Academic Partner curriculum planners, Faculty and subject networks and Partnership Planning Forum. Because we often have parallel bodies and processes for FE and HE we often ask the same people to attend similar meetings about different levels of education.

The net result of this, is that we have both local and regional structures planning the same bits of curriculum multiple times, both locally and regionally and between academic partners. This considerable duplication in effort can be removed by creating single curriculum planning structures for subject areas, that are accountable to partnership Council for agreed targets. These would not be based solely on the existing arrangement in either the centre or the partners but would be developed from elements of both. Sensitively done, these changes can be delivered without having an impact on the quality or breadth of the what the university partnership offers.

Our research and knowledge exchange activity is underpinned by a number of research clusters, knowledge exchange sector groups, centres and institutes and management

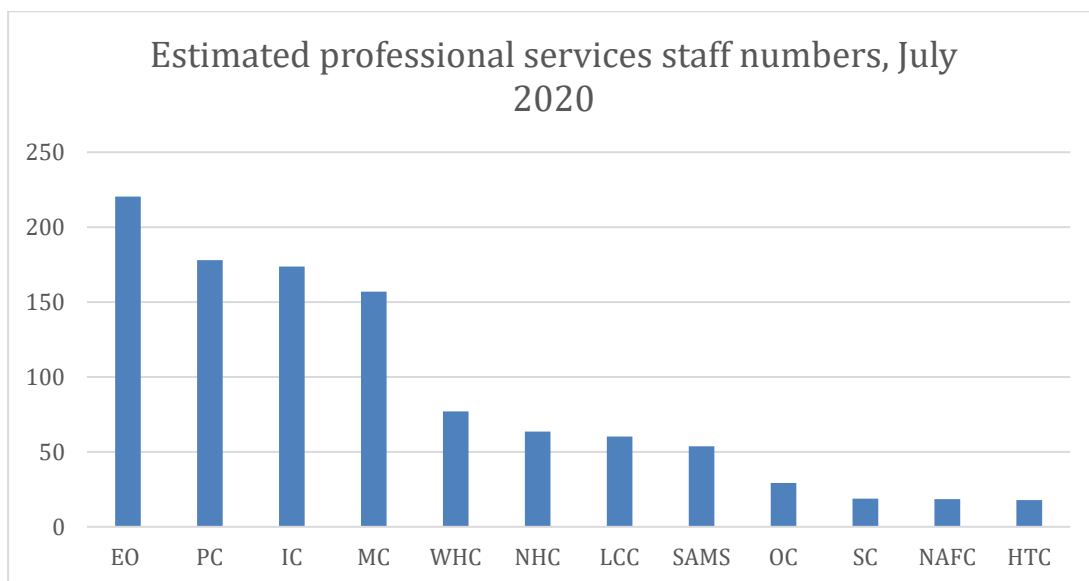
arrangements across the variety of activity that we undertake. Early discussions have indicated that there are very limited savings to be made within the current configuration. However, considering a closer alignment of UHI institutes and centres and closer cohesion between research clusters and knowledge exchange sector groups as well as providing some of the professional services that support research in a more joined up way will reduce the resource required to manage the research portfolio

The creation of subject based curriculum management arrangements can be achieved without structural change of the partnership and so is deliverable over a relatively short period of time.

### Professional Support Services

The financial data provided does not allow for a complete assessment of the cost of professional support services across the partnership, nor the proportion of resources committed within each area. An assessment cannot therefore be undertaken to provide a partnership wide picture of the resource that we allocate.

As part of the change programme staffing information was gathered on professional services in July 2020, and this showed that across the partnership we had 1056FTE staff undertaking professional support services roles. The relative spread across the partners is set out below. SMO did not provide any data for this exercise and we do not have the systems to maintain the data set so it is a point in time.



As has been explored before, there is considerable duplication of professional support services across the partnership and there are a number of ways that more effective and efficient services could be organised and delivered. Some options are noted below.

- Provide single point strategic leadership to coordinate effort
- Develop a shared-services model within the current employment arrangements
- Create a shared services company
- Develop a Processing Admin Centre
- Merge institutions

The relative costs and savings of these options, complications such as VAT, all need careful consideration. Consideration also needs to be given to the development of single partnership wide systems, processes and policies as these will need to underpin any collective services that are developed and may well provide a smarter route to improving efficiency in the short

term – though the savings that will generate will be modest. They are, however, an underpinning for future change.

As a next step, we would recommend that partnership council choose a professional service area so that a zero based budgeting exercise can be undertaken so we are able to properly understand the scale and scope of any savings that a reconfiguration of the services would bring. We are also exploring the options for savings through common systems, using the finance system that we are currently rolling out as a platform.

### **Senior Management**

The cost of the senior management across the partnership is in the region of £6m per annum. This reflects the constitutional basis of the university partnership and without mergers is difficult to address. The college alignment options appraisal currently being undertaken will provide a range of options for greater alignment across seven of the colleges, and this will be available to consider in May 2021. This piece of work is not looking specifically at financial savings, though cost will be a feature of the options they present.

There are opportunities for increasing the number of shared roles across two or more institutions, such as the agreement between Inverness and North Highland to share a Finance Director. However, the scope for savings is limited as the standard business for an institution cannot be reduced by half – statutory accounts still need to be produced for both institutions for example.

### **Estates**

In the medium term one of the aims of the strategy should be developing the capacity to develop our estate. In the shorter term the focus should be on the administrative estate. The pandemic has reset how we work. If we continue with a mix of home working and office based work, and adjust the estate to reduce space needed we should be able to reduce office costs. Executive office is already planning to end the lease on one of its buildings in Inverness (Fairways, saving circa £124,000, though that is unlikely to be achieved until AY 2022-23). There may be scope for further change in how we use existing estate.

We will also consider investment through the SALIX funding<sup>3</sup> to make our estate more carbon neutral – which will also reduce the running costs.

### **Non-staff savings**

There are a number of areas of relatively high spend across the partnership on non-staff costs. Collective and tighter management of these will produce savings but they need to be discussed with the budget holders from across the partnership. In the prework to this exercise undertaken with Finance Directors, around £500k was identified from areas such as these and we have included that figure as the baseline savings level from these areas (showing £250,000 in 2020-21 and £750,000 in the following year), but we expect this to increase substantially once the discussions have been held. Some areas for consideration are noted below;

- Software / Licencing costs
- Advertising and Marketing
- Procurement

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<sup>3</sup> **Salix Finance Ltd.** provides Government funding to the public sector to improve energy efficiency, reduce carbon emissions and lower energy bills. The Salix Recycling Fund Salix contribution is a long-term 100% interest-free repayable grant, where the university uses their own capital as their match contribution. The financial savings achieved by the projects are reinvested in further eligible projects year on year, hence the term 'Recycling Fund'.

- Consultancy / Professional advice
- Travel and subsistence
- Insurance
- Energy costs

### **Residences**

The student residencies in Inverness, Moray and North Highland lose a considerable and unsustainable amount of money on an annual basis. These costs are borne centrally by executive office rather than by the academic partners who utilise them. A considerable amount of work has been undertaken to make the residencies financially sustainable, but the contractual arrangements are such that it is very unlikely to succeed. As such, we are in the process of trying to agree and amend the arrangements to reduce the overall cost by £660k per annum.

There is a way to travel on this proposal, but should it come to fruition it will halve the current deficit we run on the residencies. The university partnership would then be in a better place to close the remaining financial gap through investment in curriculum and other opportunities that will make the residencies a more attractive proposition for students.

### **Pensions**

A considerable proportion of the accounting deficit over and above the adjusted accounting position is due to changes in the costs of pensions. Executive Office is undertaking a pension provision review to consider ways of reducing this deficit. As part of the recovery plan, we will consider whether a wider pensions review is required.

### **Growth**

Alongside the work on the recovery plan we have been considering as part of the change programme how we develop a partnership wide approach to income generation. That work is coming to fruition and Partnership Council will consider a framework within which we can develop this work at their meeting in March.

The emerging strategy for that group proposes a body to set and monitor our strategy for income generation, and some increased resource to oversee and develop income. This resource will be funded by a small contribution from new income. As well as this strategy we will also need to consider how we resource additional capacity in marketing and other areas.

We have five possible routes for income generation as captured within the Income Generation strategy.

### **External funding**

Partnership Council have been appraised of the significant amount of external funding that is available on a national and a UK level, for example growth deals, support to decarbonise the estate and post-Brexit funding reconfiguration.

Many of these opportunities are pan-partnership and we need to improve our ability to access these funds by working in a collaborative way across the partnership. These opportunities do not all generate profit, but do fund considerable activity that can be used as the engine room for the identification of further fund that will provide opportunities to generate income.

Things like the growth deals / decarbonisation of estate / the big pan-partnership things

### **Philanthropy**

We have been successful in growing income through our development office and the income target for next academic year has been increased by a further £300,000 (from £200,000).



### **International, PGT and RUK**

We are developing a proposition to grow our international, Post Graduate Teaching and rest of UK offering in niche areas that we can compete for within difficult markets. We have established a target, subject to further analysis, of £600k of increased income from these areas in the next academic year.

### **CPD / Summer schools / income generating courses.**

As part of the income generation workstream a pilot has been developed to facilitate the sharing and coordination of CPD courses across different academic partners. The baseline data for the pilot is currently being developed and the additional income that is targeted through this approach will be included within this plan in due course.

### **Licencing / IP / Spin offs**

These areas of activity are commercially sensitive and so limited detail can be presented in this plan. However, there is a good likelihood of at least £250k being raised in the next academic year through this activity, a figure that could extend well beyond this should the activity be successfully internationalised.

## **ACTIONS TO IMPLEMENT THE BLUEPRINT**

This paper describes the main element of the blueprint. If it is agreed by the court the executive will develop an implementation plan. That plan will be monitored and reported on through the project management structure we will introduce for the whole change programme and the new strategic plan.

The detailed planning will also consider the investment needed to make these changes. In some cases that will require funding to enable restructuring. For income generation we will consider the time limited pump priming of our infrastructure, though in the medium term we intend this to be self-supporting through the payment from externally generated income that is proposed as part of the changes to our resource allocation method.

As part of the further planning, and the further development of the strategic plan we will identify priorities for investment of the resources that this blueprint will make available. We will also develop processes for making decisions about that investment across the partnership.

## Annex 1 – Communication from court to partnership council

Following due consideration and discussion Court agreed that the following guiding principles and delivery targets should be implemented by the University and by Academic Partners collectively to reduce financial deficits and to develop a financially sustainable and successful university partnership:

1. The University recognises the central importance of student experience and our wider academic outputs and, notwithstanding the need for efficiencies and transformation in the way we work we commit ourselves to excellence in these areas.
2. Issues of trust, behaviour and internal politics will not impede our progress. All options will be open for consideration.
3. All initiatives must demonstrate benefit in financial terms and on agreed timescales and should seek to avoid any negative impact on the level of service.
4. Wider aspects of the operating environment (professional services, management and business development etc) need to be the primary focus for generating efficiencies within Executive Office and within Academic Partners.
5. We expect full commitment and cooperation from the University's Executive Office and from all Academic partners. The partnership will work together cooperatively to deliver significant transformation in the way we work.
6. We consider that the change plan, alignment proposals and the EO evaluation process will deliver significant efficiencies but believe these require to be expanded and accelerated.
7. We ask Partnership Council to reach agreement about the scale of financial efficiencies required and the timelines to deliver them. We ask them to aim to achieve a notional target of £20 million savings across the partnership before the start of Academic year 2022/23.
8. We ask Partnership Council to develop plans to maximise income for the partnership and to make the case for continued investment from government and SFC to recognise the unique nature of UHI, the communities we serve and the historic under funding of FE, impact of national bargaining and rurality and underfunding of HE in the UHI region in order to create jobs and tackle social inequalities.

## Annex 2 – Draft Costing Models

### Draft HE costing model

YEAR ENDED 31 JULY 20															
HE Funding Group		F06	F06	F06	F06	F06	F06	F06	F06	F06	F06	F06	F06	F06	F06
		AC	IC	LCC	MC	NHC	OC	PC	SC	WHC	SAMS	HTC	SMO	NAFC	Total
RAM Consideration		FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
	Home/ EU														0
	RUK														0
	International														0
<b>Total Student FTE</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0
		£	£	£	£	£	£	£	£	£	£	£	£	£	£
RAM Value Group 6		2,893	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	2,358	
Fees - HNC		1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	
RUK - as per course fee		9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	
International - as per course fee		12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	12,200	
RAM income		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees Income - Home/EU		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees Income - RUK		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fees Income - International		0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>MicroRam Consideration</b>															
Monies In to Partner						0									0
Monies Out from Partner						0									0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Income</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Staff Costs for Delivery</b>															
Joe Bloggs						0									0
Karen Smith						0									0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Direct Overheads</b>															
Cost to run the course						0									0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Costs</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Contribution to overheads</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Indirect Overhead						-									-
<b>Overall Contribution</b>		-	-	-	-	-	-	-	-	-	-	-	-	-	-

Draft FE costing model

SFC FE Funding Group		6	6	6	6	6	6	6	6	6	
											<b>Total</b>
Fundable FT - (15-18 credits)	<b>Credits</b>										0
Fundable PT	<b>Credits</b>										0
Full Fee Payer (RUK/Int) FT	<b>Credits</b>										0
Full Fee Payer (RUK/Int) FT	<b>FTE</b>										0
Full Fee Payer (RUK/Int) PT	<b>Credits</b>										0
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Average Price Per Credit		335	335	335	335	335	335	335	335	335	
SFC per FT (max 18 credits)		0	0	0	0	0	0	0	0	0	
SFC per PT (< 15 credits)		0	0	0	0	0	0	0	0	0	
SFC GIA incl fee waiver		0	0	0	0	0	0	0	0	0	0
Full Fee (RUK/Intl/Other) FT	per FTE	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	
Full Fee (RUK/Intl/Other) PT	per credit	450	450	450	450	450	450	450	450	450	
Fees Income - Full Fee Payers		0	0	0	0	0	0	0	0	0	0
SFC Funding and Fee Income		0	0	0	0	0	0	0	0	0	0
SDS Apprenticeship Funding											0
		0	0	0	0	0	0	0	0	0	0
<b>Total Income</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Staff Costs for Delivery</b>											
Lecturer A		0	0	0	0	0	0	0	0	0	0
Lecturer B		0	0	0	0	0	0	0	0	0	0
Instructor / Trainer		0	0	0	0	0	0	0	0	0	0
Assessor		0	0	0	0	0	0	0	0	0	0
Technician		0	0	0	0	0	0	0	0	0	0
<b>Total staff costs for delivery</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Direct Overheads</b>											
Consumables / materials											0
Other direct costs											0
<b>Total non-pay direct costs to run</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Direct Costs</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Contribution to overheads</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Committee</b>	Partnership Council
<b>Subject</b>	The partnership change management plan
<b>Action requested</b>	<input checked="" type="checkbox"/> For information only <input type="checkbox"/> For discussion <input type="checkbox"/> For recommendation <input type="checkbox"/> For endorsement <input type="checkbox"/> For approval
<b>Brief summary of the paper</b>	This paper sets out the progress to deliver the workstreams within the partnership change management plan agreed at the 1 <sup>st</sup> July 2020 all partnership meeting.
<b>Resource implications</b> (If yes, please provide details)	No  There are no immediate resource implications as a result of this paper. However, the actions in the plan includes some that may require additional resource as well as others that will need to save money. The resource implications of the workstreams will go through the appropriate governance arrangements to agree and confirm spending levels
<b>Risk implications</b> (If yes, please provide details)	Yes  The paper is related to several of the most significant risks facing the university and the academic partners.
<b>Date paper prepared</b>	23/02/2021
<b>Date of committee meeting</b>	03/03/2021
<b>Author</b>	Max Brown
<b>Link with strategy</b> Please highlight how the paper links to the Strategic Plan	The paper is primarily about how the university partnership implements the priorities it has identified and addresses the challenges that the pandemic presents

<b>Island communities</b> Does this activity/ proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?	No
<b>Status</b> (e.g. confidential, non-confidential)	Non confidential
<b>Freedom of information</b> Can this paper be included in "open" business?*	Yes
<b>Consultation</b> How has consultation with partners been carried out?	The change management plan has been developed by partnership council and was approved at an all partnership meeting at the beginning of July. All partners, with the exception of Sabhal Mòr Ostaig, have agreed to its delivery.

\* If a paper should **not** be included within 'open' business, please highlight below the reason.

Its disclosure would substantially prejudice a programme of research	<input type="checkbox"/>	Its disclosure would substantially prejudice the effective conduct of public affairs	<input type="checkbox"/>
Its disclosure would substantially prejudice the commercial interests of any person or organization	<input type="checkbox"/>	Its disclosure would constitute a breach of confidence actionable in court	<input type="checkbox"/>
Its disclosure would constitute a breach of the Data Protection Act	<input type="checkbox"/>	Other [please give further details]	<input type="checkbox"/>

For how long must the paper be withheld?

## Progress report on the University Partnership's change management plan

### Background

The change management team have been asked to provide an update at each meeting of Partnership Council. This paper sets out the progress to date and identifies any risks or challenges that require Partnership Council input.

### Overview

The plan encompasses 17 workstreams at various stages of development and delivery, size and scope and strategic importance. The section below highlights areas for consideration by Partnership Council but detail on all workstreams and the RAG status is set out in Annex 1.

### Progress in the reporting period – 27<sup>th</sup> January to 24<sup>th</sup> February

The prioritisation of the change management plan has allowed for focused work to continue in respect of the key priorities as identified by Partnership Council, whilst work continues to effectively manage the ever-changing Covid19 circumstances and deliver on the full scope of the plan.

### Curriculum Review and RAM

The strategic frameworks for the curriculum review and the development of a new RAM were approved by Partnership Council at the February meeting. The executive leads are currently developing the timelines and deliverables for the next phase of these two pieces of work. This will be completed during this reporting period and Partnership Council will have sight of these at their April meeting should the agenda allow.

### Income Generation

Significant work has been progressed over the reporting period and the outputs to date from the Income generation work will be presented at this meeting of Partnership Council. Subsequent to the decisions taken at this meeting, the next phase of the work will be planned and implemented.

### Recovery plan

Significant work has been undertaken to progress the recovery plan over the reporting period, including a special meeting of partnership council to discuss the detail. An updated version of the recovery plan paper will be presented at this meeting of Partnership Council for final considerations before it is put to the University Court on 17<sup>th</sup> March.

### Key considerations, risks and challenges for the next reporting period

There are a number of key considerations, risks and challenges that partnership council should be aware of. These are:

#### Developing the next steps

Over the last eight months the executive has delivered a significant amount of work in respect of the plan agreed at the all partnership council meeting in July 2020. This includes, amongst other things;

- A strategic framework for the curriculum review
- A strategic framework for the RAM review
- A recovery plan to provide financial sustainability, that incorporates a number of the workstreams set out in July
- The agreement and progression of the branding project and development of a partnership wide strategic positioning approach to engagement with key stakeholders.
- Embedding new executive and non-executive governance arrangements
- A strategic framework for improving income generation across the partnership (if approved)
- Appointment of a professional lead for HR
- Successfully management of both the curriculum and campus challenges presented by COVID19
- Outline principles and strategy for international activity
- The completion of REF
- New collaborative ways of working for marketing and communications colleagues to maximise student recruitment.

This work has been delivered in addition to managing the day-to-day business of the partnership during a global pandemic, during the transition to a permanent Vice Chancellor and alongside the development of the new strategic plan.

The development of the new strategic plan and the UHI Blueprint will provide the context within which these pieces of work and the change management plan can sit. This is a major and positive step forward in how the University Partnership is progressing its change agenda as it will provide the vision and focus that it requires.

Over the reporting period the plan will be transferred to MS Project so that the workstreams can be transparently set out and the interdependencies managed. The result will be less, but far clearer workstreams delivering within an agreed measurement framework. This will enable far clearer reporting on what has been achieved to date, the



identification of the priority areas we are progressing and far greater transparency on whom is delivering what, by when.

To support this new way of working a Project Control Group will be established to track and oversee progress to deliver. The aim is to establish the new plan and the project control group by the end of March. Progress to deliver these aims will be reported to Partnership council in April.

## Recommendations

Members are asked to;

- Note the progress made to deliver the priority areas within the reporting period
- Note the considerable progress that has been made to deliver the change management plan as a whole
- Note the intention to link the change management plan to the strategic plan and the UHI Blueprint and to put the change management process on a firmer footing.
- Note the intention to establish a project control group to oversee the delivery of the refreshed plan.

## Annex 1 – Workstream progress and RAG status

Workstream	Update and observations	RAG
1. Campus operation	This encompasses the work to prepare and make safe campuses for AY20/21. A regular combined health and safety and facilities group has been established to discuss and coordinate the local approaches to opening up in line with the Scottish Government phased approach. Progress is reported as required to the crisis management group and issues are raised by the group for resolution by CMG.	This work is being successfully managed through individual partners and collectively reported up to CMG.
	This workstream is absolutely critical for the partnership but given the nature of the work it is subject to detailed Scottish Government guidance in respect of 'the what' is allowable and of local partner circumstances (the facilities, the course mix, covid19 prevalence, individual staff circumstances etc.). Therefore, the consequences of these risks need to be managed in real time locally.	
2. Curriculum preparation	This encompasses the work to prepare the delivery of the curriculum for AY20/21. A readiness analysis was undertaken with academic staff for both FE and HE staff to give an overall proportion of the curriculum that could be delivered under different assumed teaching arrangements (no access to buildings etc.). This provides for the baseline position and helped to inform the support materials that have been developed and made available to teaching staff.	This work is ongoing and risk remains around delivering all elements of all courses if COVID19 restrictions are not eased. This is managed through the CMG
	An assessment of the impact that the current restrictions will have on the ability to teach semester 2 has been completed and the impacts actively mitigated. The Scottish Government announcements of ongoing restrictions, the delay of the school	

	year starting for many and the changes in the tier system will have a further impact that will need to be managed.	
3. Curriculum review and (re)development	This encompasses the work to review the FE and HE curriculum for AY21/22 onwards. The Regional Strategy Committee agreed that a full curriculum review was required and the principles that will underpin that. This workstream is now underway and the reporting milestones and deadline have been set.	The second phase of this work is currently being planned
	The strategic framework for this was agreed at the February partnership Council and the next phase of the work is being planned	
4. Operational arrangements	This encompasses the assembly action to consider the operational arrangements that we have across the partnership and if and how they can be improved.	THE RAG STATUS OF THE AREAS FOR OPERATIONAL ARRANGEMENTS ARE CAPTURED WITHIN THE SPECIFIC WORKSTREAMS
	The approach we are taking is to add these areas as they develop through the wider work captured within this plan. To date two areas have emerged – the arrangements to develop, renew, create and retire curriculum and the arrangements to manage and maximise the student intake on a tertiary basis.	
5. Strategic positioning & Branding	This encompasses work to coordinate and maximise the effectiveness of our strategic messaging to key external stakeholders and the work to refresh our corporate branding, much of which was completed before the development of this plan.	The second phase of this work is currently being planned
	The strategic positioning and branding workstreams were merged at the February Partnership Council and the next phase of the work is currently being planned	
6. Maximising student intake	This encompasses the work to recruit students for AY20/21. The first stage of this work, maximising student intake for the beginning of the this AY is pretty much	

	<p>complete. The workstream will then turn to reviewing how the process can be improved in future years and how to maximise intake in January 21.</p> <p>This work is complete and an end of project report is required to ensure the work is embedded as business as usual</p>	
7. Income generation	<p>This encompasses work to consider how we might generate more income and coordinate those opportunities to better effect. The scoping work for this was completed on time, but highlighted the number of different groups looking at the same or similar areas of activity, these have been drawn together under this workstream</p> <p>The workstream is delivering on track and to time. A paper will be discussed at this Partnership Council meeting</p>	An update on this workstream will be provided at the March Partnership Council
8. RAM	<p>This encompasses the assembly action to consider and agree a new model for resource allocation across the partnership. After an initial delay, the work is now on track (to a redefined timeline).</p> <p>The strategic framework for ths RAM work was agreed at February partnership Council and work is ongoing to plan the detailed work to underpin the changes</p>	The second phase of this work is currently being planned
9. Financial planning and mitigation	<p>This encompasses work to consider how we can collectively work to mitigate our projected deficits over the next couple of years. The working group met fortnightly and advised Partnership Council that substantive changes cannot be made without</p>	

	<p>substantial operational change. This issue was raised with Court, who have directed Partnership Council to identify savings of £20m by the end of AY21/22</p>	<p>A paper will be presented at this partnership council meeting</p>
	<p>The recovery plan will be discussed at this meeting of partnership council</p>	
10. Aligned finance service	<p>This encompassed the assembly action to consider and agree a model for an aligned or common finance service. This work was put behind schedule due to capacity issues but three models were brought forward for discussion by the non-executive. They agreed that we should further explore the PAC model and strengthen strategic leadership within finance.</p>	<p>There is no capacity to progress the detail of this work, and a new timeline has yet to be developed</p>
	<p>A new timeline needs to be developed for this work</p>	
11. Aligned and common services	<p>This encompasses the assembly action to consider the benefits of developing aligned and common services across the partnership. All partners have now provided their corporate staffing details. The suggestions contained within the EO evaluation for which areas may benefit from greater coordination have been collated.</p>	<p>This workstream will be considered as part of the recovery plan</p>
	<p>This work will be part of the financial savings strategy, and the approach take in that regard will determine how this workstream is taken forward</p>	

12. Development of partnership priorities	This encompasses the assembly action to develop a single set of partnership priorities. The change management plan was agreed at an all partnership meeting on July 1 <sup>st</sup> and it was agreed that the plan represented those priorities for the next AY	THIS WORKSTREAM IS COMPLETE
	THIS WORKSTREAM IS COMPLETE	
13. Student engagement	This encompasses the recommendations in respect of students that were brought forward through the assembly work and work to monitor the impact that the pandemic is having on the student experience.	Good progress is being made on this workstream and a substantive report will be taken to the April Partnership Council
	This is being managed by the student services team, the detail has been developed and planned locally and is being successfully delivered to date.	
14. HR and staff	This encompasses the assembly actions in respect of staff and HR. The HR professional lead has been agreed and the recruitment process is almost complete	This workstream is on track and being delivered to time
	The HR lead has been appointed and we are awaiting the start date.	
15. EO evaluation	This encompasses the assembly action in respect of the EO evaluation. The evaluation panel have developed and published its recommendations. At the all partnership meeting in July (01) the Court and University SMT confirmed their acceptance of the report and recommendations and their commitment to deliver change to address the areas the report raises. This work is being planned, managed and reported upon by the University SMT separately	THIS WORKSTREAM IS REPORTED ELSEWHERE
	THIS WORKSTREAM IS REPORTED ELSEWHERE	

<p>16. Research and Knowledge exchange</p>	<p>This work encompasses some critical business as usual for the partnership, such as delivering REF, with the strategic considerations around how research and innovation responds to the circumstances the pandemic presents.</p>	<p>This workstream is on track, keeping to time and the risks are being effectively managed.</p>
<p>17. International, European and rUK</p>	<p>This work encompasses how we will strategically respond in these areas of business to Brexit and the pandemic.</p>	<p>The second phase of this work is currently being planned</p>
	<p>An outline strategy was presented and agreed at partnership Council in February. Work to plan the next phase is currently underway</p>	





## Annex 2 – Completed or near completed workstreams / assembly recommendations

Workstream / Assembly action	Commentary
<p>Assembly recommendation 2: UHI creates a panel, drawn from the partnership and chaired by the Vice Chancellor, to assess the value added by the functional areas of EO</p>	<p>The panel report was published in May and contained a number of recommendations for the University focussing primarily on management arrangements, structure and culture. The University senior management team are developing the response to the panel report and implementing changes. Whilst the interdependencies between that work and this change plan will be managed, the delivery of the EO evaluation recommendations will be managed and reported separately.</p>
<p>Assembly recommendation 7: UHI appoints or identifies a single lead HR professional</p>	<p>The appointment to this post was agreed by partnership Council (02 September)</p>
<p>Assembly recommendation 10: UHI empowers partnership council to be a meaningful executive decision-making body</p>	<p>Changes were made to terms of reference and the how the business of partnership council would be conducted was approved in March. A review of how well it is performing as a decision-making body will be undertaken through September and discussed at the November Partnership Council meeting</p>
<p>Assembly recommendation 11: UHI develops partnership-wide priorities, within the context of an agreed partnership-wide strategic sustainability plan, and the senior</p>	<p>The context of this recommendation has changed with the onset of Covid19, but the change management plan contains the agreed priorities and measures to address the sustainability of the university partnership.</p>

<p>executive are held to account to deliver against these</p>	
<p>Assembly Recommendation 13: UHI delivers more balanced Academic Partner non-executive involvement in Court and its Committees</p>	<p>The University Court agreed changes to its governance arrangements and membership at its March 2020 meeting. In short it replaced the Further Education Regional Board with the Regional Strategic Committee and amended the membership of its finance and General Purposes Committee and its Audit Committee to accommodate more partner chairs.</p> <p>Court routinely self-assesses its governance arrangements.</p>

**Subject: Terms of Reference of the Audit Committee**

**Author : Convenor of the Audit Committee**

**Date: March 2021 For decision**

1. The current Terms of Reference (ToRs) of the Audit Committee were approved by the Board on 16 December 2019. Following a recommendation from the SFC, the Audit Committee is now recommending to the Board an amendment to the TORs as set out below.
2. The SFC included a recommendation to Audit Committees in an SFC Call for Information of 20 May 2019 relating to the Institutional Efficiency Return. The SRF indicated in paragraphs 8 and 9 that ... *there is a possibility that Audit Scotland will want to review this information, so it is important that the evidence being held at each institution is detailed and robust enough for audit purposes.* The SFC recommended that ... *you use appropriate internal management and governance arrangements to ensure the robustness of the efficiency information by including a review of the underlying processes within the scope of your Audit Committee's remit.*
3. The proposed change to para 1.2.8 of the College's existing ToRs is made in response to the SFC's recommendation:

1.2.8. to ensure the College systems operate in an efficient, effective and economical manner that promotes full compliance with guidance and regulations governing the Further and Higher Education Sectors, *including the processes which support the provision of institutional information returns to ensure the robustness of those returns.*

The text includes all institutional returns, rather than reference one specific return made by the institution and exclude others.

4. Separately, the Committee of University Chairs (CUC) published in May 2020 a Code of Practice for Higher Education Audit Committees. The Code of Practice is very helpful but rather than undertake a comprehensive review at this stage, the Audit Committee recommends that in its next periodic review of the TORs, the Committee will include a review of the CUC guidance. Nevertheless, the wording of the proposed change is consistent with the CUC Code of Practice.

5. The Board is invited to;
  - (i) Agree the amendment to the text of para 1.2.8 of the Audit Committee's TORs as set out above; and
  - (ii) Note that the Committee will review the CUC guidance in its next periodic review of the TORs.

Attachment; Audit Committee Terms of Reference with a proposed change to 1.2.8;

**Current Version of TORs as approved by Board on 16.12.2019, with draft changes in tracked change mode for review at Board meeting of 24 March 2021**

**AUDIT COMMITTEE OF THE BOARD OF MANAGEMENT OF MORAY COLLEGE**

**Terms of Reference**

**Authority and Responsibility**

- 1.1 The Audit Committee is accountable to the Board of Management of Moray College and is authorised to assess the adequacy and effectiveness of the College's management and control systems.
- 1.2 The responsibilities of the Audit Committee are to review and monitor the College's operations as set out below, and to advise and provide assurance to the Board appropriately:
  - 1.2.1 the governance and management of the College and the effectiveness of corporate governance, and internal management operations and control systems;
  - 1.2.2 the risk management arrangements, including the Committee's responsibilities as set out in the Risk Management Process as agreed by the Board;
  - 1.2.3. adequacy of the College's financial management arrangements and controls, including any matters raised as part of the annual external audit;
  - 1.2.4. effectiveness of the arrangements for safeguarding the assets of the college, including the funds at its disposal;
  - 1.2.5. effectiveness of the arrangements for monitoring certain key control processes, such as disclosure arrangements;
  - 1.2.6. to review and advise on annual internal and external audit plans;
  - 1.2.7. to monitor and make recommendations arising from audits undertaken by College management, any UHI-wide audit or by the internal and external auditors, and monitor and advise on the timely implementation of any associated recommendations;
  - 1.2.8. to ensure the College systems operate in an efficient, effective and economical manner that promotes full compliance with guidance and regulations governing the Further and Higher Education Sectors, including the processes which support the provision of institutional information returns to ensure the robustness of those returns;

1.2.9. to ensure the College systems provide value for money in the provision of services and purchasing; and

1.2.10. to review and advise on the provision of internal and external audit services.

## **2 Membership**

2.1 The Committee should comprise at least three independent non-executive members appointed by the Board. The experience of the members should preferably but not exclusively cover the areas of finance, accounting or auditing and risk management, but at least one member should have recent relevant financial or audit experience.

2.2 In order not to jeopardise, or to be perceived to jeopardise, the Audit Committee's objectivity or independence, members should not have executive responsibility for the management of the College or its finances, or be a member of the Finance & General Purposes Committee. The Chair of the Board should not be a member of the Audit Committee.

2.3 The Board may appoint to the Committee co-opted independent non-executive members who are not members of the Board, and who have particular relevant experience or expertise. Co-opted members may not be appointed to be Convener of the Committee or attend Board meetings but their status in other respects will be equivalent to full Board members, including the provision of information provided to Board members.

2.4 The Board will appoint the Convener of the Committee.

## **3 Proceedings**

3.1 The Committee will meet no less than three times a year and the timing and content should meet the requirements and schedule of the Board meetings.

3.2 The Committee will meet jointly with the Finance and General Purposes Committee to review the annual report of the external auditors and the associated financial statements of the College on which that report is based.

3.3 The Officer to the Committee will be the Finance Director of the College. The internal auditors will normally be invited to attend all meetings. The Committee Chair may invite members of the College executive/staff to attend any meeting to provide information about particular agenda items, with reference to the areas of responsibility under discussion.

3. The Committee may sit privately without any non-members present for all or part of a meeting if they so decide;

3. The external auditor should attend, as a minimum, any meetings where relevant matters are being considered such as planned audit coverage, the audit report on the financial statements and the audit management letter.

- 3.5 Both internal and external auditors have a right of access at any time to the Convener of the Committee, and also the right to ask the Convener to convene a meeting if either deems it necessary. They also have the right to ask for such meeting to be in closed session.
- 3.6 Internal and external auditors will meet with the Audit Committee once per year in private without any College executive in attendance.
- 3.7 The Clerk to the Board of Management will act as Secretary to the Committee. S/he will be responsible for establishing and maintaining effective mechanisms to inform the Committee of relevant reports and other publications that impact on the Committee's work.
- 3.8 At all meetings, the quorum shall be at least one third of the total number of its members, subject to a minimum of three where the substantive membership is five or more, or two where it is less than five.

#### **4 Annual Report**

- 4.1 The Committee will provide an annual report to the Board of Management, consistent with current relevant guidance and templates, as amended from time to time, for such reports made by Public Sector bodies.

## Board of Management Moray College

### Draft Committee Schedule of Meetings for 2021-22

Week Commencing	Audit	Staff Governance	F & GP	LTD	Board Development	Full Board	SLT
16/8/2021							18/8/2021
23/8/2021					25/8/2021		
30/8/2021							
6/9/2021			9/9/2021				
13/9/2021							15/9/2021
20/9/2021						23/9/2021	
27/9/2021							
4/10/2021	7/10/2021					Graduation Friday 8/10/2021	
11/10/2021							
18/10/2021							20/10/2021
25/10/2021						28/10/2021	
1/11/2021							
8/11/2021		11/11/2021 am		11/11/2021 pm			
15/11/2021							17/11/2021
22/11/2021	25/11/2021		25/11/2021				
29/11/2021							
6/12/2021							8/12/2021
13/12/2021						16/12/2021	
20/12/2021							College Closes 23/12/2021
27/12/2021							
3/1/2022							College Reopens Thursday 6/1/2022







**Moray College UHI**  
**Review of Board Effectiveness**  
**March 2021**

by



**Substantial Assurance**

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## **Section 1 Introduction**

The review of Board of Management Effectiveness was commissioned by the Moray College UHI Audit Committee on 24 November 2020 to ensure compliance with the Governance requirements set out by the *Scottish Funding Council* and underpinned by good Governance Guidance produced by *Colleges Scotland* for Colleges operating in the Scottish Further Education sector. The review was independently carried out by Wylie & Bisset LLP during December 2020-March 2021.

**The scope of the review is outlined below.**

In broad terms the review set out to cover:

- (1) That the Board of Management are compliant with the Code of Good Governance;
- (2) The progress the Board are making in relation to self-evaluation; and
- (3) What levels of participation there are by the Board Members in this process and in the strategic decisions taken by the College.

Wylie & Bisset LLP's role was to make an independent assessment of the arrangements and to provide an opinion to the Board of Management on these matters.

**Our findings, recommendations and suggested action plans are set out in Sections 3, 5 and 6 below.**

To reach these findings, we undertook a series of interviews both on a one to one, and group basis. In addition, we reviewed Board of Management and Committee papers of Academic Year (AY) 2018/19, 2019/20 and the first half of 2020/21 including Board of Management papers for the meeting on 15<sup>th</sup> December 2020. We also attended the Board of Management meeting via Microsoft Teams [due to COVID-19 restrictions] on 15<sup>th</sup> December 2020.

**Section 7 includes relevant Annexes to support our findings as follows:**

- i) A full list of all the Board of Management & Staff Members interviewed during this process; and
- ii) A copy of the Board of Management Agenda from 3<sup>rd</sup> December 2020.

Wylie & Bisset LLP would like to take this opportunity to thank all the Board of Management Members and Staff involved in this review for their time, energy and commitment to help us conclude our review, and for the positive and open way in which they all engaged in this process.

## **Section 2      Scope**

In agreement with the Chair of the Audit Committee and the Clerk to the Board of Management on behalf of the Board of Management, the Scope for the Review is set out below. Our report considered each element in turn and provides observations, recommendations and actions based on our findings.

### **Scope of review**

Our objectives for this review were to ensure:

- The Board of Management assesses its effectiveness and has a robust self-evaluation process in place.
- The effectiveness review covers the five sections of the Code of Good Governance.
- The Board of Management sends its self-evaluation and Board of Management development plan to the funding body.
- There is sufficient input by Board of Management Members into the self-evaluation process.
- Any actions arising from the self-evaluation are being actioned.

### **Approach**

Our approach to the review was:

- To review Board of Management and Committee remits, minutes, agendas, and papers.
- To determine whether corporate documents are aligned with corporate objectives.
- To review risk registers in place.
- To interview Board of Management Members and staff based on the pro-forma/questionnaire by Colleges Scotland.
- To review the structure of the Board of Management and Board Member development plans, appraisals, skills mix and induction arrangements.
- To examine recent surveys undertaken which include Board of Management responses.
- To review any audit reports on governance.

### **Section 3      Good Practice Identified**

Outlined in this section are the areas of good practice we identified at the College whilst undertaking our review of Governance Effectiveness.

#### ***Good Practice 1***

The Board of Management meeting on 15<sup>th</sup> December 2020 had a comprehensive agenda to work through. The agenda and chairing of the meeting were all the more difficult due to COVID-19 restrictions which has meant all meetings of the Board of Management and its Committees have taken place virtually using Microsoft Teams since March 2020. Chairing a virtual meeting is a real skill, particularly when you are remote from all of the attendees, who are also remote from each other. Despite all of these hurdles and complexities in our view, the Board meeting was very well chaired.

The Chair did a fantastic job of ensuring each agenda item was dealt with appropriately, providing sufficient time for discussion, debate and resolution. In our view the Chair promoted contributions and discussion by every Board Member and allowed sufficient time for each item, which led to apposite decisions being made on the day.

Chairing a meeting is a key skill and is one which the current Chair of Moray College UHI certainly demonstrated. Indeed, all Board Members interviewed spoke highly of the Chair's ability to maintain focus on each agenda item, so as appropriate decisions could be made.

#### ***Good Practice 2***

##### ***Board Secretary and the Monitoring against the code***

The College has an experienced Clerk to the Board of Management. This was not only confirmed through our discussions with the Clerk and review of the documentation received but also through discussions with Board Members and Staff members. Board Members noted that the Clerk helps to keep things moving, they are very good at the job and has a high level of knowledge that they bring to the role. The Board of Management also sought to improve the link between the Senior Leadership Team and the Board. The Clerk has proven to be the additional link and now attends Senior Leadership Team meetings as a connection between the two who can keep staff and Board Members informed where required.

The Clerk also maintains a detailed assessment of the College's compliance with the Code of Good Governance for Scottish Colleges. This is a in depth analysis of the College's compliance with the Code and provides detailed explanations and links to evidence where required to highlight compliance or areas for improvement.

### ***Good Practice 3***

The College is well connected locally and regionally, and our discussions highlight that the Board of Management and the Principal believe that the College has a central role to play in ensuring the needs of the local, regional, and national communities are met and that the College does so on a basis which is sustainable for them through sharing in the economic benefits all these initiatives accrue.

This is highlighted through numerous partnership arrangements in place such as the Moray Growth Deal, Community Planning Board of Moray and the Developing Young People and Operational Group for Moray.

#### **Section 4 Overall Conclusion**

Using the Good Governance 'Board Effectiveness Template' developed by *Colleges Scotland*, our review considered:

- Board of Management and Committee papers for academic years 2018/19, 2019/20 & 2020/21;
- Attendance at a Board of Management meeting (15<sup>th</sup> December 2020);
- Interviews with Board of Management Members (including the Chair, Principal and Clerk to the Board as well as Committee Chairs); and
- Various Governance documentation.

In reaching our overall conclusion we have identified **3 areas** of **Good Practice** (see **Section 3**) and **5 recommendations and actions** (see **Section 6** below) for continued improvement in this regard.

Overall, we are able to provide a **SUBSTANTIAL** level of assurance over the Board of Management Effectiveness at Moray College UHI. Our assurance level is predicated on continued improvements being made by the Board of Management in their approach to Governance.



## Section 5 Findings

### 5.1 Compliance with the Code of Good Governance

#### 5.1.1 Leadership & Strategy

The College has its '*Code of Conduct*' for Board Members which outlines what is expected from them on a personal and professional basis. The Code is based around the *9 Principles of Public Life*. From the Board of Management papers reviewed and from discussions held & witnessed, it is clear that these principles form the framework for decision making and underlying conduct of the Board of Management. While the '*Code of Conduct*' is detailed and robust, the published version on the College's website states that this was due for review in August 2020 and no review has yet taken place. Please see **Recommendation 1** for further information.

There is a clear vision, mission and values for the College. This is evidenced in their Strategic and Operational plans as well as in the conduct of the Board Members. The College's Strategic Plan covers the period 2016/21, the Board of Management in agreement with the Principal took the decision to delay the development of the new Strategic Plan to allow the College to fully assess the impact of the COVID-19 pandemic and the effect that this will have on the College moving forward. Our discussions with Board Members and the Principal found that the development of the new Strategic Plan will begin with the Board Development Day scheduled to be held in Summer 2021. This will also allow the College to sync their Strategic Plan with that of the UHI Plan.

As a College within the University of the Highlands and Islands (UHI), there is limited scope for the College's 'area' stakeholders to be engaged in compiling the area *Outcome Agreement* as this is balanced at a central level by the Regional Strategic Committee at UHI, the Board of Management look to provide feedback on the *Outcome Agreement* as and when required.

The College has a suite of Key Performance Indicator's (KPIs), which are used to inform the decision-making processes. The KPIs are monitored by the Senior Leadership Team monthly and the reporting of the KPIs forms part of the Principal's report presented to each Board of Management meeting.

Our review of Board of Management papers, our attendance at the Board of Management meeting on 15<sup>th</sup> December 2020 and our meetings with Board Members highlighted that the Committee system was working well and it allowed time to review items in detail at each Committee. During our meetings with Board Members and the Clerk, it was highlighted that Board Members and the Clerk would like the Board papers to be issued earlier and in line with best practice of 1 week prior to the meeting. We discussed this with the Clerk who provided us with a schedule of meeting dates for 2020 for all Board of Management meetings and the Committees and we found papers were not issued 1 week prior to the meeting for any

meeting held in 2020. It was noted that during our meeting with the Chairs of the Committees that they have requested that the Agenda and available papers for the meetings are sent out 5 working days (1 week) prior to the meeting and any late papers issued as and when received. We have witnessed papers for the Board of Management, or its Committees being received on the day of the meeting. Please see **Recommendation 2** for further information.

### 5.1.2 Quality of the Student Experience

The College does not have its own stand-alone Student's Association and the College's Student Association is the Highlands & Islands Student Association (HISA). HISA's Constitution and Memorandum and Articles of Association were implemented in October 2015. We also note that HISA is resourced by UHI according to its requirements. The College has 2 HISA Deputies who sit on the Board and its Committees except for the Staff Governance Committee.

While overall attendance of the Student Members does not appear to be an issue from reviewing the Board of Management and Committee papers, there was no Student Member in attendance at the 15<sup>th</sup> December 2020 Board of Management meeting that we attended. However, the Students Association was represented by a staff member from HISA. During our review and discussions with both Board Members and the Student Members we found that there is some frustration from both parties, and this was also evident from our attendance at the Board of Management meeting held on the 15<sup>th</sup> December 2020. Please see **recommendation 3** for further information.

Board Members highlighted that they believed the Student Members did not participate or actively engage in the meetings or that they fully understood their role as members of the Board of Management. Board Members also highlighted their frustration at information requested from HISA and highlighted that Student Members have access to the information and attended Board of Management meetings when this was discussed. We discussed this with the Student Members who highlighted that the HISA requests come from HISA and not them specifically and are a HISA wide request for all Colleges within UHI. Please see **recommendation 3** for further information.

Both Student Members highlighted that they did not have a full understanding of what their role as Board Members is and that there is no clear roles or responsibilities for their role. We do note that our review of training events offered to Board Members found that both Student Members were offered the same events as other Board Members. Both Student Members noted that when they were running for election as a HISA Depute, they did not fully appreciate that this would also entail being full Board Members at Moray College UHI. Please see **recommendation 3** for further information. Both Student and Board Members also highlighted that attendance and preparation for meetings would sometimes consume their 14 hours working allowance with HISA and this impacted their ability to complete their tasks

along with study. Our discussions with the Student Members also found that they lack confidence in speaking up during meetings and that this was enhanced due to the remote meetings. Both Student Members also highlighted that they believed a strong succession plan for new Student Members would be beneficial. Please see recommendation 5 for further information.

The Board of Management received an annual report from HISA and an update from HISA is a standing agenda item at each Board of Management meeting.

At the 15<sup>th</sup> December 2020 Board of Management meeting, the Board discussed additional help for the Student Members with the HISA Deputes in attendance and it was agreed that the HISA Deputes would help the Student Members prepare for the Board of Management and Committee meetings going forward.

The College has a class representative system in place where the class representative brings forward the views and feedback of their class to help enhance student experience at the College. Monthly meetings are run by HISA and are attended by Senior Management and/or Board Members within the College.

From our review, we found that the curriculum offered by the College seems to meet the demands of students, local employers and stakeholders. The College seems to be well engaged with its community and has taken steps to ensure its curriculum is fit for purpose and sits well within the framework to address local, regional and national priorities.

Ensuring the quality of the student experience, despite resources being tight, does seem to be at the core of what the College is doing.

### **5.1.3 Accountability**

Reading the Board of Management and Committee papers along with speaking with Board Members, the College does what it can to influence the shape of the Regional Outcome Agreement with the Regional Strategic Committee. The Chair and Vice Chair of the Board attend regular meetings with UHI.

Looking at the information on performance against target provided to the Board of Management on 15<sup>th</sup> December 2020, it highlights that the College are on target to meet the HE funded target while for the FE Credit target, the College's target for the year is higher than it has ever been due to an additional credits of 2,000 awarded to the UHI region which resulted in the credits being apportioned to UHI members. The College note that it will be a challenge to achieve these targets. However, due to the Covid-19 pandemic, the SFC has stated they do not intend to claw back funding where under recruitment is related to the Covid-19 pandemic. The College was required to provide a 3-year Financial Forecast Return

(FFR) to the SFC at the end of June 2020 and the College were advised that whilst there could be a budget deficit for 2020/21, there would have to be sufficient savings to provide a balanced budget that was within ministerial guidance of £450k deficit. The College developed a detailed FFR based on known income and costs which projected a phased recovery of lost income and cost savings over the next 3 years. A Special Board meeting was held in September 2020 that highlighted that in order to bring costs in line with SFC expectations the College would have to make further staff cuts of £400k. At the time of our review, the SFC had consented to the Voluntary Scheme submitted by the College, however, this was consent from the SFC to operate the Scheme and not an offer of grant funding. The College are currently waiting on the SFC to confirm if grant funding is available before progressing with the Scheme.

Conflicts of interest are noted and dealt with appropriately by the Board of Management and its Committees. The Board of Management have a register of interest, with interests being declared where appropriate. Please see **Recommendation 2** for further information.

The College makes good use of their Board of Management Committee structure, with all members of the Senior Leadership Team and others contributing to paper creation. This is in line with good practice.

Terms of reference for the Board of Management and its Committees are clear and unambiguous. The schemes of delegation are in line with schedules we have reviewed elsewhere.

Having attended the Board of Management meeting on the 15<sup>th</sup> December 2020 to observe how the Board of Management operated/functioned, it was clear, despite the virtual nature of the meeting, this Board seem to work well together. **Good Practice Point 1** in Section 3 above underlines this observation.

The Committees of the Board of Management appear to be working well, with the majority of the work being undertaken initially at Committee level; with non-Committee Members having the opportunity to scrutinise matters at the Board of Management. Indeed, at the 15<sup>th</sup> December 2020 meeting, we saw this in practice where there was good engagement and reasonable and effective challenge being shown by the Board of Management.

The 2019/20 Financial Statements were compliant with OSCR's charity regulations and as far as we can determine (from the information we have seen) the 2020/21 accounts (via the Joint Finance & General Purpose & Audit Committee meeting on the 11<sup>th</sup> February 2021) will also be compliant. The Statement of Compliance within the Governance Statement of the College's 2020/21 financial statements outlines that the College are compliant with principals of the 2016 Code of Good Governance for Scottish Colleges with the exception of criteria C3: Accountability & Delegation and C22: Financial & Institutional Sustainability. As noted above the Board of Management and the Senior Leadership Team have taken decisive action and a

three-year budget was submitted to the SFC in June 2020 that highlights a balanced budget by the end of 2022/23.

#### 5.1.4 Effectiveness

From the interviews we conducted with both Board of Management and Staff Member's **Annex i)**, the consensus was that the Chair of the Board of Management was very effective.

In their view, the Chair provides the character and leadership expected of the role. The Chair's style is fair, respectful, consultative, inclusive and very much team based. It was also highlighted that the Chair puts in a lot of work for the College that includes their commitments to UHI. Having observed the Chair and their interactions with the Principal, Clerk and others, it was evident to us that they work well with all of those they are tasked with leading. **Good Practice Point 1** outlines how well the Chair conducts the meeting.

While there seems to be a good mix of skills and experience on the Board of Management, the College have not undertaken a formal skills review exercise since 2017. The College are in the early stages of undertaking this, please see **Recommendation 4**.

All Board Members interviewed seemed to have a clear understanding of their roles and responsibilities.

**Good Practice Point 2** outlines that the Clerk to the Board is very clear about what their role is, as was the Chair of the Board of Management. From discussions it was clear that although the role is a part-time one, there is always more to do than the time allowed for it specifically during the Covid-19 pandemic. The Clerk noted that during the pandemic and working from home has resulted in them often working more than their 21 hours, however, they noted that this was not a specific issue prior to the pandemic and working from home arrangements.

During our review, the Support Staff Board Member resigned from the Board. The reason given was due to their workload and that they were struggling to keep up with their day job and attendance at meetings. The Clerk highlighted that they asked the Board Member to stay on for a few weeks to allow the College time to recruit a replacement, but the Board Member felt they had to resign with immediate effect. The Clerk noted that while they have a long-term Teaching Board Member, the recruitment and retention of the Support Staff Board Member has proved troublesome and that this was the second resignation citing workload in a short period of time, please see **Recommendation 5**.

### 5.1.5 Relationships & Collaboration

As **Good Practice Point 3** highlights, from discussions held with Board Members, the Chair and Principal, it appears that the College is well connected locally and regionally.

The College are involved in the Moray Growth Deal, this is a regional deal designed to boost economic growth across Moray. The My Moray website states that “It is a long-term plan centred around specific projects designed to transform the economy, address concerns around encouraging young people to live and work in the area and address gender inequality in employment”. The Moray Growth Deal involves the College working with the Scottish and UK Governments, Moray Council and other partners across the public and third sectors and private businesses.

On the 29<sup>th</sup> January 2021, the Board of Management held a meeting to review and approve the Business Cases for the 2 projects led by the College as part of the Moray Growth Deal. These being the BE Hub Project and the Moray Aerospace, Advanced Technology, and Innovation Campus (MAATIC) Project.

The BE Hub Project is “designed to promote inclusive economic development in Moray (and the wider region), primarily by supporting scale-up of existing small and micro-businesses, as well as providing support to start-ups, university spin-outs and inward investors”.

The MAATIC Project is described as using “once-in-a-generation combination of the Moray Growth Deal and strategic aerospace developments at the only operational RAF Base in Scotland to provide a genuinely transformational opportunity for the region and its people”. Ultimately the project will help inspire Moray’s children and create much needed jobs and opportunities.

Since the completion of the last Externally Facilitated Board Effectiveness Review, the College have appointed a Head of Academic Partnership and two Depute Heads of Academic Partnership whose role it is to develop relationships with externally facilitated stakeholders including employers, schools, Skills Development Scotland and Highlands and Islands Enterprises.

The College are also represented on the Community Planning Board for Moray and the Developing Young People Board and Operational Group for Moray.

From the conversations we had, the Board of Management and the Principal were very much minded that the College had a central role to play in ensuring the needs of the local, regional, and national communities are met and that the College does so on a basis which is sustainable for them through sharing in the economic benefits all these initiatives accrue.

## **5.2 Board of Management Self Evaluation**

### **5.2.1 Individual Board of Management Members**

The Chair of the Board of Management undertakes self-assessment development meetings with Board Members. For 2020, the completion of the meetings was staggered due to Covid-19 with the meetings beginning in March 2020 and being completed in June 2020.

The Chair also undertakes an annual one to one with the Principal that was undertaken in February 2021. The Chair of the Court at UHI undertakes an annual self-assessment one to one with the Chair of the Board of Management.

The Board are well placed in the process of individual and collective self-evaluation. This is a key strength for the Board, as it shows a willingness of the Board to look at what they do, how they do it and what they can individually and collectively do to ensure there is continual development and evolution in the governance of Moray College UHI.

At the time of our review, the College were preparing the self-assessment programme for 2021.

### **5.2.2 The Collective Board of Management**

As well as individual self-evaluation, collective self-evaluation seems to be a foundation in what the Board of Management do each year. The results of the annual Board of Management self-evaluation are collated and present to the Board of Management by the Clerk who also ensures that any training needs are highlighted and acted upon.

At the time of our review, the College were preparing the evaluation programme for 2021.

## **5.3 Board of Management Member Participation in Strategic decisions**

The Board of Management papers, subsequent minutes and discussions observed during this review indicates that Board Members all appear to participate in decision making at the College. However, our meetings with Board Members indicated that they would like Board papers to be issued timelier to allow them to properly prepare and digest the information, please see **Recommendation 2**.

## Section 6 Recommendations, Client Comments & Action Plan

	<b>Finding</b>	<b>Recommendation</b>	<b>Grading</b>	<b>Client Comments</b>	<b>Agreed Actions &amp; Responsibility</b>	<b>Timeline</b>
1.	<p>The Board of Management's published Code of Conduct states that the Code was due for review in August 2020, however, this has yet to take place.</p> <p>We note that the Code of Conduct nationally is under review and the College plan to update their Code of Conduct following this review.</p>	<p>We recommend that the College update the review information within the published Code of Conduct.</p>	<b>Priority 3 - Low</b>	This has now been completed.	Clerk to the Board of Management updated the published Code of Conduct.	Completed
2.	<p>Our review highlighted that Board Members were concerned over timeliness of some Board of Management and Committee papers.</p>	<p>We recommend that the Board Members work with the Clerk and current Chair to specify the types of papers they wish to see and the timelines over which they wish to receive these.</p> <p>We further recommend that those tasked with creating Board and Committee papers, put aside appropriate time in their diaries to ensure that papers are comprehensive, informative and meet the known timetables for the delivery of such papers.</p>	<b>Priority 2 - Medium</b>	<p>We are understanding that during the Covid-19 pandemic, there are additional pressures on members of the SLT and we hope to revert to more timeous papers after some normality returns.</p>	<p>SLT to ensure papers are provided to the Clerk to the Board to ensure the Clerk can circulate the papers timeous.</p>	30 June 2021



	Finding	Recommendation	Grading	Client Comments	Agreed Actions & Responsibility	Timeline
3.	<p>Our review highlighted that there were some frustrations from both the Board Members and the Student Members regarding their role and participation.</p> <p>The Board of Management received an information request from HISA that was discussed at the 15<sup>th</sup> December 2020 Board of Management meeting. It was evident that this request caused some frustration amongst Board Members. The Student Members of the Board of Management noted that this request was from HISA covering all Colleges within UHI and not specifically from them.</p> <p>It was also evident from our attendance at the Board of Management meeting and discussions with Board Members including Student Members that there was not a full understanding of their roles and responsibilities. This also included the Student Members role as a Board Member. During our meetings with the Student Members, it was highlighted that they believed that it would be worthwhile for incoming Student Members to receive detailed information on what has been happening at the</p>	<p>We recommend that the College work with HISA, UHI and the Student Members of the Board to improve:</p> <ul style="list-style-type: none"> <li>➤ Communication between all parties;</li> <li>➤ Develop a clear document outlining the Student Members roles and responsibility as a Board Member and</li> <li>➤ Develop a specific induction and training programme for the role the Student Member.</li> </ul> <p>The College has also considered a implementing a mentor programme for the Student Members that could be investigated further to help support the Student Members.</p> <p>Furthermore, we recommend that steps are taken to support the Student Members who are retiring to put in place steps to ensure a smooth transition.</p>	<p><b>Priority 2 - Medium</b></p>	<p>Moray College will open discussions with UHI and HISA to try and agree a process to enabled Student Members to become more prepared for Board membership.</p>	<p>The Chair of the Board and the Clerk to the Board will contact HISA and UHI as soon as possible.</p> <p>The College will reissue the Board induction pack to Student Members with a cover sheet identifying key elements of their role.</p> <p>The Clerk will also speak with the Student Members to ensure a smooth transition to new members.</p>	<p>30 September 2021</p>

	<p>College and information on any long-term actions discussed at Board of Management meetings to ensure that they have some background information. Both Student Members believed that a strong induction process would be beneficial.</p> <p>Our review also highlighted that Student Members are due to retire at the end of the Academic Year and will be replaced.</p>					
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	<b>Finding</b>	<b>Recommendation</b>	<b>Grading</b>	<b>Client Comments</b>	<b>Agreed Actions &amp; Responsibility</b>	<b>Timeline</b>
4.	<p>The College has not undertaken a formal review of the skills mix of Board Members since 2017. We do acknowledge that the skills of members have been discussed and potential gaps highlighted.</p> <p>We also note that the College are in the early stages of undertaking a formal skills assessment of Board Members. It is good practice to ensure that a formal skills mix assessment is undertaken on a regular basis e.g. bi-annually.</p>	<p>We recommend that the College ensure that the Board of Management skills assessment is completed, and any gaps are considered. We also recommend that this assessment is then carried out at least bi-annually.</p>	<b>Priority 2 – Medium</b>	<p>We are in the process of undertaking a skills assessment.</p>	<p>Skills assessment is being completed by the Board with support from the Clerk.</p>	30 June 2021
5.	<p>During our review the Support Staff Board Member tendered their resignation from the Board with immediate effect citing workload and that they were struggling to keep up with their day job and attendance at Board of Management meetings.</p> <p>The Clerk also highlighted that this was the second resignation received in a short space of time for this role citing this reason.</p>	<p>We recommend that the College further investigate the reasons that there have been resignations from this role citing workload.</p> <p>We also recommend that the College consider implementing further support to the replacement Support Staff Member once a new Staff Member has been appointed.</p>	<b>Priority 2 – Medium</b>	<p>The Clerk to the Board has received 3 nominations for the role and will hold an election for the post.</p> <p>The Board recognise this as an area for improvement and have laboured the responsibilities to the new applicants while the Clerk has also spoken with the nominations to provide them with more information on the role.</p> <p>The Board has also considered reducing the roles required Committee membership.</p>	<p>Clerk to the Board will ensure that nominations for the post are held.</p> <p>The Clerk to the Board will also work with the new appointment to ensure they receive a full induction and support from the CDN training network.</p>	31 May 2021

## Section 7     Annexe's

### Annex i)

#### Board of Management Interviewee List

<b>Interviewee &amp; Role</b>	<b>Method</b>	<b>Location</b>
Peter Graham – Chair of the Board of Management	1-2-1	MS Teams
Catherine Fair – Clerk to the Board of Management	1-2-1	MS Teams
David Patterson – Principal	1-2-1	MS Teams
Jessie McLeman – Chair of the Audit Committee	Group 1	MS Teams
Murray Easton – Chair of the Finance & General Purposes Committee	Group 1	MS Teams
Seonaid Mustard – Chair of the Staff Governance Committee	Group 1	MS Teams
Anne Campbell – Chair of the Learning, Teaching & Quality Committee	Group 1	MS Teams
Rosemary McCormack – Staff Board Member	Group 2	MS Teams
Kyle Gee – Student Board Member	Group 2	MS Teams
Hermione Morris – Student Board Member	Group 2	MS Teams

## Annex ii)

Board of Management Agenda – 15<sup>th</sup> December 2020

**BOARD OF MANAGEMENT**  
**Wednesday 15<sup>th</sup> December 2020**  
**Via Microsoft Teams**

Agenda Number	Item	Presented By	Action Required: Decision, Discussion, For Noting
<b>BM.20.07.01</b>	(i) Resignations	C Fair	Noting
	(ii) Appointments		
<b>BM.20.07.02</b>	Apologies for Absence	C Fair	Noting
<b>BM.20.07.03</b>	Any Additional Declarations of Interest including specific items on this Agenda.	Chair	Noting
<b>BM.20.07.04</b>	Minutes of previous Board meetings:	Chair	Decision
	(i) Draft Minutes of Board Meeting held on 27 October 2020 *		
	(ii) Draft Minutes of Special Board meeting held on 5 November 2020		
<b>BM.20.07.05</b>	Matters Arising from previous Board meetings:	Clerk	Noting
	(i) Matters Arising from Board Meeting held on 27 October		
<b>BM.20.07.06</b>	Principal's Report - RESERVED *includes		
	(i) Overview *	D Patterson	Discussion
	(ii) Student Recruitment and Enrolment update	C Newlands	Noting
	(iii) KPI's		
	(iv) Moray Growth Deal - verbal update	D Patterson	Noting
	(v) Update on Health and Safety - incident report	D Patterson D Duncan	
<b>BM.20.07.07</b>	Draft Minutes of Regional Strategic Committee 5 November 2020 *		Noting
<b>BM.20.07.08</b>	Draft Minutes of UHI Court 25 November 2020 *		Noting

<b>BM.20.07.09</b>	Minutes of Committee Meetings		
	(i) Remuneration Committee 5-11-2020 *	M Easton	Noting
	(ii) Draft Minutes from Staff Governance Committee on 10-11-	S Mustard	Noting
	(iii) Draft Minutes from Learning, Teaching and Quality Committee 10-11-2020 *	A Campbell	Noting
	(iv) Draft Minutes from Finance and General Purposes on 24-11-2020	M Easton	Noting
	(v) Audit Committee on 24-11-2020	J McLeman	Noting
<b>BM.20.07.10</b>	Learning and Teaching	N Yoxall	Noting
	(i) Overview		
	(ii) EREP Final Report *		
	(iii) Student Early Experience Survey		
<b>BM.20.07.11</b>	Curriculum - verbal update	C Newlands	Noting
<b>BM.20.07.12</b>	Staffing reductions - consultation process verbal update -RESERVED	C Thomson/SLT	Discussion
<b>BM.20.07.13</b>	Finance Update	M Easton	Noting
	(i) Q1 Management Accounts *		
	(ii) F&GP - Annual Report to the Board		
<b>BM.20.07.14</b>	Emerging Issues	Chair	Discussion
	(i) Update on UHI	Chair	Noting/discussio
	(ii) Position on UHI Shared Finance Options	D Patterson	Noting
	(iii) E-mail security	D Duncan	Noting/discussio
<b>BM.20.07.15</b>	Externally Facilitated Board Effectiveness Review *	Wylie & Bisset	Noting
<b>BM.20.07.16</b>	HISA Update	HISA	Noting
	(i) HISA Letter to the Board *	HISA	
	(ii) Response to HISA Letter	Board	Discussion
<b>BM.20.07.17</b>	Annual Health and Safety Report	D Duncan	Noting
	(i) Annual sign off of Health and Safety Policy Statement (Annually)		

	(ii) Health and Safety Questionnaire		
<b>BM.20.07.18</b>	Date of next meeting - 28-1-2021	Clerk	Noting
<b>RESERVED ITEMS</b>			
<b>BM.20.07.19</b>	Reserved Minutes of Previous Board Meetings.	Chair	
	(i) Reserved Draft Minutes of Board		Decision
	(ii) Reserved Draft Minutes from Special Board Meeting on 5 November 2020 *		
<b>BM.20.07.20</b>	Reserved Matters Arising/Actions from previous Board meetings:	Clerk	Noting
	(i) Reserved Matters Arising/Actions from Board Meeting 27 October		
	(ii) Reserved Matters Arising/Actions from Special Board Meeting on		
<b>BM.20.07.21</b>	Reserved Minutes from Committee		
	(i) Reserved Draft Minutes from Remuneration Committee on 5-11-	M Easton	Noting
	(ii) Reserved Draft Minutes from Staff Governance Committee on 10-	S Mustard	Noting
	(iii) Reserved Draft Minutes from Learning, Teaching and Quality Committee on 10-11-2020*	A Campbell	Noting
	(iv) Reserved Draft Minutes from Finance and General Purposes on	M Easton	Noting
	(v) Reserved Draft Minutes from Audit	J McLeman	Noting

## Assurance Levels

<b>Strong</b>	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified.
<b>Substantial</b>	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made.
<b>Weak</b>	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately.
<b>No</b>	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately.

## Recommendation Priorities

<b>Priority</b>	<b>Classification</b>
<b>1 (High)</b>	Weakness that we consider needs to be brought to the attention of the Board and addressed by the College.
<b>2 (Medium)</b>	Significant issue or weakness/improvement which should be addressed by the Organisation as soon as possible.
<b>3 (Low)</b>	Minor issue or weakness/improvement reported where the Organisation may wish to consider our recommendation.