UHI | INVERNESS

Meeting	Board of Management
Date and time	Tuesday 13 February 2024 at 4.30 p.m.
Location	UHI Inverness Boardroom 203&204 & Microsoft Teams

Governance Officer
07 February 2024

AGENDA

The timings on this agenda are indicative only and may extend beyond times highlighted.

Welcome and Apologies

Declaration of Interests and/or any Statement of Connections or Transparency Statements.

16:30 – 17:15   **BOARD CREATIVE SPACE**

16.35 - 16.55   **EARLY STUDENT EXPERIENCE SURVEY**
Report by Emma Baillie, Quality Officer
Closed Session

16.55 - 17.15   **TRAUMA INFORMED COLLEGE PROGRAMME**
Report by Paula Christie and Gordon Hunt from CDN
Closed Session

ITEMS FOR DECISION

17:15 – 17:20   **1) MINUTES**
   a.) Meeting of the Board of Management held on 19 December 2023
   b.) Closed Session Note (CSN-01-122023) of the Board of Management held on 19 December 2023
   c.) Confidential Note (CN-BoM-01-122023) of the Board of Management held on 19 December 2023

17:20 – 17:25   **2) OUTSTANDING ACTIONS**

Actions List

17:25 – 17:30   **3) HR & PAYROLL SHARED SYSTEM**
Report by Information Development Manager Suzanne Stewart delivered by Principal

ITEMS FOR DISCUSSION

17:30 – 17.40   **4) KPI MATRIX**
Report by Operations and Commercial Manager

17.40 – 17.45   **5) TARGET OPERATING MODEL**
Verbal Report by Principal

17.45 – 17.50   **6) GOVERNANCE ADVICE ON THE CLAWBACK POSITION**
Verbal Report by Principal

17:50 – 18:00   **7) FINANCIAL UPDATE**
Report by Director of Finance and Estates

18:00 – 18:30   **8) PRINCIPAL'S REPORT (CONFIDENTIAL)**

18:30 – 18:40   **9) GOVERNANCE UPDATE**
Report from Governance Officer

18:40 – 18:45   **10) DRAFT MINUTES OF MEETINGS OF BOARD COMMITTEES (CONFIDENTIAL)**
a.) LT&R Committee held on 05 December 2023

FOR NOTING

18:45 – 18:50   **11) CONTRACT STRATEGY REVIEW – CLEANING SERVICES TENDER**
Report by Director of Finance and Estates

12) AOCB

13) DATE AND TIME OF NEXT MEETING
26 March 2024 at 4.30 p.m.

If any member wishes to add an item of business to the Agenda, please inform the Chair and the Governance Officer as soon as possible. Additional items of business will only be considered for inclusion in the agenda in advance of the start of the meeting.

Board of Management Committee

Subject/Title:	Early Student Experience Survey Summary Report 2023
Author: [Name and Job title]	Emma Baillie, Quality Officer
Meeting:	Board of Management Committee
Meeting Date:	13th February 2024
Date Paper prepared:	27th November 2023
Brief Summary of the paper:	This paper sets out a high-level overview of participation and satisfaction rates in our first all student survey of AY 23-24.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: • compliance • partnership services • risk management • strategic plan • new opportunity/change	• Risk Management – student experience / reputation / retention / recruitment • Strategic plan – excellent experience for all • New opportunity/change – identifying aspects of best practice / further development
Resource implications:	**If yes, please specify**:
Risk implications:	**If yes, please specify:**
Equality and Diversity implications:	If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Status – [Non confidential]	
Freedom of Information Can this paper be included in "open" business* [Yes]	Yes

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

Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of confidence actionable in court (S36)	2 of 8
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

Further guidance on application of the exclusions from Freedom of Information legislation is available via

http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

BOM Feb 24

Early Student Experience Survey Summary Report 2023

Executive Summary

This report presents the findings of the recent Early Student Experience Survey (ESES) which was conducted to assess the feedback and satisfaction levels of all aspects of student experience at UHI Inverness. The survey received the highest response rate in over five years, and overall satisfaction reached an all-time high. The high response rate unlocked £1000 which was donated to our charity partner, Maggie's.

Charity Partnership

To engage students and gather valuable feedback, we partnered with local cancer charity, Maggie's, which was chosen by students. Maggie's is a well-known charity dedicated to providing practical, emotional and social support to individuals and families affected by cancer. Their involvement not only boosted participation but also aligned with our broader mission of community engagement and collective responsibility.

Survey Approach

Most students were eligible to complete the ESES. Work-based students were sent an adapted version to complete, however all other eligible students were sent the regionally devised survey. ESOL students were given translated help sheets to aid online completion, and Supported Education students were given paper versions of the regional survey including graphics and symbols. The ESES was distributed electronically to students via email with a unique survey link, taking around 5 minutes to complete.

ESES eligibility criteria was:

- Students with a current enrolment status
- Students studying a full time or part time of 160hrs or more of learning (4 credits or more)
- Students on courses at SCQF level 4 – 10.

The ESES was split into two sections:

- **Satisfaction Survey:** regionally devised set of core questions which are informed by student representatives and elected officers around application, enrolment, induction, and initial start-up.
- **Satisfaction Ratings** – section where students can rate the quality of UHI Inverness services in which they have used. Free text option was available to capture any extra information.

The survey was open for two weeks prior to the October break.

ESES results

All staff have access to ESES Results Dashboard and have been asked to reflect upon the satisfaction rates and comments in their area to identify potential areas for improvement.

The response rate target was set at 55%, which was what was achieved in 2022-23. This year, the **ESES response rate was remarkable with 63.2%** of the student sample participating. This is the highest response rate recorded in over five years, demonstrating an increased willingness to engage with feedback.
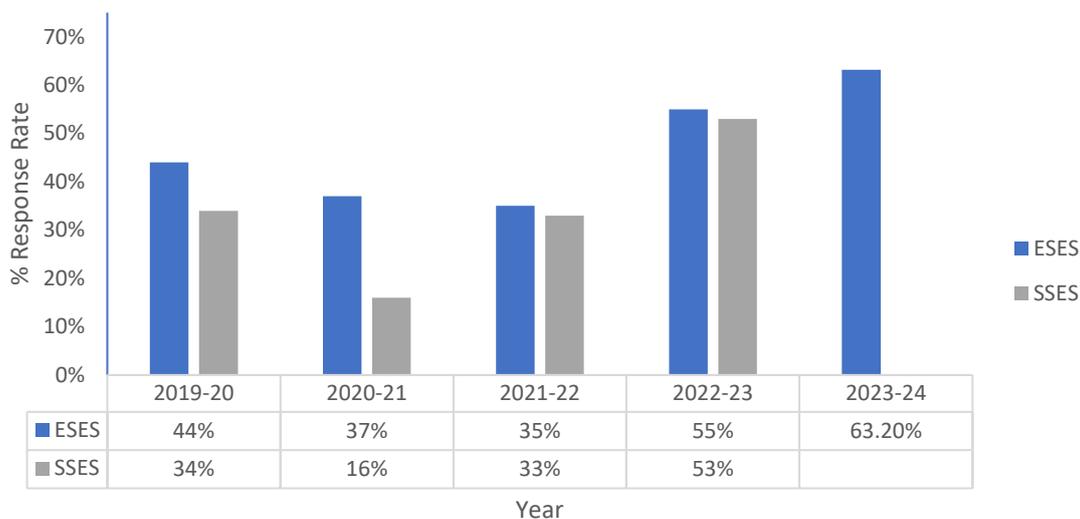

	2019-20	2020-21	2021-22	2022-23	2023-24
ESES	44%	37%	35%	55%	63.20%
SSES	34%	16%	33%	53%	

Figure 1. ESES & SSES response rates 5-year trend.

Figure 1 shows the 5-year trend of response rates for both the ESES and the end of year survey, Student Satisfaction & Engagement Survey (SSES). 2023-24 ESES saw an 8.2% increase in response compared to last academic year, and 28.2% increase upon 2021-22 response rate.

One of the most significant findings of the survey is the record-high level of overall satisfaction among students. Overall satisfaction is measured by respondents selecting "very satisfied" or "satisfied" with their experience so far. **ESES 2023-24 saw an increase of 1.1%, to 96.2% overall satisfaction.** Figure 2 displays the 5-year trend in overall satisfaction. The 2023-24 result is also 1.2% higher than the target set for overall satisfaction for the ESES this academic year (95%).
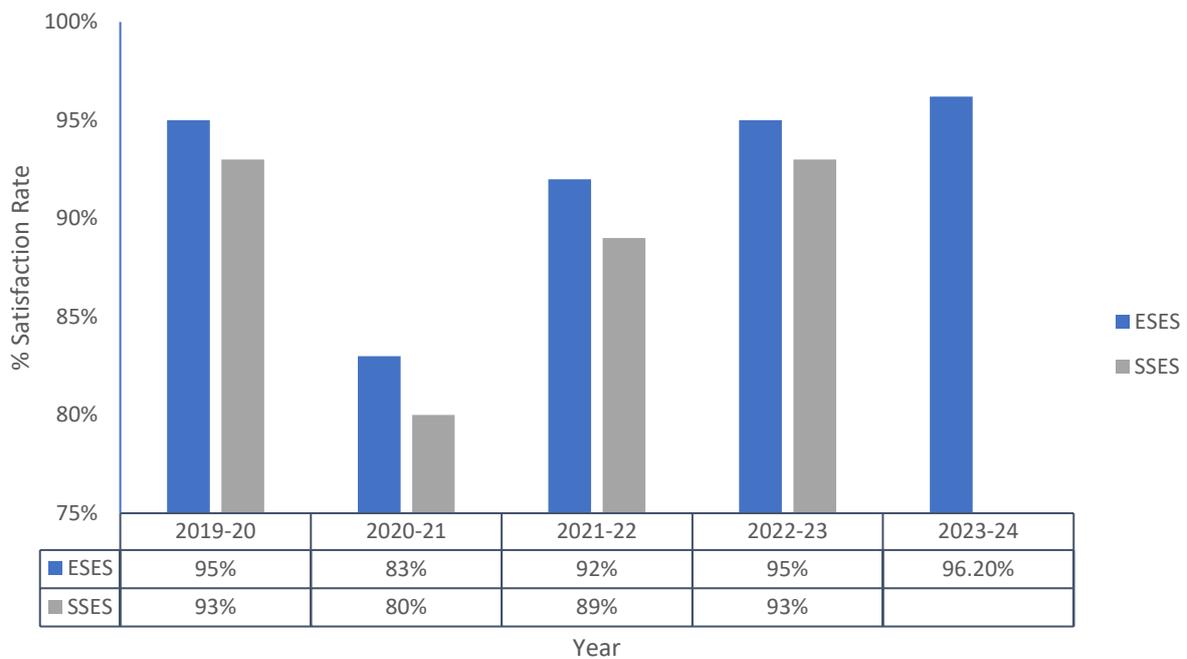
BOM Feb 24

Figure 2. ESES & SSES overall satisfaction 5-year trend.

Figure 3 below shows the curriculum area response rate and satisfactions rates, along with overall UHI Inverness results. Overall it shows that **FE students are more satisfied (97.3%) than HE (94.1%).** This is the same for all curriculum areas, apart from Construction & Engineering, where HE are more satisfied than FE students. It is important to note that the networked nature of some HE classes has potentially impacted the overall satisfactions core. Science, Computing & Education had the highest overall satisfaction, with FE satisfaction sitting at 99%. Scottish School of Forestry had the lowest overall satisfaction, and lowest response rate. Business and Creative Industries had the highest percentage response rate, with Care, Arts Sport and Humanities having the greatest number of students complete.

BOM Feb 24

Curriculum Area	Sample Size	No. of Responses	% Response Rate	% Overall Satisfaction	FE Satisfaction	HE Satisfaction
Business & Creative Industries	557	443	79.5%	97.2%	98.2%	94.2%
Care, Arts, Sport & Humanities	1192	617	51.8%	95%	97.6%	92.7%
Construction & Engineering	681	488	71.7%	96.3%	96.1%	97%
Science, Computing & Education	496	327	65.9%	98.4%	99%	97.1%
Scottish School of Forestry	138	66	47.8%	89.4%	89.5%	89.3%
Overall results	**3064**	**1941**	**63.2%**	**96.2%**	**97.3%**	**94.1%**

Figure 3. Curriculum Area high-level results

This academic year the ESES results dashboard includes a 3-year trend analysis which allows teams to drill down to course details or personal characteristics. Teams are encouraged to use this tool to further interpret the feedback specific to their areas.

Free text comments have been made available on the ESES Results Dashboard. Each comment has been categorised by Partnership Agreement theme. 1114 comments were received around what students like about their course and the college, and 628 comments were received about what students don't like.
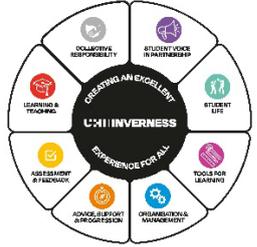
Partnership Agreement theme		No. Comments "Tell us what you like about your course and the college"	No. Comments: "Tell us what you don't like about your course and the college"
	Advice, Support & Progression	84	53
	Assessment & Feedback	2	10
	Collective Responsibility	26	25
	Learning & Teaching	728	243
	Organisation & Management	100	243
	Student Life	152	19
	Student Voice in Partnership	5	6
	Tools for Learning	16	29

Figure 4. Number of comments by partnership agreement theme.

Themes Emerging

Students are dissatisfied with:

- **Support for online learning**
- **Induction information overwhelming** and initial start up a bit **disorganised** for some groups of students.
- Impact of **ASOS and striking**
- Content of PDA sessions
- **Signage** – directional, and health & safety.
- Some students lack of respect for **student code of conduct**
- **Social space** and experiences on campus

Students satisfied with:

- **Share the warmth initiatives** (free breakfast, free soup, the cubby, the larder)
- **Lecturer knowledge and support**
- Our **buildings,** including their cleanliness and their surroundings.
- **Accessibility and inclusivity** of UHI Inverness.

Next steps

- Team level analysis of the ESES results. Please encourage staff to attend one of the walkthrough sessions, or invite Quality along to your next team meeting.
- Headline results to be shared with students via Course Committee Meetings (CCMs) and Student Voice Rep Council.
- Quality, HISA and EMT to investigate college level themes for improvement.
- Communicate the headline results to all students along with the actions taking forward using all media platforms.

Thank you to all teams for your continued support in all aspects of the Early Student Experience Survey. We hope the published results are useful in your evaluation and enhancement activities. We value feedback from all staff in how we can continue to improve our survey processes.

UHI | INVERNESS

Board of Management

DRAFT MINUTES of the BOARD OF MANAGEMENT ONLINE MEETING held via Microsoft Teams on 19 December 2023.

PRESENT:	Mark Sheridan, Chris O'Neil, Dee Bird, Rojan Kumar Subramani, Michael Beveridge, Sally Blyth, Russell Edwards, Stephen Sheridan, Innis Montgomery, Elizabeth Keegan, Wendy Grindle, Janette Campbell, Jane Davidson, James Millar
CHAIR:	Mark Sheridan
APOLOGIES:	Arvinder Kainth, Matthew Millward, Gillian Galloway, Amy Goodbrand, Pauline Tuthill, Holly Pearce, Donald MacKenzie
IN ATTENDANCE:	Vice Principal – Curriculum, Student Experience and Quality Vice Principal – Curriculum, Operations and External Relations Interim Director of Finance Operations and Commercial Manager Governance Officer
OBSERVER:	Peter Francis

The Chair welcomed everyone to the meeting and introductions were made.
The Chair welcomed Peter Francis as an Observer.

The Board was advised that we are now able to formally ratify the appointments of Ludka Orlowska-Kowal as Governance Officer and Janette Campbell as Non-Executive Member of the Board of Management.

Decision: The Board **RATIFIED** the appointments of Ludka Orlowska-Kowal as Governance Officer and Janette Campbell as Non-Executive Member of the Board of Management.

Closed Session – Board Creative Space

The Chair introduced the CONFIDENTIAL session, during which the Principal would present an overview of recent events.

Closed Session – Principal's Overview

A closed session took place (Note of Session: CSN-01-192023).

Declarations of Interests

No declarations of interest, statements of connections or transparency statements were noted.

1. MINUTES

a.) Meeting of the Board of Management held on 03 October 2023

Decision: The minutes of the Board of Management Meeting held on 03 October 2023 were **AGREED** as a correct record and were **APPROVED.**

b.) Closed Session Note (CSN-01-102023) held on 03 October 2023

Decision: The Closed Session Note (CSN-01-102023) of the Board of Management Meeting held on 03 October 2023 was **AGREED** as a correct record and was **APPROVED.**

c.) Confidential Note (CN-BoM-01-102023) held on 03 October 2023

Decision: The Closed Session Note (CN-BoM-01-102023) of the Board of Management Meeting held on 03 October 2023 was **AGREED** as a correct record and was **APPROVED.**

2. OUTSTANDING ACTIONS

- **Partnership Agreement – ON HOLD -** It was reiterated to the Board that updates to the Partnership Agreement have ceased whilst the work streams from UHI 2024 are conducted. The Principal provided the Board with a confidential update in respect of UHI 2024 advising that work is continuing to progress.

  Action 1: The Governance Officer will circulate to the Board a note of the UHI 2024 Curriculum Update which was provided to staff as part of a Wee Connect update in May 2023.

  This action has now been put on hold.

  Decision: It was **AGREED** that this item could be put on hold.

- **Business Solutions Team Presentation – ONGOING -** The Governance Officer advised the Board that Creative Space Sessions are being diarised for the upcoming Academic Year as part of the Board Development Plan. The Board was advised that the Business Solutions Team Presentation would be scheduled for the Board in conjunction with updates on the revitalisation programme and curriculum review.

  Action: The Business Solutions Team will attend the Board meeting on 25 June 2024.

- **Finance Training – COMPLETE -** The Governance Officer advised that finance training for all Board Members had been arranged by the Professional Development Team and was carried out in June 2023. The Board provided feedback on the training.

  Action: The Board requested a follow up Finance Training session, which the Governance Officer will arrange following the return of Academic Staff in August 2023.

  This action has now been completed with Audit training taking place in November 2023.

Decision: It was **AGREED** that this item could be removed from the list.

- **Partnership Working – ONGOING -** The Principal advised the Board that we are continuing to look at partnership working. The Board noted that a collective decision had been made to cease the move to ITrent and that we are currently going through the procurement process again, in conjunction with others in the partnership, in respect of a combined Payroll and HR System. Suzanne Stewart, Information Development Manager, has recently made recommendations to data sharing model.

- **UHI Inverness College Annual Audit Report by Ernst and Young – SUPERSEDED -**The Governance Officer advised the Board that the Audit Committee continue to review all outstanding recommendations. In respect of the Internal Audit Recommendations the Board was advised that 15 remain active but that most are interrelated. The Board noted that it is expected that the financial recommendations will be closed once the procurement strategy and financial regulations have been updated.

  This action is to be superseded as the contract with Ernst and Young has now ended. New action has been proposed to monitor and evaluate the failure by new external auditors Deloitte to complete audit reports on time.

  Decision: It was **AGREED** that this item could now be removed from the list.

- **UHI 2024 – ONGOING -** The Governance Officer will circulate to the Board a note of the UHI 24 Curriculum Update, which was provided to staff as part of the Wee Connect update in May 2023.

  Workshop will take place on 19 January 2024.

- **Finance Training Sem 2 – ONGOING -** The Governance Officer will arrange a further follow up session for Board Members. Speaking to Sarah Sutherland about another session to be offered in Sem 2.

- **Finance Training HISA – ONGOING -** Training session with Finance Team to be organised for HISA Board members.

  Session to take place in January 2024.

- **Principal's Report: Enquiring Minds Scheme – COMPLETE -** Enquiring Minds Scheme presentation to be circulated to the Board.

This action is now complete.

Decision: It was **AGREED** that this item could be removed from the list.

- **Principal's Report: Enquiring Minds Scheme Update – ONGOING -** An update on Enquiring Minds project to be presented to the Board during one of the Board Creative Space sessions. Session will be provided either during March or June meeting.

- **UHI Inverness College Annual Audit by Deloitte – ONGOING -** We are in the first year of contract with the new provider. An action has been proposed to monitor and evaluate the failure by new external auditors Deloitte to complete audit reports on time.

- **Health & Safety induction module – ONGOING -** Health & Safety module for Board induction to be looked at and updated if needed.

3. HEALTH & SAFETY ANNUAL REPORT

The Health, Safety & Sustainability Manager spoke to his report on Annual Health & Safety update. The period covered is from 01 December 2022 to 30 November 2023. The total number of reported incidents is now similar to our pre-covid number.

Main areas addressed:

- iHasco platform used for H&S staff training
- Sypol platform introduced to manage hazardous substances
- Inconsistencies in asset management procedures have been identified, and a plan to address them has been implemented
- Fire alarm procedures have been updated and additional training offered to staff due to changes to automatic fire alarms introduced by Scottish Fire and Rescue Service.

The Chair and Board thanked the Health, Safety & Sustainability Manager for a very detailed and concise report.

A discussion took place to clarify a number of question Board members had in regard to violence incidents on campus, near miss statistics and verbal incidents.

The Board welcomed the decision that the Health, Safety & Sustainability Manager reports now directly to the Principal. A discussion took place to decide if Board and EMT members would benefit from additional H&S training sessions.

Action: Health & Safety module for Board induction to be looked at and updated if needed.

Decision: The Board **APPROVED** Health & Safety Annual Report.

4. LONGMAN SITE DISPOSAL

Vice Principal – Curriculum, Operations & External Relations spoke to her report on Longman Site Disposal. A slight change to the report has been provided as the sale did get concluded on the 15 December and not 13, as stated in the report. The funds have been reported to be transferred already and have been invested into a high interest account.

Vice Principal – Curriculum, Operations & External Relations proposed to the Board that the Estates Legacy Project Board to be discontinued with an amendment that either F&GP or Audit Committee will take responsibility for monitoring it for next two years.

The Chair asked for this item to be added to the remit of the Audit Committee.

The Board agreed that a Thank You letter will be sent to SFC, and agents involved.

Decision: The Board **APPROVED** the Longman Site Disposal.

Decision: It was **AGREED** that the Estates Legacy Project Board can be closed down.

5. SUB-STRATEGIES & POLICIES FOR APPROVAL

The Interim Director of Finance joined the meeting.

The Chair reported to the Board that all five policies have not been sent to the Committees for scrutiny due to short notice. Some of them are being presented still in draft format with comments and formatting visible. The Board members have been advised additional time can be allocated in case it was needed, and all policies can then be approved as Chair's actions in January 2024.

The Interim Director of Finance has provided the Board with a detailed list of changes in all five policies as he spoke to his report.

The Chair thanked the Interim Director of Finance for his detailed summary. The Principal commented that the EMT were delighted with the quality of work provided to them.

The Chair of Audit Committee commented on all five policies from assurance and risk management perspective: being written to a very high standard, and with attention to detail. The Chair of Audit confirmed the compliance of all with current good and best practice across the sector.

The Chair thanked the Chair of Audit for the confirmation that best practice has been used in all five. He was content with details provided and the professional presentation by the Interim Director of Finance. The Board had agreed and approved all five policies presented.

a.) Anti-Fraud Policy

Decision: The Board **APPROVED** Anti-Fraud Policy.

b.) Staff Travel and Transport Policy

Decision: The Board **APPROVED** the Staff Travel and Transport Policy.

c.) Financial Regulations Policy

Decision: The Board **APPROVED** the Financial Regulations Policy.

d.) Risk Management Policy

Decision: The Board **APPROVED** the Risk Management Policy.

e.) Value for Money Policy

Decision: The Board **APPROVED** the Value for Money Policy.

Innis Montgomery left the meeting.

6. KPI MATRIX

Operations and Commercial Manager spoke to his report to provide the Board of Management with an overview of the performance against KPI measures in scope YTD 2023-24.

This report provided the Board with summary information of college performance against the agreed key performance measures that are in scope year to date. The data and RAG rating for each measure in scope is provided as at the end of period 4 – November 23, with the exception of two measures for which actual November data is to be completed. Those measures are:

-    Room Occupancy – Frequency %.
-    GTFM % Reactive task completion rate.

The monitoring and reporting frequency is established for each measure; for example student numbers are monitored weekly therefore the data for the KPI matrix is profiled and reported monthly, whereas NSS and SSES surveys are undertaken and reported annually.

The Board discussed all Performance Measures provided, welcomed all achieved targets and a further discussion around the targets still not achieved took place.

Decision: The Board **APPROVED** the KPI Matrix report.

7. PRINCIPAL'S REPORT

The Principal spoke to his CONFIDENTIAL report (CN-BoM-01-192023) which provided the Board with an overview of new and continuing activity.

8. WORKING IN PARTNERSHIP REPORT

The Quality Manager joined the meeting.

The Quality Manager spoke to her report on Working in Partnership with HISA and wider student body. The aim of the report is to assists with the Quality Assurance and Enhancement strategy, the student partnership agreement and to provide the Board with an update on current enhancement themes, number of Student Representatives and a short summary of current activities.

The Board thanked the Quality Manager for her detailed report and agreed that listening and acting on students' feedback and suggestions is very important to create a healthy relationships between staff and students.

Decision: The Board **APPROVED** the Working in Partnership report.

9. GOVERNANCE UPDATE

The Governance Officer spoke to her report which provided the Board with an update on all governance matters and highlighted:

- Open nomination process for the position of the Vice Chair of the Board with nominations to be sent 7 days prior next meeting on 13 February 2024
- Janette Campbell has been ratified as the newest Non-Executive Board member and Chair of the Audit Committee
- Prof. Peter Francis has been offered a panel interview for the position of the Co-Opted member and a panel interview will take place in January 2024
- Notes of interests to join HR Committee would be welcome

- Trade Union Nominees on Board - recognised trade unions will now commence the election process in January 2024, with new Board members formally elected to Boards by 31st January 2024

10. DRAFT MINUTES OF MEETINGS OF BOARD COMMITTEES

The Board noted the contents of the DRAFT meetings of the:

- Chairs Committee held on 02 November 2023
- HR Committee held on 16 November 2023
- LT&R Committee held on 05 December 2023 – to follow

The Chair has asked members to send any comments regarding minutes attached to himself and the Governance Officer.

11. Q1 COMPLAINT HANDLING REPORT

The Chair has asked members to send any comments regarding the report to himself and the Governance Officer.

12. EXTERNAL AUDITORS FAILURE

The Chair has asked members to send any comments regarding the report to himself and the Governance Officer.

11. DATE AND TIME OF NEXT MEETING

Tuesday 13 February 2024 at 4.30 p.m.

The Chair thanked Peter Francis for joining the meeting as an Observer and for accepting his interview.

The Chair wished all members present a good Christmas break and a Happy New Year 2024.

UHI INVERNESS

Board of Management – List of Outstanding Actions

29 June 2021				
Partnership Agreement	A progress update on the timeline will be taken and discussed at each Board meeting to ensure that the partnership is delivering on the agreed timescales. Part 1 has been agreed in principle. Part 2 requires additional work, and a further draft is now being considered. This has been halted whilst actions from the UHI Revitalisation Programme are carried out.	Principal & Chair	**On Hold**	
05 October 2021				
Closed Session	The Business Solutions Team are to attend a Board Meeting to present the pro-active ways in which they are working. This will be scheduled as part of the Board Development Plan for AY 23-24.	Gov Off	**25 June 2024**	
28 June 2022				
Confidential Annex – Partnership Working	The Principal will engage with potential partners and carry out due diligence in respect of proposals. We are currently going through a further procurement process in respect of a shared Finance, Payroll and HR system.	Principal	**Ongoing**	

1

	Suzanne Stewart, Information Development Manager, has recently made recommendations to data sharing model.			
27 June 2023				
UHI 2024	The Governance Officer will circulate to the Board a note of the UHI 24 Curriculum Update, which was provided to staff as part of the Wee Connect update in May 2023. Workshop will take place on January 19th	Gov Officer & Principal	**Ongoing**	
Finance Training Sem 2	Finance Training – The Governance Officer will arrange a further follow up session for Board Members. Business lecturer Rhona Morrison will offer training session in Sem 2, date still tbc.	Gov Officer	**Ongoing**	
03 October 2023				
Finance Training HISA	Training session with Finance Team to be organised for HISA Board members.	Gov Officer & Finance	**20/02/2024**	
Principal's Report: Enquiring Minds Scheme Update	An update on Enquiring Minds project to be presented to the Board during one of the Board Creative Space sessions. Session will be provided either during March or June meeting.	TEL & Prof Dev Manager	**Ongoing**	
19 December 2023				
UHI Inverness College Annual Audit by Deloitte	We are in the first year of contract with the new provider. An action has been proposed to monitor and evaluate the failure by new external auditors Deloitte to complete audit reports on time.	Gov Officer & Principal	**Ongoing**	
Health & Safety Induction Module	Health & Safety module for Board induction to be looked at and updated if needed.	Gov Officer and H&S Manager	**Ongoing**	

2

BOARD OF MANAGEMENT

Subject/Title:	Data Protection & Risk Management
Author: [Name and Job title]	Suzanne Stewart, Data Controller
Meeting:	Board of Management
Meeting Date:	13th February 2024
Date Paper prepared:	02/02/2024
Brief Summary of the paper:	This paper provides an overview of the risks associated with the joint academic partner procurement exercise for a new HR and Payroll system.
Action requested: [**Approval**, recommendation, discussion, noting]	It is recommended the Board note the risks and the actions suggested in mitigation. The Board are asked to approve the college proceeding to the procurement process.

Link to Strategy: Please highlight how the paper links to, or assists with: ☐ compliance ☐ partnership services ☐ risk management ☐ strategic plan ☐ new opportunity/change	This project is focussed on compliance with data protection law and the associated technical and organisational measures to protect personal data. This is a joint project with 4 other academic partners and fits within the "Shared Services" aspect of the UHI 2024 strategy. The project risks have been identified and actions for mitigation identified.
Resource implications:	**Yes** / No **If yes, please specify**: Staff resource is required to manage the testing and implementation of the project but will be covered within current staffing resource. Each partner is contributing towards the cost of the HR & Payroll Systems Manager post which is based at UHI Perth.
Risk implications:	**Yes** / No **If yes, please specify:** Operational: Potential for data breach via unauthorised processing of data Organisational: Financial R: ICO monetary penalty and reputational damage should things go wrong
Equality and Diversity implications:	Yes/**No** **If yes, please specify:**
Student Experience Impact:	Yes/**No** If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	Staff colleagues within HR, Professional Development and Payroll functions have been consulted regarding the system specification. HR Manager is part of the Project Board. Data Protection Officer is involved on behalf of UHI Inverness.
Status – [Confidential/Non confidential]	Non confidential

Freedom of Information Can this paper be included in "open" business* [**Yes**/No]	Yes	

*If a paper should **not** be included within "open" business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33)		Its disclosure would constitute a breach of confident actionable in court (s36)	
Its disclosure would constitute a breach of the Data Protection Act (s38)		Other (Please give further details)	

Further guidance on application of the exclusions from Freedom of Information legislation is available via

http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp   and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Purpose of report

The purpose of the report is to appraise the Board of the current situation regarding the procurement of a new HR & Payroll System that will be shared with an additional 4 academic partners.

Due to the financial cost and the level of associated risks involved with the project, approval is sought from the Board to proceed with the procurement process.

Update

Following a meeting the EMT on 8th January 2024 to discuss the attached paper, the following feedback was provided to the UHI Project Team:

"Our Principal previously communicated that UHI Inverness's Executive Management Team were happy to say yes, in principle, to the new system subject to:

- *The Governance is agreed and must be absolute. We need to agree the Terms of Reference of the Governance Group.*
- *The superusers use of the system must follow an agreed process when undertaking any cross-partner reporting.*
- *The Governance group must oversee this.*
- *The Membership of the Governance Group must be agreed and finalised.*

We haven't as yet had sight of the above.

- *Reporting to the Board of Management must be agreed – to be confirmed.*
- *Ahead of any signing there must be sight of any impact, savings, business case and people needed to test out if one system for five partners is more efficient and cost effective than buying the same one five times, including the Project Management and Governance costs.*

UHI Specification

Feeback/comments from the HR Team, Professional Development Team and the college's Data Controller were provided to the UHI Project team. In addition,

- *UHI Inverness requested an amend to the specification to include two sets of costs as part of the system tender:*

  1. *Quote based on one instance of the system that contains multiple (5), separate data sets.*
  2. *Quote based on one agreed configuration that can then be purchased by four further partners at a set cost (and perhaps others if they wish to join at a later date).*

- *Permissions for cross partner reporting would need to be absolutely clear when any contract is drawn up. Any cross-partner reporting requests should be overseen by the Governance Group."*

During the period of feedback to UHI EO, our ICT Manager was made a member of the Project Board to enable him to provide technical expertise regarding system connectivity and data security as part of the procurement process.

There are some unresolved concerns, but it is envisaged these will soon be addressed when the terms of reference and composition of the Governance Group are known.

The Governance arrangements put in place are key to risk mitigation. It has taken time for other partners to appreciate our concerns, but that point has now been reached.

The board are asked to "approve" progression through the procurement stage of this project. When tenders are received there will be a further opportunity to ask questions and/or raise concerns, before fully committing to the project as a shared repository for the 5 partners involved.

We are keen to assess the financial options and weight these up against the identified risks, before committing to the joint project.

Suzanne Stewart
Data Controller

EMT

Subject/Title:	New HR & Payroll System
Meeting and date:	8th January 2024
Author:	Suzanne Stewart, Data Controller
Decision, Discussion or Noting:	Decision
Link to Strategic Plan:	
Cost implications:	**Yes** / No (*delete as applicable*) **If yes, please specify:** If this goes wrong, there is the potential for a monetary penalty from the ICO up to £17.5M
Risk assessment:	**Yes** / No (*delete as applicable*) **If yes, please specify:** Information risk, data security risk, information governance risk

Recommendation(s)
EMT discuss the risks outlined in the paper and consider the recommendations prior to committing /signing off on the tender specification for the HR & Payroll systems.

New HR & Payroll System
Having read the 90-page specification document, I have some concerns regarding the organisational risks for UHI Inverness (and the other individual partners).

HR & Payroll Specification Concerns
- The HR & Payroll Systems Manager is employed by Perth College (the partners involved in the project contribute to the salary costs).
- The specification states the University will hold the contract with the system provider. It is understandable the University wish to hold the contract on behalf of the partners but with the HR & Payroll Systems Manager being employed by one of the partners, it makes the arrangement a bit "messy." **It raises the question of "which body" will be managing the overall contract and directing the project implementation**.
- The specification notes the system provider will invoice each partner separately for their share of the cost as it applies (this was advice from APUC previously to avoid additional internal VAT charges). That is not an issue, but as yet, there is no agreement on how the costs will be split amongst the partners involved. **It would make sense to split the cost based on the % of records processed for each partner.**
- The specification states *"The System must support for advanced data analysis across each **entity and where approved across the partnership**.*

  Data Protection law (UK GDPR Article 32) requires that we put in place technical and organisational measures to ensure a level of security appropriate to the risk. The sixth data principle states that "Personal data shall be processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction, or damage, using appropriate technical or organisational measures ("integrity and confidentiality")."
  The bullet point above, suggests there should be the ability to report across the data of the partners involved (**if approved**, but it is not clear what the approval process would

be). The specification should not include the "approval/governance process" **but partners should understand how things will work in practice before committing to a joint system.**

HR and Payroll data sets have the ability to cause harm to individuals if the data is shared inappropriately or breached. I consider the two data sets to be "High Risk Processing" in terms of the data stored within each system. When the two data sets are linked within one system, a large picture about each individual is created. In terms of information risk, should a data breach occur, or the data be inappropriately accessible, the impact on each person, could be sizable. This is not a reason to reject the proposed system, but something to be mindful of, regarding risks associated with it.

The suggestion to report across the data sets as things currently stand, is not acceptable and exposes a risk e.g**., who holds the authority to request or produce such a report? What would be the governance arrangements around the processing of such a request and the security of the data (who would have access etc.)?**

The HR & Payroll Systems Manager is employed by one of the partners involved. This person will have total access to the data as they will be responsible for implementation across the partnership. They will hold the rights to assign access permissions (such access levels would normally be held by an ICT/LIS colleague for the partnership). It's not clear what the cover arrangement will be during holidays/illness etc. It is accepted that more than one person requires full access (who will this be?) This exposes a potential weakness in the system of data security that could be open to exploitation.

For example, if the 2nd Super User were to be an EO employee, what is to stop a senior colleague within EO asking the 2nd Super User to run a cross partner report? What if the 2nd Super User feels pressurised to do this due to organisational hierarchy? The chances are, the 2nd Super User may consult the first if they were available, but, if they were absent (holiday or sick), the situation could be exploited. I have used this contentious example, to highlight the risk.

- The system will be configured to produce a defined set of reports containing identified data fields, but the reports will be customisable by each partner/entity involved. This is great at partner level but not so clever if this also applies to cross partnership reporting.

- The contract between the partners involved will be complex. Each partner is a data controller, and the system provider is a data processor. However, if EO hold the contract with the system provider, they also become a data processor as all partner data will be held in their instance of the system. This relationship could be further complicated if the provider of the system, is providing a third-party product e.g., they don't own the software but have purchased it and configured it to the UHI specification.

- The Sun Finance system contract is already becoming complex between UHI Inverness and UHI NW& H. The HR/Payroll arrangement as outlined in the current specification will be even more complex because there are more partners involved.

- It is yet to be ironed out what happens if something goes wrong and a partner wishes to withdraw from the contract, transferring their data to either a separate system completely or a stand-alone version of the same system (it does not sound like additional partners could be added to the system). By considering the real risks, we

might be able to eliminate or mitigate them.

- It is unclear how much involvement there has been from the LIS team. John Maher is aware, but I am not sure there has been any consultation regarding the technical connectivity required with other 5 partner's systems.

- I understand from James Nock he sent a list of points for consideration back in March 2023 to the partners he acts for. I believe his points have yet to be answered too.

Summary

Whilst the move to common systems has emerged from the UHI 24 Strategy, it is unclear why partners want to put their data in the same data repository. There has been some learning from the shared finance service, but we are still trying to make good the "shared environment" from a data protection/data security perspective. The finance system is less of a risk with only two partners involved and the data is stored in a UHI data store.

System ownership and control of the HR/Payroll data is a real concern as things currently stand.

It makes sense to procure a system (to an agreed specification) that several partners purchase so if there are further mergers, amalgamating data into a shared system in the future is much simpler. This would be straightforward if each partner holds its own instance of the system.

The specification is written covering EO, Inverness, NW & H, Perth, and Shetland, (who may join later). If any of the colleges in the mix decide to merge in future, a new data set will need to be added when the new entity is created. The specification does not currently allow for others to "join" later, only Shetland.

I am not aware of any consideration having been given to a partner pulling out of the contract once it is in place and what effect this may have on the remaining partner costs. There would be a requirement to retain historic data in the system if a partner removed its current records. Again, there would be a storage cost but what will that figure be based on?

As yet, we have no idea of the cost implications of purchasing one large repository that holds all the data sets separately, as opposed to purchasing an identical system for each of the 4 or 5 partners. It would make sense for this to be part of the specification (to provide two different quotes) if the focus of the exercise is about saving money as well as streamlining systems.

If each partner has its own version, there will a cost for each partner for system upgrades (as each one will be done individually). This is the situation partners are currently in. If all partners data is in one repository, there would be one cost to upgrade the system, split by all partners (in theory). However, it is not known if it would be more time consuming/costly to perform a system upgrade on a large repository containing several data sets than on a single system containing one data set.

If the proposed system is not the final destination for our HR and Payroll data, what are the benefits to UHI Inverness (as opposed to the risks) of storing our data in a shared system?

Recommendations

1.   The specification is amended to included two sets of costs as part of the system tender:

- o   Quote based on one instance of the system that contains multiple (5), separate data sets.
- o   Quote based on one agreed configuration that can then be purchased by four further partners at a set cost (and perhaps others if they wish to join at a later date).

Unless the partnership seeks costs for the different options, nobody will know or be able to quantify if there are any actual cost savings to be had by sharing the same repository. Cost saving should be a factor when considering the risks (it might not be worth the risk).

2.   If the project goes ahead with all data sets in the same repository, I recommend that EMT push to have the 2nd Super User of the system as a member of UHI Inverness staff. Argue on the basis we are either the largest or second largest partner in the project.

3.   I also recommend removing the option of being able to report across the five data sets from the system specification. As the system specification does not involve all academic partners, the benefit of being able to report across five partners is not clear. The system is not the end destination so why build this functionality in?

4.   I would recommend that all partners involved sign up to a common user manual and common configuration of the system. Any future changes to the system should be applied to all partner versions. If not, amalgamating data sets at a later stage will be problematic.

Suzanne Stewart
Data Controller

UHI INVERNESS

Board of Management

Subject/Title:	KPI Matrix
Author: [Name and Job title]	Martin Whyte
Meeting:	Board of Management
Meeting Date:	13 February 2024
Date Paper prepared:	6 February 2024
Brief Summary of the paper:	To provide the Board of Management with an overview of the performance against KPI measures in scope YTD 2023-24.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • compliance • partnership services • risk management • strategic plan • new opportunity/change	Each set of KPI measures corresponds to a section of our strategic plan and their sub strategies. They provide quantitative measurements and are presented in a BRAG format in order to provide a visible overview of our progress toward each KPI.
Resource implications:	No **If yes, please specify**:
Risk implications:	No **If yes, please specify:** Operational: Organisational:
Equality and Diversity implications:	No **If yes, please specify:**
Consultation: [staff, students, UHI & Partners, External] and provide detail	Staff, managers and Board Committees

Status – [Confidential/Non confidential]	No
Freedom of Information Can this paper be included in "open" business* [Yes/No]	Yes

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

Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

Recommendation(s)

For discussion.

Purpose of report

This report provides the Board with summary information of our performance against the agreed key performance measures that are in scope year to date. The data and RAG rating for each measure in scope is provided as at the end of period 6 January 24. All data is current, except for HR measures, Finance measures and Estates measures, for which January actual data is awaited.

A brief narrative for each measure not yet meeting performance expectation is detailed below, with some selected highlights included. Only measures where data has changed since the last report will be commented upon.

Appendix A provides the KPI Matrix report as at 31st January 24, period 6.

Narrative on Measures YTD.

Serial 1. HE Active Applications. RAG 75.4%.

HE Active applications as of 31st Jan were 829, however the first tranche deadline for UCAS application had been extended and the January figure does not account for those applications. Active applications as of 5th February now stand at 1,214.

Serial 2. FE Active applications. RAG 53.7%.

FE Active applications are behind plan YTD due to Further Education courses not being open for application until mid-way through January. 188 applications received between 16th Jan and 31st Jan, which is positive given that the expectation is for 300 applications from December opening.

Serial 3. FE Credits. RAG 104.6%.

Ahead of plan YTD and we are confident of achieving target (and SFC threshold) for 23/24.

Serials 4-6. Apprenticeship related measures. RAG Green.

Performance YTD in all apprentice measures (New Starts, Average in learning, Apprenticeship Income) are all ahead of plan YTD. Due to SDS contract funds 'running out' as we approach the fiscal year end, there will be a slow-down of income claims until the new contract and fiscal year begin in April.

Serial 8. Commercial Short Course Income. RAG 138.7%

Positive performance YTD. Commercial income increasing is encouraging given that FWDF funding has ceased and there is no confirmed replacement. Further work and activity needed for 24/25.

Serial 11. HE PPF FTE. RAG 86%.

HE FTE currently at 1,220, expected to increase to approximately 1,260. However, well short of HE numbers targeted. Impact on HE funding will be significant. Steps have been taken within curriculum plans to address the gap in 24/25.

Serial 12. Research Income less Expenditure. RAG (-200.4%)

Research income is expected to fall well short of target. A review of expenditure and forecast outturn has been completed and the projected deficit budget remains out with tolerance. Further work is required to address the scale of the deficit.

Serials 18 and 23. ESES % and ESES Response Rate. RAG 100% and 115%

Excellent results both in terms of student satisfaction score, but also in terms of the response rate which exceeds the benchmark set.

Serial 36. Mental Health Support appointment. RAG 109.1%

The team continue to do a tremendous job providing support and guidance to our students. They have provided 100% appointment support to vulnerable students, against a 'target' of 91.7%.

Serial 47. Number of Workplace Injuries. RAG 594%

107 reported injuries against plan of 18 YTD. Health, Safety and Sustainability Manager monitors the reports closely and is aware of recurring types of injury. HS&S manager will amend the target for 2024-25.

Serial 49. % of Staff Completed Mandatory iHASCO training. RAG 95.6%

Significant improvement in compliance and completion. At the time of the last report the RAG status was 77%..

Serial 60. CO2 Emissions on Utilities (Gross) Tonnes. RAG 124.7%

YTD the measure is 69 tonnes ahead of plan YTD (347 vs 278). HS&S Manager, Estates and EMT are aware and monitoring our utility usage, energy mix and they continue to have conversations with GTFM as to how we can both work together to reduce emissions.

Performance Measures
AY: 2023-2024

Performance Measures- EMT & Board of Management

Measures - Linked to Profile and Actual sheets

AY Start	01 Aug 2023
Today	06 Feb 2024
Period Month	January
No.Periods YTD	6

Key:

B = Not yet in scope	
R = Not Achieved	
A = Partially Achieved	
G = Achieved	

Serial	Measure	Measurement Frequency	2022/23 Actual	2023/24 Target	YTD Profile	YTD ACTUAL	YTD ACTUAL v PROFILE RAG
	Measure 1: CORE FE/HE OUTPUTS						
1	HE Active applications (next AY - Measure from Dec - Jul)	Monthly	1334	1,500.0	1100	829	75.4%
2	FE Active applications (next AY - Measure from Dec - Jul)	Monthly	2049	2,300.0	350	188	53.7%
3	FE Credits	Monthly	30569	26,657	24,000	25,097	104.6%
4	Apprenticeship starts (contract year)	Monthly	385	280	218	234	107.3%
5	Apprentices in Learning (average in year)	Monthly	651	650	662	672	103.4%
6	Apprenticeship Income (excluding T&A)	Monthly	£1,248,012	£1,348,050	£677,522	£682,780	100.8%
7	FWDF Income	2 monthly	£294,495	£150,000	£150,000	£149,926	100.0%
8	Commercial Short Course Income	Monthly	£137,191	£129,996	£64,998	£90,139	138.7%
9	HE enrolments (head count)	Monthly	1,986	1,986	1,900	2,069	108.9%
10	HE enrolments (year one starts)	Annual	523	670	670	697	104.0%
11	HE PPF FTE (from Oct)	Monthly	1,251.8	1,418.0	1,418.0	1,220.0	86.0%
12	Research - Income less expenditure	Biannual	-£195,223	-£150,000	-£150,000	-£300,658	-200.4%
13	GA Programmes - New Enrolments (confirm monitoring period) (23/24 benchmark yr)	Monthly				92.0	
14	Senior Phase Enrolments (23/24 benchmark yr)	Annual				678.0	
	MEASURE 2: SATISFACTION MEASURES						
17	Employer satisfaction survey	Biennial					
18	Early Satisfaction & Engagement Survey (ESES)	Annual	95.3%	96%	96.0%	96.0%	100.0%
23	ESES % Response Rate	Annual		55%		63.3%	115.1%
	Measure 3: RETENTION, SUCCESS & PROGRESSION						
32	Modern Apprenticeship successful outcomes (contract year)	Monthly	61.0%	65%	65.0%	67.2%	103.3%
33	FE progression to further FE study	Annual	33.8%	35%	35.0%	37.1%	106.0%
34	FE progression to HE - actual	Annual	10.0%	35%	35.0%	30.0%	85.7%
35	Mental Health Support appt (non-emergency) offered for within 3 - 10 working days	Monthly	83.0%	91.7%	91.7%	100%	109.1%
36	Learning Support appt offered for within 6 - 20 working days	Monthly	77.0%	91.7%	91.7%	93%	101.8%
	Measure 4: HR						
40	Sickness levels	Quarterly	2.80%	2.52%	2.78%	3.60%	129.5%
41	- Short Term	Quarterly				1.67%	
42	- Long Term	Quarterly				1.93%	
43	% Staff turnover	Quarterly	2.37%	3.35%	3.86%	3.44%	89.2%
44	PRD completion - full or review	Quarterly	84%	100%	25%		
47	Number of workplace injuries	Monthly	26	26	18	107	594.44%
48	Number of RIDDOR reportable accidents and illness	Monthly	1			2	
49	% of staff completed mandatory IHASCO (H&S) Trg	Quarterly	86%	80%	80.0%	76.5%	95.6%
	Measure 5: FINANCE						
52	Adjusted current ratio	Quarterly		1.7	1.7	2.8	164.7%
55	Cash days in hand	Quarterly		62.0	62.0	88.1	142.1%
58	Analysis of aged debtors > 90 days	Quarterly		50.0%	50.0%	8.1%	16.2%
	Measure 6: ESTATES & CAMPUS						
59	Room Occupancy - Frequency %	Monthly	19.0%	35.0%	33.2%	34.9%	105.3%
60	CO_2 Emissions on Utilities (gross) Tonnes	Monthly	553	553	278	347	124.7%
61	% waste sent to landfill	Quarterly	70.0%	15%	15.0%	17.3%	115.5%
62	Estates reactive task completion rate %	Monthly	96%	95%	95%	94.3%	99.3%
63	GTFM % reactive task completion rate	Monthly	93%	92%	92%	93.2%	101.3%
64	Total % of Capital expenditure budget committed (Aug - March)	Monthly	100%	100%	75%	36.0%	48.0%

UHI | INVERNESS

Subject/Title:	Revenue Budget Monitoring to 31 December 2023
Author:	Niall McArthur, Director of Finance & Estates
Meeting:	Board of Management
Meeting Date:	13 February 2024
Date Paper prepared:	5 February 2024
Brief Summary of the paper:	To present the revenue budget monitoring and projected outturn for the 5 months to 31 December 2023.
Action requested: [Approval, recommendation, discussion, noting]	Noting

Link to Strategy: Please highlight how the paper links to, or assists with:: ☐ compliance ☐ partnership services ☐ risk management ☐ strategic plan ☐ new opportunity/change	Complying with Funding parameters Financial Sustainability
Resource implications:	Yes – monitoring of Financial Resources **If yes, please specify**:

Risk implications:	Yes **If yes, please specify:** Financial Operational
Equality and Diversity implications:	N/A
Student Experience Impact:	None
Consultation: [staff, students, UHI & Partners, External] and provide detail	None
Status – [Confidential/Non confidential]	Non-Confidential
Freedom of Information Can this paper be included in "open" business* [Yes/No]	Yes

*If a paper should **not** be included within "open" business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33)		Its disclosure would constitute a breach of confident actionable in court (s36)	
Its disclosure would constitute a breach of the Data Protection Act (s38)		Other (Please give further details)	

Further guidance on application of the exclusions from Freedom of Information legislation is available via

http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp   and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Recommendation

The Board of Management are asked to note the report and discuss the planned actions to reduce the forecast deficit to a more manageable level.

Purpose of report

To provide an update to the Board of Management on the current forecast position at December 2023, in terms of the revenue budget monitoring forecast for the 12 months ended 31 July 2024.

Executive Summary

This report provides an update to the Board of Management on the forecast position of the college at the 5 month stage to December 2023. It should be viewed as a draft interim forecast, as further work is required to be carried out on the actual figures to January 2024, to enable a more robust forecast to be produced at the 6 month stage. This forecast can then be used as a basis for the SFC Mid-Year Return, which is required to be produced by the end of March 2024 for SFC. This work will be carried out through February 2024 and ensure that the forecast figures are robust and will be based on the most up to date information from all budget holders and from forecasts of key grants.

Overall, the management accounts position is currently forecasting a draft operational deficit of £1.142 million, (assuming pay inflation at 5% for 2022/23 and 3% for 2023/24), compared to the original budget deficit of £418,000. A breakdown is provided in appendix 1 of the report.

The College is forecasting that it will meet the FE Credit target for 2023/24, with the actual number of credits at 10 January 2024 currently being 23,443, compared to the target of 26,657. In terms of the HE UGT fte number for 2023/24, the current actual, at 30 January 2024 is 1,263 fte, compared to the target of 1,321 fte,

The main issues that are affecting the financial performance for the College in 2023/24 are noted below.

Income

- o Research grant funding is significantly below target at present and the current forecast is a reduction of £300,000 in income for the year. At present further work is being carried out on both income and expenditure forecasts to ascertain the forecast for the year.
  - o <u>Mitigating Actions</u>: a review is currently being undertaken in the research area, which will look at both income and expenditure areas. Scenario plans will be prepared in terms of both best case and worst-case scenarios for both income and expenditure, as well as a review of staffing levels.

- o UHI HE grant funding is forecast to be below target for 2023/24. Work is currently being carried out to ascertain the forecast reduction in the level of HE grant for the year, but it is currently estimated at £186,000.
  - o <u>Mitigating Actions</u>: to maximise the January 2024 student intake for HE students. A marketing campaign will be undertaken to increase applications for 2024/25, as well as continuing with open evenings and other events to attract additional HE students.

- o Tuition fees – with the HE fte being below the target set for the year as noted above, there will be a knock-on effect on the tuition fees, which is being forecast to be below target by £99,000.
  - o <u>Mitigating Actions</u>: to maximise the January 2024 student intake for HE students. A marketing campaign will be undertaken to increase applications for 2024/25, as well as continuing with open evenings and other events to attract additional HE students.

- o Refectory & restaurant income – based on current income levels, forecast to be £50,000 below income target of £653,700, mainly due to event income being below target.
  - o <u>Mitigating Actions</u>: to ensure that in terms of the refectory and restaurant, that income and expenditure continues to be monitored and offset any reduction in the events income for the year.

Expenditure

- • Staff costs - are forecast to be £320,000 over budget, assuming a cost of living pay increase of 5% for 2022/23 and 3% for 2023/24. This includes an estimate for increased employer contributions for SPPA, which is increasing in April by 3% to 26%. Again, further work to be carried out to review and forecast staff costs for the year.
  - o <u>Mitigating Actions</u>: to review all vacancies and ascertain whether they should be replaced or not. Also, review any retirals and ascertain whether they should be replaced or can be replaced through further efficiency measures.

- Premises costs - are forecast to be above budget but a review still to be carried out on current expenditure levels. The forecast overspend is currently offset by revenue realised from sale of Longman.
  - o <u>Mitigating Actions</u>: to review all lines of expenditure and for the remainder of the year, reduce expenditure if possible. A review is also being carried out on energy consumption for the main campus building, with the help of GTFM.

- Other Operating costs - are forecast to be above budget but review still to be carried out on current expenditure levels. The forecast overspend is currently offset by revenue realised from sale of Longman.
  - o <u>Mitigating Actions</u>: to review all lines of expenditure and for the remainder of the year, reduce expenditure if possible. Budget holder refresher training will also be undertaken for all budget holders, with the key focuses being on budget monitoring and on procurement. A budget review exercise will also be undertaken, with the intention of this becoming a regular event and will be on the basis of being both supportive for budget holders, especially new budget holders, but also challenge their budgets for the year.

Appendix 1

1. **SFC FE Funding**
   The forecast figure is £9.885 million, which is in line with the budget figure. Current forecasts are that the college will exceed its credit target of 26,657 credits for 2023/24.

2. **UHI HE Funding**
   The UHI HE grant is lower than the budget due to the forecast HE fte's being below the original target, with the forecast HE grant figure being £5.824 million.

3. **Tuition Fees**
   Overall, tuition fees income is forecast to be below the budget figure by £99,000, due to HE numbers being below target figure for the year.

4. **Other Grant Funding - Research**
   Forecast to be £300,000 below budgeted income, mainly due to lower-than-expected research income. To be closely monitored for the remainder of the year.

5. **Refectories**
   As noted above, due to a decrease in the event income forecast for the year, the overall forecast is below the target of £653,700 for the year by £50,000.

6. **SDS**
   Further work is still to be carried out in terms of the forecast SDS income position. At present, the forecast is above the original budget figure of £1.731 million, this is due to additional FWDF funding estimated to be £110,000 for the remainder of the year.

7. **Commercial**
   Short Course and commercial income for 2023/24 is forecast to be the same as the original budget of £442,500, with the final figure still being worked on. The short course income figure to date is well down on the budget profile figure but is forecast to increase over the remainder of the year.

8. **Miscellaneous Income**
   The miscellaneous income is currently forecast to be above the original budget of £515,480 by £120,000. This is due to additional ALF income related to curriculum development and for estates works. However, further work is required in this area at the 6 month forecast stage to ensure the forecast is robust.

9. **NPD/ Unitary Charge Income**

    As previously reported, this is an area the College is reviewing. However, increasingly we are looking at income reimbursement from the SFC. The SFC also has been reviewing this in terms of Scottish Government funding and support for colleges who have NPD contracts.

10. **Staff Costs**

    The staff costs forecast for the year is still being reviewed, but currently the forecast is an overspend of £319,000, which is based on a 5% award for 2022/23 and a 3% award for 2023/24. This compares to a budgeted 3% increase for 2022/23, with the additional cost of the 5% increase being approximately £200,000. It also includes an overspend relating to SPPA employer costs, which are due to increase from 23% to 26% in April 2024, with the approximate cost for the 4 months to July 2024 being £100,000. It is still uncertain whether the increase will be funded by SFC, and at present, no income related to this costs is included in the forecast.

    Other staff costs and travel costs are forecast to be the same as the budget, although staff training costs are significantly ahead of the budget profile at this point and is being reviewed with the budget holder.

11. **Premises Costs**

    Overall, premises costs are currently forecast to be over the premises budget of £1.964 million, although this is offset by the contribution of revenue income from the sale of the Longman site.

12. **Other Operating Costs**

    Other operating costs are forecast to be higher than budget figure of £7.910 million for a number of reasons, although this is offset by the contribution of revenue income from the sale of the Longman site.

Student Support Funding

The Student Support funding is forecast to be underspent in 2023/24 by approximately £490,000, compared to £505,000 in 2022/23.

Liquidity

The bank balance at the end of December 2023 was £5.275 million, compared to the bank balance at July 2023 of £6.774 million.

Risk Assessment

Upside Risks

- HE UGT fte – has increased due to January starts to 1,263fte, from the previous months total of 1,226 fte – not yet adjusted for in forecast figures as still uncertainty over UGT and GA funding from UHI EO.

- FWDF – additional funding has been secured in year from SDS of between £80,000 and £140,000 – adjusted forecast to assume additional £110,000.

- Module leadership funding – agreement from UHI EO to allocate an additional £114,000 in 2023/24 for module leadership activity – adjusted for in forecast.

- ALF funding – for curriculum development, amounting to £96,000 - adjusted for in forecast.

- ALF funding – in relation to estates works, amounting to £30,000 - adjusted for in forecast.

- Reduction in lecturing staff – 3 fte leavers/ retirements and backfill of 0.4 fte – staff saving 2.6 fte - not yet adjusted for in forecast figures.

- SPPA – increase in employer contributions – potentially funded by SFC? – not yet adjusted for additional funding in forecast until confirmed by SFC.

- Potential replacement for FWDF, from Highland council - not yet adjusted for additional funding in forecast until confirmed by Highland Council.

Downside Risks

- There are tighter funding parameters for 2023/24 and beyond, with reductions in both FE & HE funding announced for 2024/25.

- Cost of living increases for teaching and support staff forecasted to be significantly above public sector pay policy of 2%.

- Job Evaluation was due to complete by 31 March 2023. If monies from the SFC are not enough, then colleges will have to fund the financial gap themselves.

- The five-year public sector finances, which was issued last year by the Scottish Government. This showed flat funding for Revenue and reduced capital for five years, although this has been overtaken by the 2024/25 SFC announcement.

- HE FTE no's are forecast to be below the budget target and the under-recruitment of HE no's in the wider UHI partnership is also a concern. The partnership is facing significant financial challenges without this added issue and the HE recruitment issue is adding to financial problems.

- MicroRam continues to add a degree of uncertainty in projections at the year-end.

INVERSENESS COLLEGE

PERIOD ENDED   31-Dec-23

INCOME AND EXPENDITURE ACCOUNT

	Note	Actual 31-Dec-23 £	Budget 31-Jul-24 £	Estimated Outturn @ 5% 31-Dec-23 £	Variance from Budget £	Risk
Income						
Scottish Funding Council FE Grants	1	750,000	9,885,000	**9,885,000**	0	
UHI HE Grants	2	2,743,859	6,010,788	**5,824,788**	(186,000)	
Tuition Fees	3	2,698,412	2,877,127	**2,778,097**	(99,030)	
Other Grants - Research	4	266,581	1,424,254	**1,124,254**	(300,000)	
Refectory and Training Restaurant	5	302,635	653,700	**603,700**	(50,000)	
SDS	6	565,195	1,731,307	**1,841,307**	110,000	
Commercial	7	215,309	442,500	**442,500**	0	
Miscellaneous	8	569,641	515,480	**635,824**	120,344	
Unitary Charge	9	2,107,140	4,903,884	**4,903,884**	0	
		10,218,771	28,444,040	**28,039,355**	(404,686)	
Staff Costs						
Teaching	10	3,954,372	9,959,814	**10,106,456**	146,642	
Teaching Support		603,416	1,621,652	**1,495,327**	(126,325)	
Premises		119,746	254,504	**297,024**	42,520	
Administration and Support		1,739,011	3,993,986	**4,327,721**	333,735	
Hospitality		138,875	419,237	**356,765**	(62,472)	
Research		456,511	1,141,232	**1,094,742**	(46,490)	
Business Development		169,661	404,419	**436,733**	32,314	
Provision		21,735	60,000	**60,000**	0	
		7,203,326	17,854,844	**18,174,768**	319,924	
Job Evaluation				**0**	0	
		7,203,326	17,854,844	**18,174,768**	319,924	
Other Staff Costs		(1,138,923)	370,749	**370,749**	0	
		6,064,403	18,225,593	**18,545,517**	319,924	
Other Costs						
Premises	11	2,671,043	1,963,771	**1,963,771**	0	
Other operating Costs	12	1,751,180	7,972,950	**7,972,950**	0	
		4,422,224	9,936,721	**9,936,721**	0	
		10,486,627	28,162,314	**28,482,238**	319,924	
Cash Position		(267,856)	281,726	**(442,884)**	(724,610)	
NPD Capital		(389,701)	(897,592)	**(897,592)**	0	
Cash Position after repaying loan capital		(657,557)	(615,866)	**(1,340,476)**	(724,610)	
Non RDEL						
Deferred Grant Release		0	300,000	**300,000**	0	
Depreciation		0	1,000,000	**1,000,000**	0	
		0	(700,000)	**(700,000)**	0	
Operational Deficit		(267,856)	(418,274)	**(1,142,884)**	(724,610)	

INVERNESS COLLEGE   **31-Dec-23**

BALANCE SHEET

AS AT:	31-Dec-23	31-Dec-23
		£
FIXED ASSETS		
Tangible Assets		56,176,700
Leased Assets		54,000
		56,230,700
CURRENT ASSETS		
Stock		47,794
Debtors		4,142,850
Assets Held for Sale		1,060,000
Cash at Bank and in Hand		5,275,167
		10,525,811
CREDITORS		
Amounts falling due within One Year		(4,535,014)
NET CURRENT ASSETS		5,990,797
TOTAL ASSETS LESS CURRENT LIABILITIES		62,221,498
CREDITORS		
Amounts falling due after more than One Year		(43,758,003)
PROVISION FOR LIABILITIES AND CHARGES		
Enhanced Pensions		6,425,000
Defined Benefit Obligations		(1,711,173)
NET ASSETS INCLUDING PENSION LIABILITY		**23,177,321**
RESERVES		
Revaluation Reserve		12,506,641
Income and Expenditure Account including Pension Liability		10,670,681
Total Reserves		**23,177,321**

UHI | INVERNESS

Subject/Title:	Principal's Report
Author: [Name and Job title]	Professor Chris O'Neil Principal
Meeting:	Board of Management
Meeting Date:	13 February 2024
Date Paper prepared:	07 February 2024
Brief Summary of the paper:	This report provides the Board of Management with an overview of new and continuing activity including: • Ministerial and SFC Meetings • Finances and concerns • Union Action • Brian Griffin
Action requested: [Approval, recommendation, discussion, noting]	For Discussion

UHI INVERNESS

Link to Strategy: Please highlight how the paper links to, or assists with: ☐ compliance ☐ partnership services ☐ risk management ☐ strategic plan ☐ new opportunity/change	Strategic plan
Resource implications:	Yes / No <mark>N/A</mark> **If yes, please specify**:
Risk implications:	Yes / No <mark>N/A</mark> **If yes, please specify:**
Equality and Diversity implications:	Yes/<mark>No</mark> **If yes, please specify:**
Student Experience Impact:	<mark>Yes</mark>/No If yes, please specify: Financial implications
Consultation: [staff, students, UHI & Partners, External] and provide detail	
Status – [Confidential/Non confidential]	CONFIDENTIAL
Freedom of Information Can this paper be included in "open" business* [Yes/No]	<mark>No</mark>

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

Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33)	<mark>Yes</mark>	Its disclosure would constitute a breach of confident actionable in court (s36)	
Its disclosure would constitute a breach of the Data Protection Act (s38)	<mark>Yes</mark>	Other (Please give further details)	

Further guidance on application of the exclusions from Freedom of Information legislation is available via

http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

UHI | INVERNESS

Subject/Title:	Governance Update
Author: [Name and Job title]	Ludka Orlowska-Kowal Governance Officer
Meeting:	Board of Management
Meeting Date:	13 February 2024
Date Paper prepared:	06 February 2024
Brief Summary of the paper:	This paper provides the Board of Management with an update on all governance matters.
Action requested: [Approval, recommendation, discussion, noting]	Discussion and Noting.
Link to Strategy: Please highlight how the paper links to, or assists with:**:** ☐ compliance ☐ partnership services ☐ risk management ☐ strategic plan ☐ new opportunity/change	Governance Compliance
Resource implications:	Yes / No **If yes, please specify**:

1

Risk implications:	Yes / <mark>No</mark> **If yes, please specify:** Operational: Organisational:
Equality and Diversity implications:	Yes/<mark>No</mark> **If yes, please specify:**
Student Experience Impact:	Yes/<mark>No</mark> If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	N/A
Status – [Confidential/Non confidential]	Non-Confidential
Freedom of Information Can this paper be included in "open" business* [Yes/No]	Yes

*If a paper should **not** be included within "open" business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33)		Its disclosure would constitute a breach of confident actionable in court (s36)	
Its disclosure would constitute a breach of the Data Protection Act (s38)		Other (Please give further details)	

Further guidance on application of the exclusions from Freedom of Information legislation is available via

http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp   and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Nomination for Vice Chair Position

As you are aware the Vice Chair stood down from the Board of Management in September 2023. We had been looking for nominations for the position to ensure our continuing compliance with the Code of Good Governance.

We can now confirm that two members had come forward with their notes of interest, which had been seconded. I will be contacting all Board members in regard to a confidential email ballot this week. Votes cast will be counted by the Governance Officer and a scrutineer. The result will be announced by the Governance Officer and recorded and signed by her and the scrutineer.

New Co-Opted Board Member

After a successful panel interview that took place on Tuesday 23rd January Professor Peter Francis has been appointed as the newest Co-Opted Board member.

Trade Union Nominees on Boards

There has been reported a delay in regard to Trade Union Nominees joining Boards. Over the last month concerns were raised that local union branches appeared not to be a in position to start the election process as no further guidance had been provided by the national branches. While it states on the Order that the legislation will come into force on 31st January 2024, the Scottish Government policy team has reassured all Boards that as long as progress is being made to elect and appoint these new board members over the next few weeks, there will be no issues for colleges and regional strategic bodies, despite the responsibility lying with these institutions to implement this government policy.

We can confirm that an ongoing dialogue has been taking place with the three unions recognised at UHI Inverness. Support and guidance had been offered and plans are in place for a meeting to take place within the next two weeks.