

Board of Management

Meeting	Board of Management
Date and time	Thursday 26 October 2017 at 4.30 p.m.
Location	Scottish School of Forestry, Balloch

College Secretary
20 October 2017

AGENDA

Welcome and Apologies

Declarations of Interest

PRESENTATION BY GRAEME KIRKPATRICK, CHIEF EXECUTIVE, HIGHLANDS AND ISLANDS STUDENTS' ASSOCIATION (HISA)

ITEMS FOR DECISION

1. **MINUTES**
Meeting of the Board of Management held on 20 June 2017
2. **GOVERNANCE**
 - a. **Approval of Committee Terms Of Reference**
 - b. **Approval Of Board Of Management Terms Of Reference**
 - c. **Formal Ratification Of Longman Disposal Project Board Terms Of Reference**
 - d. **Committee Membership**
 - e. **Staff Governance Standard**

Report by Board Secretary
3. **POLICIES**
 - a. **Admissions**
Extract from Minutes of Meeting of the Learning and Teaching Committee held on 26 September 2017
 - b. **Core Skills**
Extract from Minutes of Meeting of the Learning and Teaching Committee held on 26 September 2017
4. **EDUCATION SCOTLAND – DRAFT EVALUATIVE REPORT AND ENHANCEMENT PLAN**
Covering report by Depute Principal

- 5. FINANCIAL REGULATIONS**
Extract from Minutes of Meeting of the Finance and General Purposes Committee – 28 September 2017
- 6. SFC FINANCIAL FORECAST RETURN (FFR) 2017**
Extract from Minutes of Meeting of the Finance and General Purposes Committee – 28 September 2017
- 7. PRINCIPAL PERFORMANCE AND REMUNERATION PROCESSES**
Report by Board Secretary
- 8. BOARD EVALUATION PROCESS**
Report by Board Secretary
- 9. RISK APPETITE**
Report by Board Secretary
- 10. RISK REGISTER**
Report by Principal

ITEMS FOR DISCUSSION

- 11. NATIONAL BARGAINING**
Joint Report by Directors of Organisational Development and Finance
- 12. KEY PERFORMANCE INDICATORS 2016-17**
Report by Principal
- 13. STUDENT PERFORMANCE INDICATORS 2016-17**
Report by Depute Principal
- 14. STUDENT RECRUITMENT 2017/18**
Report by Depute Principal
- 15. HEALTH AND SAFETY ANNUAL REPORT**
Report by Director of Organisational Development
- 16. SPORTS DEVELOPMENT PROJECT**
Report by Depute Principal
- 17. PRINCIPAL'S REPORT**
Presentation by Principal
- 18. MINUTES OF MEETINGS OF BOARD COMMITTEES**
 - a. Chairs Committee – 17 August 2017
 - b. Longman Disposal Project Board – 17 August 2017
 - c. Chairs Committee – 14 September 2017
 - d. Audit Committee - 19 September 2017
 - e. Human Resources Committee - 21 September 2017
 - f. Learning and Teaching Committee - 26 September 2017
 - g. Finance and General Purposes Committee- 28 September 2017
 - h. Longman Disposal Project Board - 17 October 2017

ITEMS FOR NOTING

- 19. **CRIMINAL FINANCE ACT 2017**
Report by Director of Finance
- 20. **SECURITY PLANNING AND RESPONSE**
Briefing paper by Director of Organisational Development
- 21. **AOCB**
- 22. **DATE AND TIME OF NEXT MEETING**
Tuesday 19th December 2017 at 4.30 p.m.

Board of Management

MINUTES of the MEETING of the BOARD OF MANAGEMENT held in the Boardroom, 1 Inverness Campus on Thursday 28 March 2017

PRESENT:	Hazel Allen, Ollie Bray, Sarah Burton, Jaci Douglas, Andy Gray, Brian Henderson, Roddy Henry, Mick Longton, Helen Miller, Innis Montgomery, Gavin Ross, Gabriel Starr, Neil Stewart, Steve Walsh, John Wilson, Kate White
CHAIR:	Neil Stewart
APOLOGIES:	Lindsey Mitchell, Ryan McAdam, Fiona Neilson
IN ATTENDANCE:	Director of Organisational Development Director of Business Development Head of Curriculum Head of Student Services Head of Research Development Financial Services Manager Board Secretary
OBSERVERS:	Robert Berg, Carron McDiarmid, Tom Speirs

The Chair recorded his thanks to Louise James who had stepped down from the Board at the end of May. Louise had made a very valuable contribution to the Board since her appointment in 2011 and latterly as Chair of Learning and Teaching.

Declarations of Interest. Carron McDiarmid, being an employee of Highland Council, declared an interest in agenda items 7, 12 and 15. Kate White declared an interest in agenda item 8.

The Chair asked if any board member wished to raise anything under the items on the agenda which were for noting only. He asked the board members to take particular note of their role in equality and diversity.

1. MINUTES

The Minutes of the Meeting of the Board of Management held on 28 March 2017 were accepted as a correct record, were **APPROVED** and signed by the Chair.

2. APPOINTMENT OF PRINCIPAL

The Chair gave a brief summary of the recruitment process for the new Principal and Chief Executive and thanked those Board members who had attended the presentations and evening reception. Following the two day selection process on 25 and 26 May, the selection panel had agreed to appoint Professor Chris O'Neil. His start date would be 1 September 2017 but he was already making contacts and would be visiting the college at the beginning of July.

The Board of management formally **RATIFIED** the decision to appoint Professor Chris O'Neil as Principal and Chief Executive.

3. **REVENUE BUDGET 2017/18**

At its meeting on 12 June 2017, the Finance and General Purposes Committee had considered the draft revenue budget for 2017/18 and had recommended it to the Board of Management for approval.

The Committee had noted that the most significant risk for 2017/18 related to the impending pay award implementation in relation to teaching staff and the resulting impact this would have on support staff negotiations. The Committee had also expressed concern about the ongoing position regarding the deferred grant and the required accounting in respect of the new campus arrangements which was likely to put the college in a position of reporting a deficit for a number of years.

The Financial Services Manager confirmed that there would be considerable pressure on the budget and that all budget holders would be under scrutiny to achieve their budget targets for 2017/18.

The Board of Management **APPROVED** the 2017/18 revenue budget.

4. **CAPITAL EXPENDITURE PLAN – 2017/18**

A report by the Financial Services Manager provided a high level capital budget for 2017/18. The FE capital and maintenance grant of £126,846 had been agreed by FERB and the HR capital grant had been set at £160,462, giving a total capital budget of £287,308. The three categories of capital expenditure were ICT equipment, general equipment and buildings.

Further work would be undertaken to identify the projects which should be funded in 2017/18 but the Financial Services Manager advised that it was probable that the College would require to seek funds from the Arms Length Foundation (ALF) to supplement the budget figure.

The Board of Management **AGREED**

1. that the capital projects identified at the Scottish School of Forestry which would not be achieved in 2016/17 be the first call on the buildings capital in 2017/18
2. that a list of projects should be identified as soon as possible to ensure that all funds were spent by the 31 March 2018 deadline
3. to **APPROVE** the capital expenditure plan for 2017/18

5. **FEES AND CHARGES 2017/18**

The Finance and General Purposes Committee held on 12 June 2017 had considered the proposed schedule of part time FE fees, nursery fees and other course fees for 2017/18 and had recommended them to the Board of Management for approval, subject to the Financial Services Manager providing further justification and risk analysis of the increase in FE fees.

The Board of Management **APPROVED** the schedule of part time FE fees, nursery fees and other course fees for 2017/18 and **AGREED** that management set the commercial fees in year, taking account of market conditions but that monitoring of income be reported to the Finance and General Purposes Committee each quarter.

6. **APPOINTMENT OF INTERNAL AUDITORS**

A report by the Secretary to the Board set out the background to and the process which had been followed for the selection of the preferred supplier of internal audit services to the College with effect from 1 August 2017.

The Chair of the Audit Committee thanked her fellow panel members for being part of a very robust process and confirmed that the tenders had been evaluated on quality, skills, technical and financials. BDO LLP had shown that they would take into account the strategic risk perspective in their audit approach and the panel recommended BDO LLP be appointed to supply internal audit services to the college.

The Board of Management **AGREED** that BDO LLP be appointed to supply internal audit services to the college for a period of three years at a cost of £60,480 with effect from 1 August 2017 and with the option to extend by two further one year periods.

7. **UNDERPINNING STRATEGIES and KPIs**

An extensive strategic planning process involving the Board, staff, students and external stakeholders had resulted in the publication in January 2017 of the college's Strategic Plan 2017-20. The plan focussed on 'opportunity and growth' over the next three years of the college's development under six strategic themes.

A number of supporting strategies had been revised or created to ensure the strategic aims were reflected in specific college strategies and then embedded in operational planning and activity. The Board of Management had asked for the supporting strategies to be considered through the relevant Board committees and this had been achieved in the last two cycles of committee meetings, with the exception of the ICT strategy.

The Board of Management **APPROVED** the following supporting strategies

- Learning and Teaching
- Quality Assurance and Enhancement
- Student Engagement
- Access and Inclusion
- Research
- Organisation and Professional Development
- Procurement
- Business Development
- Marketing and Communications

The Board of Management also **APPROVED** the Estates and the ICT Strategies, subject to some amendments being made and further information added.

Following discussion the Board **AGREED** that a half day event be held to review the KPIs

Brian Henderson left the meeting

8. **NATIONAL BARGAINING**

A report by the Acting Principal provided some background information on the college sector national pay bargaining as well as details of the most recent information on the agreement which had been reached by the National Joint Negotiating Committee on 19th May 2017. The Acting Principal advised that, following a meeting on 19th June, the Employers Association had

1. Agreed to pay in July the first 25% of migration to the new national pay scale for unpromoted lecturing staff, backdated to April 2017.
2. Further agreed to carry out the agreed job matching and pay migration process for existing promoted staff by December 2017 and
3. Agreed in principle to ratify the May 2017 agreement and that final ratification of terms and conditions would be subject to consideration of funding available to the sector following the Scottish Government Spending Review, positive conclusion of negotiations with the EIS-FELA and the Equality Impact Assessment.

The staff side had to accept the agreements reached above and the level of funding which UHI would receive had still to be clarified.

The Chair thanked the Acting Principal and the Director of Organisational Development as well as other key staff on the work which had been undertaken to ensure the college had provided all the costs and figures which had been requested. He was pleased to note that in terms of governance, a fully funded settlement would be forthcoming for the first 25% of the migration to the new national pay scale.

9. **STUDENT REPRESENTATION: ICSA/HISA**

A report by the Acting Principal presented the outcome of the formal negotiations between ICSA and HISA regarding representation of students enrolled at Inverness College UHI as well as outlining any additional considerations, including staffing.

The Board of Management formally **APPROVED** the decision by the IC Student Representative Council at their AGM on 25 May 2017 that ICSA disband and that the responsibility for student representation be taken on by HISA with effect from 1 July 2017. The Board of Management also **AGREED** that one member of staff be seconded to HISA, by way of a secondment agreement between Inverness College UHI and HISA, for one year from 1 July 2017 to 30 June 2018, with formal TUPE transfer consultations starting in December 2017 with a view to transferring said member of staff to HISA with effect from 1 July 2018

Gabriel Staff and Robert Berg left the meeting

10. **COMMITTEE MEMBERSHIP AND APPOINTMENT OF CHAIR, VICE CHAIRS AND SENIOR INDEPENDENT MEMBER**

The Chairs Committee on 13th June 2017 had considered the role of the Senior Independent Member, the requirement to fill the vacant Chair's position on Learning and Teaching and the appointment of Vice Chairs to all the committees for succession planning purposes. In addition, the committee membership had been updated to include the new member Ollie Bray and co-opted member, Tom Speirs.

The Board of Management **APPROVED** the appointment of

1. Steve Walsh as Senior Independent Member
2. Hazel Allen to the New Campus Project Board
3. Sarah Burton as Chair of the Learning and Teaching Committee
4. Vice Chairs as follows
 - Audit – Jaci Douglas
 - Human Resources – Lindsay Mitchell
 - Learning and Teaching – Ollie Bray
 - Finance and General Purposes – Gavin Ross

and also **APPROVED** the committee membership as outlined in the Excerpt from the Minutes of the Meeting of the Chairs Committee.

11. RATIFICATION OF SCHEDULE OF MEETINGS FOR 2017-18

The Board Secretary referred to the proposed Schedule of meetings for 2017-18.

The Board of Management **APPROVED** the schedule of meetings for 2017/18 subject to the meeting of the Board of Management scheduled for 12th October 2017 being moved to 26th October 2017.

12. ACTING PRINCIPAL'S REPORT

The Acting Principal spoke to his report which included information on

- Student activity
- New Campus, including Inverness Campus, GTFM performance and the Longman Campus
- FE Student Retention and Attainment Project
- Student Residences
- Student of the Year Awards
- Staff Conference

The Board of Management **NOTED** the report.

13. RISK REGISTER

A report by the Acting Principal referred to the risk register which had been reviewed by each of the Committees in the last cycle of meetings. He confirmed that the senior team would carry out a comprehensive review of the register over the summer period, taking account of the comments from the Committees as well as the agreed underpinning strategies and associated KPI's and present it to the board at its meeting in October.

The Board of Management **NOTED** the position.

14. DRAFT MINUTES OF MEETINGS OF BOARD COMMITTEES

The Board **NOTED** the meetings of the following committee meetings as follows:

- a) New Campus Project Board – 30 March 2017
- b) Performance Review and Remuneration Committee – 30 March 2017
- c) Chairs Committee – 30 March 2017
- d) Audit Committee- 29 May 2017
- e) Learning and Teaching Committee – 30 May 2017
- f) Human Resources Committee – 1 June 2017

- g) Finance and General Purposes Committee – 12 June 2017
- h) Chairs Committee – 13 June 2017
- i) Performance, Review and Remuneration Committee – 13 June 2017

The following two items were included in the agenda for noting only and therefore no discussion took place at the meeting.

15. REGIONAL OUTCOME AGREEMENT 2017-2020

A copy of the Regional Outcome agreement 2017-20 was provided for members.

16. EQUALITIES CHALLENGE UNIT – BRIEFING PAPERS

- a) Scottish Board Members role in Equality and Diversity
- b) 2016 amendments to the specific duties and implications for colleges

17. AOCB

a. LONGMAN DISPOSAL PROJECT BOARD

The Director of Organisational Development advised that the College had to establish a Project Board to oversee the governance arrangements for the disposal and demolition of the Longman Building. Peter Baxter of Gardiner Theobald had been appointed as Project Manager. Draft Terms of Reference had been prepared and would be circulated to the Board members for approval by e mail.

The Board of Management **AGREED** to the establishment of a Project Board to oversee the disposal and demolition of the Longman Building and further agreed that the membership should mirror the membership of the New Campus Project Board. Board approval would be sought by e mail on the draft terms of reference.

b. THREAT OF TERRORISM

In answer to a question from a member, it was **AGREED** that it would be appropriate for the Board to receive a briefing on the threat of terrorist attacks by a member of Police Scotland at the October Board meeting. The Director of Organisational Development advised that she could also advise members of the Board of the dates on which WRAP training (Workshop to Raise Awareness about PREVENT) was scheduled to take place in the college.

18. DATE AND TIME OF NEXT MEETING

Thursday 26th October 2017 at 4.30 p.m.

The Chair, on behalf of the Board, thanked the Depute Principal for taking on the role of Acting Principal for the three month period until 1 September 2017 when the new Principal would commence, thus providing the college with stability during the transition process.

The Chair, again on behalf of the Board, thanked the Director of Organisational Development for not only taking on the additional responsibilities of Estates and ICT during this period of transition but for the excellent work which had been carried out, especially in relation to the estates function.

Signed by the Chair: _____

Date: _____

BOARD OF MANAGEMENT

Subject/Title:	Governance – Terms of Reference, Committee Membership and Staff Governance Standard		
Meeting and date:	Board of Management - 26 October 2017		
Author:	Fiona Ambrose, Secretary to the Board		
Link to Strategic Plan:	N/A		
Cost implications:	No		
Risk assessment:	Yes Financial: Operational: Organisational: required for the proper Governance of the College		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in “open” business	Open		
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

It is recommended that the Board of Management

1. Approve the amended terms of reference of all the standing committees
2. Approve the amended terms of reference of the Board of Management
3. Formally ratify the terms of reference of the Longman Disposal Project Board
4. Note the resignation of John Wilson as Chair of the Human Resources and Performance, Review and Remuneration Committees
5. Approve the appointment of Lindsey Mitchell as Chair of the Human Resources and Performance, Review and Remuneration Committees

6. Approve the appointment of John Wilson as Vice Chair of the Human Resources Committee
7. Note the resignation of Brian Henderson from the Longman Disposal and the New Campus Project Boards
8. Approve the appointment of Gavin Ross as a member of the Longman Disposal Project Board and if the invitation is accepted of the New Campus Project Board
9. Note the resignation of Lindsay Mitchell from the Audit Committee
10. Formally adopt and comply with the nationally agreed college sector Staff Governance Standard

Purpose of report

To bring to the attention of the Board of Management a number of governance matters which require its approval.

Background**a. Committee terms of reference**

Throughout the committee cycle in September, each of the Committees considered their terms of reference, considering initial amendments and subject to a few further amendments being incorporated, recommended the terms of reference to the Board of Management for approval.

The final versions of the terms of reference of all the standing committees are shown at items 02a1 – 02a7.

b. Board of Management terms of reference

The Board of Management at its meeting in March 2017 approved the scheme of delegation. The Scheme of Delegation is based on the model scheme developed by Colleges Scotland. Within the scheme of delegation there are a number of items for which the Board has reserved authority. The terms of reference of the Board should therefore reflect the items for which the board has reserved authority within the Scheme of Delegation. The amended Board of management terms of reference are shown at item 02b.

c. Longman Disposal Project Board (LDPB) terms of reference

As members will be aware, the Longman Disposal Board was established and held its first meeting in August 2017. At that first meeting the Project Board considered its terms of reference. It recommended to the Board of Management formal ratification of the terms of reference.

The terms of reference of the LDPB are shown at item 02c.

d. Committee Membership

Longman Disposal Project Board and New Campus Project Board – membership

At the meeting of the Longman Disposal Project Board in August 2017, the Board recommended that Gavin Ross be invited to join the Board. Gavin has intimated his willingness to accept this invitation. The Board also recommended that Fiona Neilson be invited to join the Board as an advisor but Fiona has declined because of a conflict of interest.

Brian Henderson has indicated that due to work commitments he needs to step down from the Longman Disposal Project Board and also the New Campus Project Board.

The terms of reference of both Project Boards requires that the membership must include a member of the Finance and General Purposes Committee.

Gavin Ross is Vice Chair of the Finance and General Purposes Committee so the above requirement is met for the Longman Disposal Project Board. Gavin has been approached with an invitation to also join the New Campus Project Board.

Human Resources and Performance, Review and Remuneration Committees – Appointment of Chair and Vice Chair

John Wilson has indicated that he wishes to step down from the position of Chair of both the Human Resources and Performance, Review and Remuneration Committees.

Lindsey Mitchell was appointed to the position of Vice Chair of Human Resources Committee at the Board meeting in June 2017. Lindsey has indicated her willingness to step up to the position of Chair of the Human Resources Committee and also take on the position of Chair of Performance, Review and Remuneration Committee.

John Wilson has indicated his willingness to take on the position of Vice Chair of the Human Resources Committee.

Audit Committee

Lindsay Mitchell, in taking on the additional commitment and responsibilities of Chair of the Human Resources and Performance, Review and Remuneration Committees has indicated that she wishes to step down as a member of the Audit Committee.

The Audit Committee membership would still be above the minimum membership number, as required in the terms of reference, so could carry one vacancy at this time.

e. Staff Governance Standard

There is a requirement in the Code of Good Governance for Scotland's Colleges for each Board of Management to comply with the nationally agreed college sector Staff Governance Standard.

It is understood that the standard is currently under review but the timescale for completion is not known. In order to comply with the Code, the Board of Management are asked to formally adopt and comply with the Staff Governance Standard as currently published.

The Staff Governance Standard is shown at item 02e.

Chairs Committee Terms of Reference

Membership

The Chair and Vice Chair of the Board of Management, the Chairs of each of the Standing Committees of the Board, the Senior Independent Member and the Principal who is a member *ex officio*.

Quorum

Three members of the Committee entitled to vote upon the items before the meeting.

Frequency of Meetings

The Committee shall meet no less than four times each year.

Remit

Review the membership of the Board's Standing Committees and the overall effectiveness of the Board's Committee Structure and to recommend to the Board any amendments or additions considered appropriate.

Ensure effective self-evaluation of the Board, its members, its Standing Committees and its Chairs.

Develop the annual Board development day programme.

Oversee the planning of the Board's training and development programme.

Oversee development of the Board's stakeholder engagement.

At the special request of the Board, to consider matters of special interest which are not within the remit of another Standing Committee.

To exercise the functions of the Board in any cases of urgency of which the Chair of the Board, the Vice Chair or the Chair of a Standing Committee or the Senior Independent Member shall be the judge and where it is not practicable to convene a meeting of the Board of Management.

Search and Nomination Committee Terms of Reference

Membership

Chair of the Board of Management, the Chairs of the standing committees and the Senior Independent member.

The Principal shall be excluded from membership of the Committee.

Quorum

Three members of the Committee entitled to vote upon the items before the meeting.

Frequency of Meetings

The Committee shall meet as and when required.

REMIT

The Search and Nomination committee shall

1. Consider the skills matrix of current Board Members to determine the skills and experience required of prospective members
2. Agree which Inverness College members should be on the Selection Panel
3. Agree which member of the University Court should be invited to join the Selection Panel and also identify an independent person to be invited to join the Selection Panel
4. Agree a timetable for the recruitment and selection process.
5. Agree the various forms of advertising to be used to ensure the college meets the College Sector Board Appointments: 2014 Ministerial Guidance and the requirements of the Public Sector Equality Duty
6. Agree the key information to be included in the advertising material.

Role of UHI as the Regional Strategic Body

UHI as the Regional Strategic Body has the responsibility for appointment of the Chair and non-executive board members to the Board of Management of Inverness College UHI.

The UHI Court has delegated responsibility for the recruitment and selection of the Chair of the Board and non-executive board members to a Selection Panel. The membership of the Selection Panel will be as follows:-

Appointment of the Chair of the Board of Management (5 members)

Member of the University Court
Chair of the Further Education Regional Board
The Chair of the Board of Inverness College UHI
Board Member of Inverness College UHI
Independent person

Non-Executive members (4 members)

Member of the University Court

The Chair of the Board of Inverness College UHI

Board Member of Inverness College UHI

Independent person

Performance Review and Remuneration Committee Terms of Reference

Membership

Chair of the Board of Management

Vice Chair

Chairs of the standing committees; Audit, Human Resources, Learning and Teaching, Finance and General Purposes

Senior Independent Member.

There shall be no co-option to the Committee.

The Chair of this Committee must be a member of the Human Resources Committee, and the Chair of the Human Resources Committee must be a member of this Committee.

The Chair of the Board of Management may not Chair this Committee.

The Committee may be attended, at the invitation of the Chair by members of the College's academic and support staff or by external advisers. The purpose of such an invitation will be to provide specialist information and advice to assist the Committee in its deliberations. Individuals attending on this basis may not vote on any decision made by the Committee.

Quorum

Three members of the Committee entitled to vote upon the items before the meeting.

Frequency of Meetings

The Committee shall meet at least twice each year.

Remit

The Committee shall consider and make decisions on the remuneration package and conditions of service, and any changes thereof, of the College Principal and such other senior staff as is considered appropriate, taking into account:

1. That College senior management should be fairly rewarded for their individual performance and contribution to the College's overall performance
2. Where, in terms of senior management remuneration, the College stands in relation to other comparable institutions in the sector, organisations of a similar size and the local market;
3. The Scottish Government's approach to remuneration in the public sector;
4. The relationship between the remuneration of the senior management and that of other employees of the College
5. The benefits granted to senior management; and
6. The adequacy of pension arrangements and also the cost implication of pension arrangements including the pension effect of remuneration proposals.

The Committee shall review the annual appraisal of the Principal and Chief Executive by the Chair of the Board and review the Principal and Chief Executive's continuing professional development.

One member of the Board of Management shall represent the Board on the interview panel for Senior Management appointments.

The Committee shall consider such other matters relating to the Board of Management which the Chair shall from time to time determine, in particular in relation to severance payments.

The Committee should endorse any proposals for severance payments to Senior Managers and any exceptional settlements which will require to be formally notified to the Board of Management.

Audit Committee Terms of Reference

Membership

Not less than 5 members of the Board of Management.

At least one member of the Committee should have recent and relevant experience in finance, accounting or auditing.

Board members not eligible for appointment are the Chair of the Board, the Principal, members elected by the teaching and non-teaching staff of the college and the persons appointed by the Students Association.

No member of the Finance and General Purposes Committee shall also be a member of the Audit Committee

The Chair of the Board and the Principal may be invited to attend meetings

Membership of the Committee should satisfy the requirements of the SFC Code of Audit Practice, and / or other appropriate guidance, as may be directed by the Board of Management.

Quorum

Three members of the Committee entitled to vote upon the items before the meeting.

Frequency of Meetings

The Committee will meet no less than four times each year.

Remit

The Committee's remit is to review and monitor the following aspects of the College's operations, and to advise the Board appropriately on :

1. The comprehensiveness, reliability and integrity of assurance of the governance and management of the College.
2. The comprehensiveness, reliability and integrity of assurance of the risk management and business continuity of the College.
3. The comprehensiveness, reliability and integrity of the College's financial management and other internal control and management systems.
4. The effectiveness of arrangements for safeguarding the assets of the College and the public funds at its disposal.
5. The economy, efficiency and effectiveness of the College's activities, including value for money.
6. The effectiveness of the corporate governance and conduct of the College operations.
7. All aspects of the provision of an effective Internal audit service.
8. All aspects of the provision of an effective External audit service

9. The effective provision of Health and Safety arrangements to meet all legislative requirements
10. Public interest disclosure (whistle-blowing) arrangements.
11. Data Protection and Freedom of Information arrangements

Specifically, the Audit Committee shall:

1. Receive updates to and review the contents of the risk register maintained by the College.
2. Review the reports submitted by the College's Internal Auditors and receive progress reports from College Management on the Internal Audit recommendations.
3. Jointly with the Board's Finance and General Purposes Committee review the annual report of the College's external auditors and the associated College financial statements on which that report is based
4. Prepare an annual report for the Board of Management
5. Sit privately without any non-members present for all or part of the meeting if it so decides. The Committee will meet privately with the internal and external auditors at least annually.
6. The Audit Committee shall conduct its business in accordance with the requirements of any guidance and/ or codes of practice issued from time to time by the SFC and/ or any other relevant statutory or regulatory authority, as directed by the Board of Management.

Human Resources Committee Terms of Reference

Membership

Not less than five Board Members, including the Chair and Principal who are members *ex officio*.

Board Members who are employed at the College may not Chair the Committee.

Quorum

Three members of the Committee entitled to vote upon the items before the meeting.

Frequency of Meetings

The Committee shall meet no less than four times each year.

Remit

The Committee has overall responsibility for the direction and oversight of all personnel matters relating to the function of the Board of Management as employer of the College's staff.

The Committee shall oversee the development and auditing of all human resource strategies and work streams and this shall include:

1. Overseeing the Organisation and Professional Development Strategy and Annual Action Plan and monitoring actual performance against KPIs.
2. Overseeing the human resources measures surrounding turnover, absence, diversity and teaching qualifications
3. Ensuring that the College has appropriate succession plans in place for senior management, teaching and support staff
4. Reviewing Human Resource policies within the College, including those relating to recruitment and selection, terms and conditions of employment including Discipline and Grievance, Health and Safety, and training and development, staff development and appraisal.
5. Overseeing the provision of occupational health support, the provision of computerised human resources systems and a Job Evaluation system.
6. Monitoring progress against Equality Scheme Action Plans.
7. Monitoring the Investors in People and Customer Services Excellence standards and ensuring that the College provides appropriate Staff training and development.
8. Ensuring the College has in place an effective Performance Management framework monitored through regular statistical reports to the Committee.
9. Ensuring appropriate arrangements are in place for effective dialogue with trade unions
10. Ensuring that pay and conditions of employment are properly determined and that pension arrangements are monitored
11. Ensuring that the college is operating within all legal requirements relating to employment law and other legislation affecting employment

Learning and Teaching Committee Terms of Reference

Membership

Not less than five members of the Board, including the Principal *ex officio*, the Teaching Staff Representative and the Student Representatives.

Quorum

Three members of the Committee entitled to vote upon the items before the meeting.

Frequency of Meetings

The Committee shall meet no less than four times each year.

Remit

The Committee has overall responsibility for monitoring the direction and performance of learning and teaching at the College.

The Learning and Teaching Committee shall:

1. Oversee the development and implementation of the various strategies aligned to the committee and monitor their performance against targets
2. Recognise trends in education and recommend specific initiatives in the College.
3. Monitor student recruitment, retention and achievement and any actions identified
4. Monitor the progress of the annual Student Partnership agreement
5. Monitor data relating to the student experience and performance at the College
6. Monitor the College's preparations for the ongoing external verification of the college's quality arrangements and reviewing the annual evaluative report, moderated by Education Scotland
7. Monitor the development of the College's International links
8. Monitor the Curriculum to ensure that the College meets the needs of students, stakeholders and the local community
9. Review the results of the external verification visits carried out throughout the year
10. Monitor the level and type of complaints received
11. Receive regular reports from the Students Association and monitor the college response to student concerns

Finance and General Purposes Committee - Terms of Reference

Membership

Not less than five Members of the board of Management including the Chair and Principal who are members *ex officio*.

Quorum

Three members of the Committee entitled to vote upon the items before the meeting.

Frequency of Meetings

The Committee shall meet no less than four times each year.

Remit

The Committee has overall responsibility (within the Financial Memorandum between the College and the Regional Strategic Body) for the direction and oversight of the College's financial affairs.

The Committee has responsibility for the College's existing buildings and estates.

The Finance and General Purposes Committee shall:

1. Monitor the financial position of the college and report to the Board on any necessary action
2. To receive and consider information on non core grant supported activity including international student and business development activities
3. Keep the College Financial Regulations under review.
4. Review, approve and monitor the implementation of the College's finance and estates strategies and associated plans, and to submit appropriate reports and recommendations to the Board.
5. Review the effectiveness of financial management and controls within the College.
6. Receive and approve the annual revenue and capital budgets and final accounts for recommendation to the Board.
7. Make recommendations to the Board regarding the level of tuition fees and other charges.
8. Approve the write-off of bad debts in accordance with the limits set in the Scheme of Delegation.
9. Consider, and contribute to, the overall risk management strategy of the college.
10. Ensure compliance with relevant College policies and financial statutory and regulatory requirements;
11. Consider and report on Shared Services in so far as they relate to the provision of such services under the remit of this committee
12. Consider and report on issues of procurement giving consideration to value for money

13. Consider and recommend to the Board on all matters relating to the operation of the Arms Length Foundation
14. Ensure that the college's existing buildings and estates are fit for purpose and are maintained to an appropriate standard, meeting all relevant regulatory requirements
15. Consider and report on any other financial matters which the Board may delegate or refer from time to time.

Board of Management Terms of Reference

Membership

The membership of the Board will be as determined by Schedule 2 to the Further and Higher Education (Scotland) Act 1992 as amended by the Post 16 Education (Scotland) Act 2013

Quorum

One half or fifty percent of the actual membership of the Board. Ordinary members must be in a majority at the meeting.

Frequency of Meetings

The Board shall meet no less than four times each year.

Specific

The Board has responsibility for overseeing the business of the College, determining its future direction and fostering an environment in which the College mission is achieved and the potential of all learners is maximised.

The Board of Management must ensure compliance with the statutes, ordinances and provisions regulating the College and its framework of governance and, subject to these, take all final decisions on matters of fundamental concern to the College.

The following items are retained for approval by the Board, upon advice from or recommendation by the relevant Committee where appropriate and may not be delegated:

Whilst initial discussion or consideration may take place by Committees or individuals, the Board reserves its authority with regard to the undernoted matters:

1. determining the objectives of the Board
2. final approval of the College's Strategic Plan and Regional Outcome Agreement
3. approval of the year-end annual report and accounts
4. approval of the annual budget
5. final consideration of the Annual Audit Report
6. approval of the strategic risk register
7. acquisition and disposal of heritable property, subject to approval of the Scottish Funding Council
8. appointment and removal of the Principal
9. appointment and removal of the Board Secretary (in accordance with paragraph D.13 of the Code)
10. approval of the Students' Association constitution and the election regulations for student officers
11. delegation of functions of the Board including remits of Committees and this Scheme of Delegation
12. the making, amendment and revocation of the Standing Orders of the Board.



 Scotland's Colleges

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Staff Governance
Standard

Staff Governance Standard

Throughout the following document it is acknowledged by Scotland's Colleges and STUC that staff governance issues cover all staff and recognised trades unions.

Staff Governance is defined as a system of corporate accountability for the fair and effective management of all staff. Implicit in the Standard is that all legal obligations are met and that all policies and agreements are implemented.

The Standard focuses on how staff in Scotland's colleges are managed and feel they are managed. It recognises the pivotal role of staff in providing education and support services within Scotland's colleges. The Standard assists colleges to demonstrate that they are exemplary employers, and have systems in place to identify areas that require improvement and to develop action plans to address the issues.

A Staff Governance Standard is a strategic framework of minimum standards, continuous improvement, and ongoing consultation and negotiation between the College Board, management, staff, recognised trades unions.

It is expected that all colleges implement a broad range of up to date staffing policies negotiated/consulted, as appropriate, with recognised Trade Unions which reflect current good practice and which provide a positive platform and framework for the effective management, engagement and governance of all staff.

In addition to this, the Standard, in accordance with the Information and Consultation Regulations (ICE), entitles all staff to be:

1. well informed
2. appropriately trained
3. involved in decisions which affect them
4. treated fairly and consistently
5. provided with a safe working environment.

There will also be processes for reviewing and evaluating all of the above areas. Staff should be:

1. well informed through:

- receiving regular information about their college, and having opportunities to contribute ideas. Recognised trade unions, should also be part of a meaningful consultation/ negotiation system on organisational issues as appropriate at all levels.

2. appropriately trained and developed through:

- a minimum entitlement of 6 days pro rata CPD to all staff, to be delivered and supported in a manner which is meaningful to all staff and ensures that CPD activity adds value to an individual, team and college level.
- the wide promotion of training and development opportunities.
- meaningful and appropriate encouragement, opportunity and support for staff to use their skills effectively.
- the support of Union Workplace Representatives, Health & Safety Representatives and Union Learning Representatives, who are given reasonable time off for their respective duties.

3. involved in decisions which affect them through:

- working in partnership to enable the involvement of all staff, through recognised trades unions.
- working together by developing an appropriate framework within colleges with recognised Trade Unions to enable effective involvement in strategic college issues. This framework will also provide for the opportunity to review and evaluate Staff Governance on an on-going basis.

4. treated fairly and consistently through:

- the implementation of up to date staffing policies, after negotiation/consultation as appropriate with the recognised trade unions, which promote good practice and which are communicated to all staff (including through recognised trades unions). These policies should include appropriate arrangements to ensure dignity at work, eliminate discrimination and positively promote equality.

5. provided with a safe working environment through ensuring:

- effective Health & Safety arrangements are in place, which promote good practice and working with recognised union Health & Safety representatives.

In recommending this Staff Governance Standard, *Scotland's Colleges* and STUC acknowledge that good practice in staff governance should apply to all staff. As a minimum standard; appropriate negotiation/consultation and communication arrangements should be in place through agreed recognition arrangements with sector trade unions and through other arrangements in accordance with the Information and Consultation of Employees Regulations (2005).



Chief Executive
Scotland's Colleges



General Secretary
STUC

Board of Management

Subject/Title:	Admissions Policy
Meeting and date:	Board of Management – 26 October 2017
Extract from Minutes of the Meeting of the Learning and Teaching Committee held on 26 September 2017	

Admissions Policy

The Head of Student Support gave some background to the amendments which had been made to the Admissions Policy as a result of changes introduced around the interview processes and procedures as well as to the pre-course information and services which applicants received. The revised policy had been through due process and discussed at Scrutiny Panel (27 April 2017), published for Staff consultation (6 – 16 June 2017) and discussed at SMT (17 August 2017).

The Committee, subject to the inclusion of reference to the General Data Protection Regulations under para 2.1, Legislative framework, **AGREED** to recommend the Admissions Policy to the Board of Management for approval.

Board of Management

Subject/Title:	Admissions Policy		
Meeting and date:	Learning & Teaching Committee, 26 September 2017		
Author:	Lindsay Snodgrass, Head of Student Services		
Link to Strategic Plan:	Opportunity & Growth in Student Life Opportunity & Growth in Curriculum		
Cost implications:	Yes / No <i>(delete as applicable)</i> If yes, please specify:		
Risk assessment:	Yes / No <i>(delete as applicable)</i> If yes, please specify: Financial: Operational: Organisational:		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in “open” business	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)

The Learning & Teaching Committee is asked to approve the revised Admissions Policy.

Purpose of report

To inform the Committee of the changes to the Admissions Policy.

Background

Our approach to admissions and student recruitment has continued to be refined over time. Some significant changes have been introduced around our interview processes and procedures as well as to our pre-course information and service which applicants receive. We have also made some changes around the access and inclusion agenda in terms of our approach to contextualised admissions.

This revised policy has been discussed at Scrutiny Panel (27 April 2017). The policy was also published for Staff Consultation (6 – 26 June 2017) and approved by SMT (17 August 2017). Following approval from BoM, the policy will be published.

Main body of information

There has been a need for the college to revise the Admissions Policy in light of a change in practice which has been introduced in our approach to admissions and student recruitment. The revised policy dovetails with several other related developments including:

- The revised Additional Support Needs Policy and Procedure, September '16
- Corporate Parenting Plan, August '16
- Access and Inclusion Strategy, March '17
- Gender Action Plan, July '17



ADMISSIONS POLICY

REFERENCE: PL/CL/2017/002

Policy Owner	Head of Student Services
Lead Officer	Head of Student Services
Review Officer	Admissions & Student Funding Team Leader
Date first approved by BoM	20 March 2014
First Review Date	December 2016
Date review approved by BoM	
Next Review Date	July 2020
Equality impact assessment	December 2013
Further information (where relevant)	

Reviewer	Date	Review Action/Impact

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1. Policy Statement

The College endeavours to be inclusive in its admissions process and procedures, welcoming applicants across learner groups and with differing abilities. The College offers a varied curriculum designed to support the needs and further development of the region and in line with national priorities. The Admissions Policy is underpinned by an ethos of partnership between the College and its future students as well as a desire to promote equality of access and eradicate barriers to education.

The College is committed to:

- Providing clear, accurate, comprehensive and accessible information on its courses, entry requirements and associated admissions procedures at relevant stages of the process
- Providing a positive declaration environment for applicants to disclose any additional support needs or protected characteristics
- Ensuring the interview and selection process is fair, consistent and transparent
- Matching the applicant to the curriculum area and level most appropriate to their aspirations, current level of skills, knowledge and ability.

2. Legislative framework/related policies

Legislative Frameworks include:

- 2.1. Equality Act 2010
- 2.2. Data Protection Act 1998
- 2.3. Freedom of Information (Scotland) Act (2002) Related policies include:
 - 2.3.1. UHI Academic Standards and Quality Regulations
 - 2.3.2. Inverness College UHI Freedom of Information Policy
 - 2.3.3. Inverness College UHI Secure Handling, Use, Storage and Retention of Disclosure Information.
 - 2.3.4. Inverness College UHI Records Management Policy
- 2.4. Inverness College UHI Additional Support Needs Policy
- 2.5. Inverness College UHI PVG Scheme Procedure
- 2.6. Scottish Care Leavers Covenant (2015)
- 2.7. Disability Discrimination Act (2005)

3. Scope

This policy relates to all course applications made for entry to full time and part time study for all taught Further Education, Higher Education and Post Graduate Taught programmes. Leisure and commercial courses, apprenticeships programmes and postgraduate research programmes are out with the scope of this policy.

4. Policy Aims and Key Principles

- 4.1. The College advertises its full range of courses through its website, prospectus and regular open evenings. The range of courses offered is derived from the needs of the local community and employers, the needs of schools, and through demand for places. Where there is diminished local need or low demand for a course then it may be amended or withdrawn from our offer. Equally, new courses may be introduced or the number of places available on a course increased due to demand.
- 4.2. The College's Admissions Policy is designed to give all new applicants the same opportunity to succeed in gaining a place on their chosen course. The Admissions Procedure details the annual admissions cycle including when applications will be processed; when interviews take place; and offers of place made. The specific dates are updated annually and publicised on the College website and prospectus.
- 4.3. Applicants are encouraged to apply online through the College website. Paper application is also possible, although not encouraged, with forms available from the Student Services Centre. Support in filling out an application is provided on request through our Student Services Centre. Applications for degree programmes must be submitted via UCAS.
- 4.4. Applicants are asked for personal information at the point of application to help inform the College to make a judgement about their suitability for the chosen course. Personal information is also asked for to help the College to support applicants throughout the applicant and student journey.

5. Contextualised Admissions

- 5.1. Improving access to education in its widest sense, for people from the widest possible range of backgrounds, is a key priority of the College. Contextualised admissions is one of our key principles in terms of ensuring there are no barriers to access during the admissions process. Contextualised admissions

enables the College to form a more complete picture of the characteristics of an individual applicant. The College has a responsibility under the 2010 Equalities Act to embed equality for all into our culture and practice and as such the College actively encourages applications across all protected characteristics.

- 5.2. The College also actively encourages applications from specific priority groups in line with government priorities and legislation including:
- Looked-after children / care-experienced young people
 - Individuals living in areas of multiple deprivation (Scottish Index of Multiple Deprivation 10)
 - Individuals whose parents / carers have not attended post-compulsory education.
- 5.3. The College works in partnership with a variety of external partners and stakeholders to support applications from individuals within the priority groups.
- 5.4. As a College we record our contextualised admissions, showing the number of applicants identified within the priority groups, by programme of study and by outcome of application.
- 5.5. The College operates a positive declaration environment for all applicants. Applicants are actively encouraged to provide details of any disabilities or additional support needs that may create barriers to them succeeding in their learning. This enables the College to appropriately support applicants with a disclosed disability or additional support need through the application stage and or throughout the rest of their student journey.
- 5.6. To support the College's approach to access and inclusion, the College operates a guaranteed interview scheme for applicants with a care-experienced background. To support gender equality, the College also operates a guaranteed interview scheme for specific curriculum areas / programmes that experience a severe gender imbalance and are included in the College's Gender Action Plan.
- 5.7. Personal data is anonymised and used for statistical analysis purposes in terms gathering data on postcode, age, gender, ethnicity, disability, care experience, carer status.

6. Entry Requirements

- 6.1. The minimum English Language Proficiency by qualification are:

Further Education (Access, NC, NQ, NPA, NVQ, SVQ):
(IELTS) or equivalent Min: 5.0 (with 4.5 in all 4 components)

Higher Education: Higher National Certificate/Diploma: IELTS (or equivalent) Min. 5.5 (with no element below 5.0)

Degree: IELTS (or equivalent) Min. 6.0 (with no element below 5.5)

Postgraduate: IELTS (or equivalent) Min. 6.5 (with no element below 6.0)

- 6.2. Applicants with English as a second language may be required to undertake an English Language assessment as part of the interview and selection process

The College welcomes applications from applicants with a wide range of overseas qualifications. As well as achieving the appropriate entry requirements, applicants with overseas qualifications may also be required to submit official transcripts of their qualifications showing the subjects and grades obtained, along with their certified translations into English.

Applicants may be required to undertake basic and key skills (bksb) testing in order to determine whether their core skills levels are sufficient for the course requirements and to enable full participation in their course.

- 6.3. International applicants (non-UK and EU) for SCQF Level 7 and above should refer to [UHI Admissions policy](#)
- 6.4. Applicants seeking recognition for prior learning for programmes at SCQF Level 7 and above should refer to [UHI Admissions policy](#)
- 6.5. For programmes and courses below SCQF Level 7, recognition for prior learning is at the discretion of curriculum teams and in line with advice from relevant awarding bodies.

7. Application, Interview and Selection

- 7.1. Early submission of applications is encouraged in line with our priority closing date. Selection decisions for new students are made in line with clearly stated entry criteria which are applied consistently and fairly.
- 7.2. The College reserves the right to preselect for interview in instances where demand is high on a programme. In these cases, applicants are selected for interview based on a first come basis and on the qualifications and any other significant information on their application form.
- 7.3. Applicants for further education courses (courses up to SCQF Level 6) are able to apply for a maximum of three courses on their application. Applicants for higher education courses are able to apply for five courses in line with UCAS guidelines. Applicants who make applications through UCAS will not be eligible to apply directly to the College for HE courses.

If invited for interview the interviewer will consider the best level of course for the applicant. This will be based on the applicant's suitability for the chosen curriculum area along with performance at interview and qualifications held. The interviewer may recommend an alternative course to ensure that individual applicants are matched to the most suitable course.

- 7.4. The College operates a scoring system for interviews which is tailored to each curriculum area. This helps to ensure fairness and transparency in decision-making.
- 7.5. The College endeavours to make an offer to all applicants, although this may not be within their first choice curriculum area. The College makes its offer of places on a continuous basis to ensure timely notification of outcomes and in line with timelines for application processing.
- 7.6. Where a space is not available on the course then applicants will:
 - be put on the waiting list for their chosen course and notified if a place becomes available;
 - informed of any other suitable opportunities for study at the College that remain open;
 - invited to contact the Guidance Team to discuss alternative course options;
 - invited to an Open Day and / or;

- in some instances, if the applicant agrees, their details may be referred to partner agencies.

7.7. All decisions are communicated by letter to applicants.

7.8. Applicants applying to study more than one course or programme concurrently in the same academic year will be invited to discuss this with the Admissions and Student Funding Team Leader and the Programme and Development Manager/s of the courses being applied for. The nature and or demands of the specific courses or programmes, as well as any implications for the applicant's funding and potential success on the programmes, will be discussed to enable informed decisions to be made on the applications.

8. Current Students Wishing to Progress

- 8.1. Current students intending to undertake a further programme of study at or below SCQF Level 6 in the next academic year, *and* within the same curriculum area, will be given the opportunity in February to advise their Personal Academic Tutor of their *Intention to Progress (ITP)*. Students submitting an ITP will be given a conditional offer subject to successful completion of their current course and any other additional conditions which have to be met prior to commencing the next year of study.
- 8.2. Current students studying at or above SCQF Level 7, and within the same curriculum area, will be contacted by email by the Student Records Team in February. A conditional offer will be made which is subject to successful completion of their current course and any other additional conditions which have to be met prior to commencing the next year of study. Students are required to confirm their intention to continue studies by the end of April. Progression Boards meet in June where offers of place are finalised for each student before being communicated to the student.
- 8.3. Current students wishing to progress to a course above SCQF Level 6 (FE to HE) or out with their current curriculum area will make a new application.

International Applications

- 8.4. For international applicants, the College follows the current **Tier 4 guidance**, which prescribes how the College processes international applications.

<https://www.gov.uk/government/publications/guidance-on-application-for-uk-visa-as-tier-4-student#history>.

9. Deferred Entry

- 9.1. Deferred entry means applying for a course, securing an offer of place, and then taking a year out before coming to study at College. Deferred entry is at the discretion of each individual course team in conjunction with the Admissions and Student Funding Team Leader and should be discussed at point of application. Deferred entry is not permissible through the Intention to Progress process.

10. Discretion of making an offer of place

- 10.1. All offers of place are subject to the College's discretion. The College reserves the right to reject applications or apply further criteria under particular circumstances such as the following:-
- Previous disciplinary sanctions under the College or University disciplinary procedures or those of other institutions
 - Record of outstanding debt with the College

The College will treat every application on its merits and will remove barriers to participation through making reasonable adjustments. However, there may be occasions when reasonable adjustments are not sufficient to enable participation on a particular course. In these circumstances, other alternative courses or alternative adjustments may be considered. Further information is detailed in the Inverness College UHI Additional Support Needs Policy.

The College reserves the right to apply additional entry criteria in instances where an applicant has a record of previous enrolments without successful completion. In such cases, due consideration will be given to an individual's circumstances and support needs when reaching a decision.

- 10.2. All successful applicants to courses where the studies or placements require interaction with children and or vulnerable adults will be required to join the Protection of Vulnerable Groups Scheme (PVG).

A previous criminal conviction does not, in the majority of cases, exclude an applicant from being offered a place. However, the College recognises it has a duty of care to all students and staff, and therefore reserves the right not to admit an applicant where there is evidence that they could affect the safety and welfare of students or staff.

Further information about the PVG scheme can be found in Inverness College [UHI PVG Scheme Procedure](#)

- 10.3. The College has the right to withdraw an offer of place if new information becomes available which has not previously been disclosed by the applicant and which affects the future safety and welfare of students or staff.

11. Determination of Fee Status

- 11.1 Every student who enrolls on a course of study incurs a fee. However, there are many options for how this fee might be paid and the vast majority of full-time students will have their fees covered either by the Scottish Funding Council (SFC) through fee waiver, or by Student Awards Agency for Scotland (SAAS). Part-time students may also be eligible for fee waiver (FE only) or SAAS Part Time Fee Grant (HE only).
- 11.2 Students must apply to have their fees paid unless they are full-time FE students. It remains the responsibility of the student to ensure that the correct arrangements are in place for their fees to be paid.
- 11.3 On receiving an application, the College will make an assessment of fee status in order to determine the appropriate level of tuition fees, in line with the relevant regulations and based on the information provided on the application form. The fee status of an applicant will be communicated in the offer letter to ensure that individuals are aware if they are liable to pay fees.
- 11.4 Where further information is required, the applicant will be asked to complete a fee assessment form.
- 11.5 For HE courses, the academic partner responsible for the Admissions decision will carry out the assessment of fee status. In some instances this will be a partner UHI college and not Inverness College UHI.
- 11.6 The College reserves the right to change an applicant's fee status in exceptional circumstances such as the following -
- If new information becomes available which was not previously disclosed by the applicant and affects the original decision on the fee status
 - If errors are made within the initial fee assessment, either by the College or by the student, which affects the original decision on the fee status
- 11.7 The applicant will be notified of any change to their fee status and any consequences of this change
- 11.8 Applicants assessed and determined to be international fee payers may be required to pay full course fees prior to enrolment.

12. Appeals

- 12.1 Any appeals relating to application decisions must be made in writing to the Admissions and Student Funding Team Leader and will be dealt with in conjunction with the appropriate course team and or the Head of Student Services.

13. Compliance

- 13.1 The responsibility for the compliance with the Admissions Policy lies with all staff involved in the process. The Policy will be regularly audited and reports submitted to the Academic Management Committee and the Operational Management Committee.

14. Monitoring

- 14.1 Reports on the number of applications received and offers made will be generated and made available on a regular basis. This is monitored through the committee structure.

15. Review

- 15.1 This policy will be reviewed on a 3 yearly basis, or sooner if legislative change enquires.

Board of Management

Subject/Title:	Core Skills Policy
Meeting and date:	Board of Management – 26 October 2017
Extract from Minutes of the Meeting of the Learning and Teaching Committee held on 26 September 2017	

Core Skills Policy

The Head of Curriculum gave some background to the changes which had been made to the Core Skills Policy which mainly provided clarity on the core skills (numeracy, communication, ICT, problem solving and working with others). The revised policy had been through due process and discussed at Scrutiny Panel (6 June 2017), published for staff consultation (15 June – 22 August) and discussed at SMT (17 August 2017).

The Committee **AGREED** to recommend the Core Skills Policy to the Board of Management for approval.

Board of Management

Subject/Title:	Core Skills Policy		
Meeting and date:	Learning & Teaching Committee, 26 September 2017		
Author:	Craig Lowther, PDM Education (author of policy) Claire Fraser, Quality Officer (author of cover sheet)		
Link to Strategic Plan:	Opportunity & Growth in Student Life Opportunity & Growth in Curriculum		
Cost implications:	Yes / No (<i>delete as applicable</i>) If yes, please specify:		
Risk assessment:	Yes / No (<i>delete as applicable</i>) If yes, please specify: Financial: Operational: Organisational:		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in “open” business	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)

The Learning & Teaching Committee is asked to approve the revised Core Skills Policy for use by Inverness College UHI.

Purpose of report

To inform the Committee of the revisions to the Core Skills policy.

Background

This revised policy has been discussed at Scrutiny Panel (6 June 2017). The policy was also published for Staff Consultation (15 June – 22 August 2017, to allow for the summer break) and approved by SMT (17 August 2017). Following final approval from BoM, the policy will be published.

Main body of information

In general, the changes to the Core Skills Policy are to provide clarity on the Core Skills (Numeracy, Communication, ICT, Problem Solving and Working with Others) and what parts of the Policy document applies to each. PDM titles have been updated for clarity and references to quality assurance have also been updated.

There were some minor amendments made following staff consultation

Change to pre-entry assessment that staff associated with the SkillZone will lead on these (3.3.1)

For induction, not all students receive discrete ICT classes, so induction will receive appropriate induction but this could be through a range of classes (3.3.3).

Any request to be exempt from this policy should be submitted to APDC (Section 4).



CORE SKILLS POLICY

REFERENCE: PL/CL/2017/001

Policy Owner	Head of Curriculum
Lead Officer	PDM Education
Review Officer	PDM Education
Date first approved by BoM	9 June 2008
First Review Date	April 2011
Date review approved by BoM	24 March 2016
Next Review Date	April 2017
Equality impact assessment	
Further information (where relevant)	

Reviewer	Date	Review Action/Impact
	04.06.09	Review approved by BoM
PDM Education	24.03.16	Review approved by BoM

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1. Policy Statement

This document details Inverness College UHI's policy on the delivery of core skills in Communication, Information Technology, Numeracy, Working with Others and Problem Solving.

The College recognises that competence in the core skills increases students' potential in terms of progression to higher levels of study, career prospects and personal and social development. The *Skills for Learning, Life and Work* agenda set out in Curriculum for Excellence and in particular in *Building the Curriculum 4*, establishes the development of essential skills in our learners as a priority. The Scottish Funding Council (SFC) has also emphasised that colleges have a significant role to play in implementing the Government's skills strategy.

Developing the Young Workforce, Scotland's Youth Employment Strategy (2014) has re-emphasised the need to reduce the gap between higher and lower achievers and the need to raise attainment for all. The development of literacy and numeracy skills in particular is crucial to achieving this and to helping young people reach a positive post-college destination.

Inverness College is committed to providing opportunities for all students to develop core skills that build on their existing profiles, thereby enhancing opportunities for employment and improving literacies. As appropriate to the individual and the programme, core skills may be delivered by discrete core skills development sessions, contextualised to the curriculum area, or have core skills embedded within the Award framework.

All further education programmes which have core skills in their framework will undertake the specified core skills to meet the progression and exit requirements of students. This approach shows commitment to developing literacies and will endeavour to -

- Support improved student achievement rates in core skills units due to longitudinal learning.
- Support improved Performance Indicators (PI) in curriculum programmes due to the continued and sustained focus on literacy development.
- Further support those with good literacy skills as they can deepen their learning and apply and develop their skills in new contexts.
- Provide a clear recognition of the relevance of core skills to success in curriculum study and future employment.
- Support the development of Skills for Life, Learning and Work (CfE, Building the Curriculum 4).

2. Related policies

This policy should be read in conjunction with:

- 2.1. Learning and Teaching Strategy
- 2.2. Guidance Policy - Personal Learning Plans
- 2.3. Procedure for the delivery of core skills

3. Scope

3.1. General

This policy applies to all students on further education programmes and to all curriculum areas. Delivery of the policy is the responsibility of all lecturers and is monitored by PDMs and overseen by the PDM Education.

Higher Education: Support for core skills for students undertaking Higher Education courses is available via the Literacies Development Tutor and SkillZone workshops which are offered, primarily, to all students during pre-entry and induction via their PAT. Ongoing support is available in SkillZone, where students can be referred or self-refer.

3.2. Raising the Profile of Core Skills

Inverness College UHI will raise the profile of core skills through:

- clear statements in the prospectus, course leaflets and course handbooks to provide information on the entry requirements for core skills for the programme, specific core skills included in the programme and the importance of core skills for employment
- integration of core skills units with curriculum delivery
- contextualisation of materials
- all staff supporting learners by identifying and highlighting where and when core skills are being developed

3.3. Pre-entry and Induction

- 3.3.1. As part of the interview and induction process for all F.E. programmes, students will take part in an initial assessment or screening of core skills in ICT, Numeracy and Communication. This will determine what level of core skill they are currently operating at and provide information for their lecturers. Initial assessments which form part of the interview process will be organised by the individual lecturer who has scheduled the interviews.

Assessments taking place as part of the induction process will be led by staff trained in the use of bksb.

3.3.2. The College will recognise the prior achievements of each student and will provide opportunities for individuals to continue to develop their core skills across all programmes.

3.3.3. Students will receive appropriate induction as part of their course to stress the importance of core skills.

3.4. Delivery and Assessment

All students will work on the core skills level that has been specified by their Course framework and detailed in the Course Information Sheet. For those who have the specific unit already, the core skills lecturers will provide opportunities for skills to be consolidated, deepened and applied to new contexts, in line with the principles of Curriculum for Excellence. Core skills will normally be taught across the whole programme to support longitudinal learning and skills development.

3.5. Assessment and Verification

Communication, ICT and Numeracy are internally verified according to Quality processes. The PDM Education and PC Core Skills oversees the quality policy for the core skills of Communication, Numeracy and ICT. Standardisation sessions are held on a regular basis to ensure consistency in standards and expectations. It is essential that all deliverers, including those within curriculum teams, attend these and are included in the internal verification schedule. This is the responsibility of the PDM Education and PC Core Skills with the support of the other curriculum PDMs.

The internal verification of Problem Solving and Working with Others are the responsibility of each curriculum area and therefore they are included in their IV schedule and will be overseen by the individual PDMs.

3.6. Cross College Implementation

3.6.1. The Academic Standards and Quality Committee has oversight of

- implementation of the policy
- reviewing regularly the accessibility and flexibility of provision

3.6.2. PDMs and Programme Co-ordinators have responsibility for

- supporting course teams in planning core skills development within course programmes
- disseminating good practice

3.6.3. Curriculum teams have responsibility for

- internal verification of Problem Solving and Working With Others
- ensuring that details of the core skills elements and approaches are included in course information leaflets, handbooks, course folders and master folders
- supporting how core skills can be incorporated, delivered and assessed
- liaising with the PDM Education and the Core Skills Programme Co-ordinator on delivery requirements within their areas

- supporting the Core Skills team in monitoring students' progress in core skills
- 3.6.4. The Core Skills Team is responsible for
- providing support and CPD via standardisation meetings to deliverers within the curriculum teams
 - developing and delivering a range of core skills
 - implementing the core skills policy and procedure
 - devising appropriate screening and assessment procedures
 - monitoring students' progress and informing course teams of progress in core skills' attainment
 - liaising effectively with curriculum teams
- 3.6.5. Personal Academic Tutors are responsible for
- supporting and encouraging individuals within their group to see the centrality of core skills to their programme
 - keeping the core skills lecturers up to date with any relevant information relating to individuals students, for example ASN
 - ensuring that their students' complete Personal Learning Plans which include core skills profiles
 - reviewing learners' Personal Learning Plans
- 3.6.6. All lecturers are responsible for
- promoting the relevance of core skills as transferable skills for employment and citizenship
 - incorporating core skills into the planning of learning activities
 - making core skills delivery explicit to learners
- 3.6.7. All students are responsible for
- participating fully in the development of their core skills as part of the Learning Agreement

4. Compliance

This policy must be complied with and it will be audited regularly by the Quality Unit and the PDM Education with reports going to the appropriate committee. All teaching staff across college are required to implement this policy as it applies across all further education programmes. For HE programmes, the relevance of core skills should be promoted and highlighted and linked to graduate attributes. Course Committee reports from self-evaluative sessions will include analysis and evaluation of the delivery of core skills.

5. Monitoring

- 5.1. Each college policy will be monitored and its implementation evaluated. Appropriate procedures for monitoring and evaluation are the responsibility of the lead officer. These procedures will be subject to audit by the Quality Unit.

Effective internal verification procedures will ensure that standards are consistent.

5.2. This policy would be used as part of every team's self-evaluation during course committee meetings.

5.3. The PDM Education will monitor implementation of this policy annually.

6. Review

This policy will be reviewed on a three yearly basis, with the next review in April 2020

Board of Management

Subject/Title:	Evaluative Report and Enhancement Plan		
Meeting and date:	Board of Management, 26 October 2017		
Author:	Roddy Henry, Depute Principal		
Link to Strategic Plan:	Yes		
Cost implications:	No <i>(delete as applicable)</i> If yes, please specify:		
Risk assessment:	No <i>(delete as applicable)</i> If yes, please specify: Financial: Operational: Organisational:		
Status – Confidential/Non confidential	Non-confidential		
Freedom of Information Can this paper be included in “open” business	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)

The Board is asked to approve the attached Evaluative Report and Enhancement Plan.

Purpose of report / Summary

This report introduces the Evaluative Report and Enhancement Plan (EREP) that is required by the revised external quality arrangements for Scotland’s Colleges. The EREP requires to be approved by the Board and submitted to Educational Scotland and SFC by

31 October. The report will then be presented by the college to an endorsement board made up of SFC and Education Scotland officials. The endorsed report will be published online in December 2017.

Background

The revised arrangements require the college to submit a report evaluating the quality of its provision against the 12 quality indicators in the new framework, '*How good is our college?*' <https://education.gov.scot/improvement/Documents/frwk18-how-good-is-our-college151216.pdf>.

An enhancement plan to address any areas for development is also required.

The new arrangements require a grade to be allocated to three of the four high-level principles in the framework:

- leadership and quality culture;
- delivery of learning and services to support learning; and
- outcomes and impact.

Grades are allocated on a six-point scale, from 'unsatisfactory' to 'excellent'. However, in this first 'year of development' for the new arrangements, the grades are for discussion only at the endorsement board and will not be published.

The fourth principle, capacity for improvement, is not graded.

Main body of information

The format of the report is defined in the SFC's supplementary guidance. The report responds to the themes and prompts under the 12 quality indicators (QI) in the new quality framework.

The bullet points in the report under each QI therefore relate back to the prompt questions in the framework and are drawn from the evidence base gathered by the college throughout the year. The evaluations are based on a synthesis of several evidence sources.

The established Education Scotland/HMI quantitative terms have been used throughout the report to aid clarity:

Almost all	>90%
Most	75-90%
Majority	50-74%
Less than half	15-49%
A few	<15%

A draft of the EREP was sent to the college HMI (cHMI), Andrew Brawley, on Wednesday 20 September and comprehensive verbal feedback was provided to the Depute Principal and Quality Manager the following morning. The discussion focussed on two main aspects:

- The format and completeness of the report;
- The accuracy of the report in terms of the cHMI's own findings through his knowledge of and engagement with the college and scrutiny of a range of evidence.

The cHMI described the report as one of the best he had seen in terms of format, completeness and focus. He also confirmed that it accurately reflected his evaluation of the quality of the college's work.

Each section and QI was discussed in turn and a few amendments made to reflect the feedback provided. The cHMI advised that several provisional Areas for Development should be removed as they were either insufficiently significant to warrant inclusion, or they reflected issues for further enhancement rather than weaknesses. There was a helpful discussion on what constituted a weakness sufficient to warrant an Area for Development: as a general rule these should be issues that, if not addressed, would impair/continue to impair the overall quality of the learner experience. The effectiveness of the college's quality arrangements overall are a factor in that assessment.

At its September meeting, the Learning and Teaching Committee was asked to comment specifically on the evaluation relating to the first QI, *governance and leadership of change*, as the draft evaluations relating to the Board and governance have been drawn from Board papers, discussions and the Board's external evaluation report. The committee endorsed the evaluation.

The PEV took place at the college on 4 October: the notes from the visit are attached for information. The feedback can be summarised in the comment:

'General feedback from HMIs is that the report has been crafted very well, uses evaluative language appropriately and provides an accurate overview and account of the college, its provision, services and outcomes.'

The report was then amended to take account of the specific comments and suggestions that were made during the PEV and recorded in the attached notes.

Grades were also discussed at the PEV, and based on those discussions it is proposed that the following grades are put forward for discussion at the endorsement event:

Principle	Grade
Leadership and quality culture	Very Good
Delivery of learning and services to support learning	Very Good
Outcomes and Impact	Very Good

The Board is asked to approve the attached EREP and above grades.

Roddy Henry
Depute Principal

Arrangements for assuring and improving the quality of provision and services in Scotland's colleges

Note of College Pre Endorsement Visit at Inverness College UHI Wednesday 4 October 2017

Attendees: Education Scotland: Andrew Brawley HMI, Gill Ritchie HMI

Scottish Funding Council: Sharon Drysdale

Inverness College UHI: Roddy Henry, Liz Cook

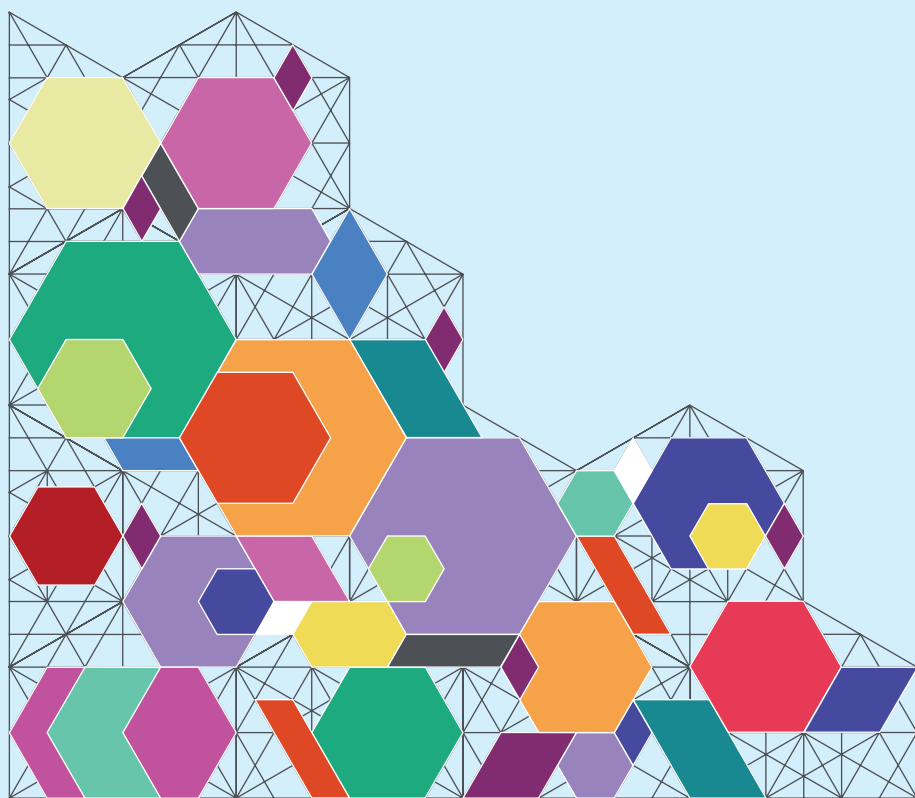
Item	Outcome	Action
1.	<p>Overview of college-devised evidence gathering and reporting approaches</p> <ul style="list-style-type: none"> The timelines for production of the Evaluative Report (ER) and the Enhancement Plan (EP) (October 2017) has been challenging for the college within this initial development year. Existing college-devised self-evaluation arrangements have informed the production of the ER. 	
2.	<p>Education Scotland feedback on evaluative report</p> <ul style="list-style-type: none"> General feedback from HMIs is that the report has been crafted very well, uses evaluative language appropriately and provides an accurate overview and account of the college, its provision, services and outcomes. The ER is slightly longer than the parameters proposed by Education Scotland (ES) and Scottish Funding Council (SFC) of approx. one page per QI. However, it is acknowledged that for this development year there is no requirement to reduce the length of the submitted report. 	

	<ul style="list-style-type: none"> • Within the introduction section, as for other UHI colleges, it would be useful to include commentary on the role of FERB and UHI governance arrangements. • It would also be helpful to include text relating to the SIMD learner profile the college recruits and serves <p><i>Leadership & quality culture</i></p> <ul style="list-style-type: none"> • For QI 1.3 it would be helpful to demonstrate the impact of improvements to support services on learners and the associated benefits derived. For some text within 1.3 there is probably too much information contained within some of the evaluative sentences. • For QI 1.4 there is the potential to expand further on the positive impact of changes introduced as a result of the college's self-evaluation processes. <p><i>Delivery of learning and services of support learning</i></p> <ul style="list-style-type: none"> • For QI 2.1 there is the potential for consolidation in one or two of the evaluative bullets. • For QI 2.2, possibility of expanding further on the workplace experiences. Also potential to make a separate bullet relating to progression pathways. • For 2.4 there is the potential to reduce the volume of text through conflating one or two of the bullets. Also, given the very good transition arrangements there is scope to make this sound even more positive and effective. The area for development should be reworded to reflect the growth in demand experienced for additional mental health services. <p><i>Outcomes and impact</i></p>	<p>College</p> <p>College</p>
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	<ul style="list-style-type: none"> For 3.2, in the area for development, the issue relating to the full-time Highers programme should be included as from discussions held this is having a significant impact on FT FE PI outcomes. <p><i>Capacity for improvement</i></p> <ul style="list-style-type: none"> Within this section of the report, given the college's significant improvement with PIs over an extended time period, this should be included for context. 	
3.	<p>Education Scotland feedback on enhancement plan</p> <ul style="list-style-type: none"> The EP captures the areas for development listed within the ER. It would be helpful to include an additional column to list the outcomes to be achieved. 	College
4.	<p>Grading outcomes (provisional)</p> <ul style="list-style-type: none"> There was a general discussion around the grading process being deployed for all colleges during 2016-17. Grades are to be proposed by colleges but will not be endorsed or published this year. The college is still reflecting on its proposed grading outcomes to be submitted to the Board. 	
5.	<p>Next steps</p> <ul style="list-style-type: none"> The college is to refine both the evaluative report and the enhancement plan further before submitting them alongside proposed grading outcomes to ES and SFC. 	College

START
TOMORROW
TODAY

Evaluative Report & Enhancement Plan 2017



University of the
Highlands and Islands
Inverness College

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1. Inverness College UHI

Inverness College UHI is one of the largest academic partners in the University of the Highlands and Islands (UHI) and delivers over one-quarter of the Highlands and Islands region's further education (FE) provision. The UHI is the Regional Strategic Body for FE in the Highlands and Islands region: the UHI Court delegates its powers in this regard to the FE Regional Board (FERB), a committee of the Court.

The college's core FE student activity target for 2016-17, as allocated by the FE Regional Board, was 28,698 credits. The college also secured an allocation of 949 ESIF-funded credits. The college enrolled 4,487 learners on FE programmes in 2016-17, as well as over 1,660 full-time equivalent learners on HE programmes as part of the university's provision. The college employs over 370 staff, of which 183 are teaching staff.

The FE curriculum covers 15 subject areas and includes specialist provision within the Scottish School of Forestry. The college also delivers a significant number of Modern Apprenticeships supported by Skills Development Scotland (SDS). School-college partnership provision includes a good range of Foundation Apprenticeships: the college has seen significant growth in its school-college activity in recent years.

The principal, who had been in post since February 2013, left to take up post as Vice-Principal for Further Education with the UHI at the end of May 2017. The new principal took up post on 1 September 2017. The college's Main Campus building on the Inverness Campus opened to learners in August 2015 and the new facilities which house the Scottish School of Forestry at Balloch opened in April 2015. The college's co-location with Highlands and Islands Enterprise (HIE) on the Inverness Campus has helped to strengthen partnership working and the college's contribution to local and regional development.

The majority of learners enrolled on FE programmes at the college come from the Inverness and Inner Moray Firth area. The college also attracts learners wishing to study on specialist programmes from across the Highland region and beyond. The population of the Inner Moray Firth area is approximately 153,000 and grew by 14.8% between 2001 and 2011. Unemployment rates in the area are lower than across Scotland as a whole and in line with those of the Highlands and Islands. The proportion of 16-19 year olds participating in education, training or employment in the Highland Council area is 93%, almost 2 percentage points above the national rate¹. Across the Highland Council area, 3% of working age people live in postcodes that fall into the 10% most deprived category²; this rises to 9% in Inverness city.

In 2016-17, the college exceeded its FE credit target for the third successive year: 6% of the credits was delivered to people from the 10% most deprived postcode areas, 23% was delivered to people living in remote and rural areas³ and 57% was delivered to people aged 16-19 years. The college's full-time FE provision amounted to 71% of the total credits delivered. Total college income in 2015-16 was £24.7m, of which 75% was grant income from SFC (including UHI grant for higher education).

¹ 2017 annual participation measure report: summary for Highland Council (SDS), June 2017

² According to the Scottish Index of Multiple Deprivation (SIMD)

³ Learners living in postcodes categorised as *remote rural* or *very remote rural* by the Scottish Government's Urban Rural Classification

2. Evaluative Methodology and Arrangements

The college has a suite of quality arrangements in place. The arrangements ensure that evidence from a variety of sources is collated and analysed throughout the year to inform actions for improvement, the progress against which is monitored regularly. The review of the evidence generated and the effectiveness of the action plans in bringing about improvements form the basis for the evaluations in this report.

The suite of arrangements can be viewed in terms of three, inter-related elements:

- Evidence gathering: quantitative and qualitative data
- Reflection and self-evaluation, including action planning for improvement and enhancement
- Progress monitoring

These elements can be seen in the diagram on page 6, which illustrates how they are incorporated into an annual cycle at college level. In reality, all three elements are in play at any one time throughout the year at programme and service level or in relation to college-wide themes. Each of the three elements is outlined below.

Evidence Gathering

The college gathers and maintains a comprehensive data set on all aspects of learner application, enrolment, progression, success and destination. The data are made accessible to staff through reports and via a *dashboard*. The dashboard enables staff and managers to drill-down or interrogate accurate, real-time data by key themes, such as mode or level of study, subject area, programme, learner group, reason for withdrawal etc. National benchmarking data is also collated. The data are used to evaluate provision, set targets and monitor progress. Feedback is gathered from learners and key partners in a variety of ways, including through surveys, focus groups, Student Representative Council, *Curriculum Advisory Groups*, industry liaison/representative bodies, sector groups and customer and partner engagement. This qualitative evidence is collated and disseminated at programme, service and college levels as appropriate. The college's process for observing learning and teaching, *Professional Discussion on Learning and Teaching* (PDLT), provides first-hand evidence on a sample basis on the quality of learning and teaching. PDLT is conducted by a cohort of trained staff that includes lecturers, managers and senior managers. External scrutiny via quality frameworks such as Investors in People and Customer Service Excellence, evidence from awarding bodies and engagement with Education Scotland provide additional, third-party perspectives.

Reflection and Self-evaluation

Reflection and self-evaluation are informed by the evidence base gathered and collated throughout the year. The activities are supported by a range of processes including the college meetings and committee structures. Formal *Course Committee Meetings* (CCM) take place at least three times per year and follow a standard agenda that reflects the priorities and available evidence at points in the year. Support service team meetings occur more regularly and follow a generic agenda that is tailored to a team's specific service context. Annual self-evaluation reports, including actions for improvement, are generated at service and programme team level, and at curriculum area level. Service team and curriculum area reports form the basis of an annual dialogue between teams and senior managers. College-wide actions for improvement are identified through a *Quality Monitoring Dialogue* (workshop) involving all managers and senior managers, and inform the overall *Quality Enhancement Plan*. Evidence is also reflected on, and actions implemented, throughout the year via

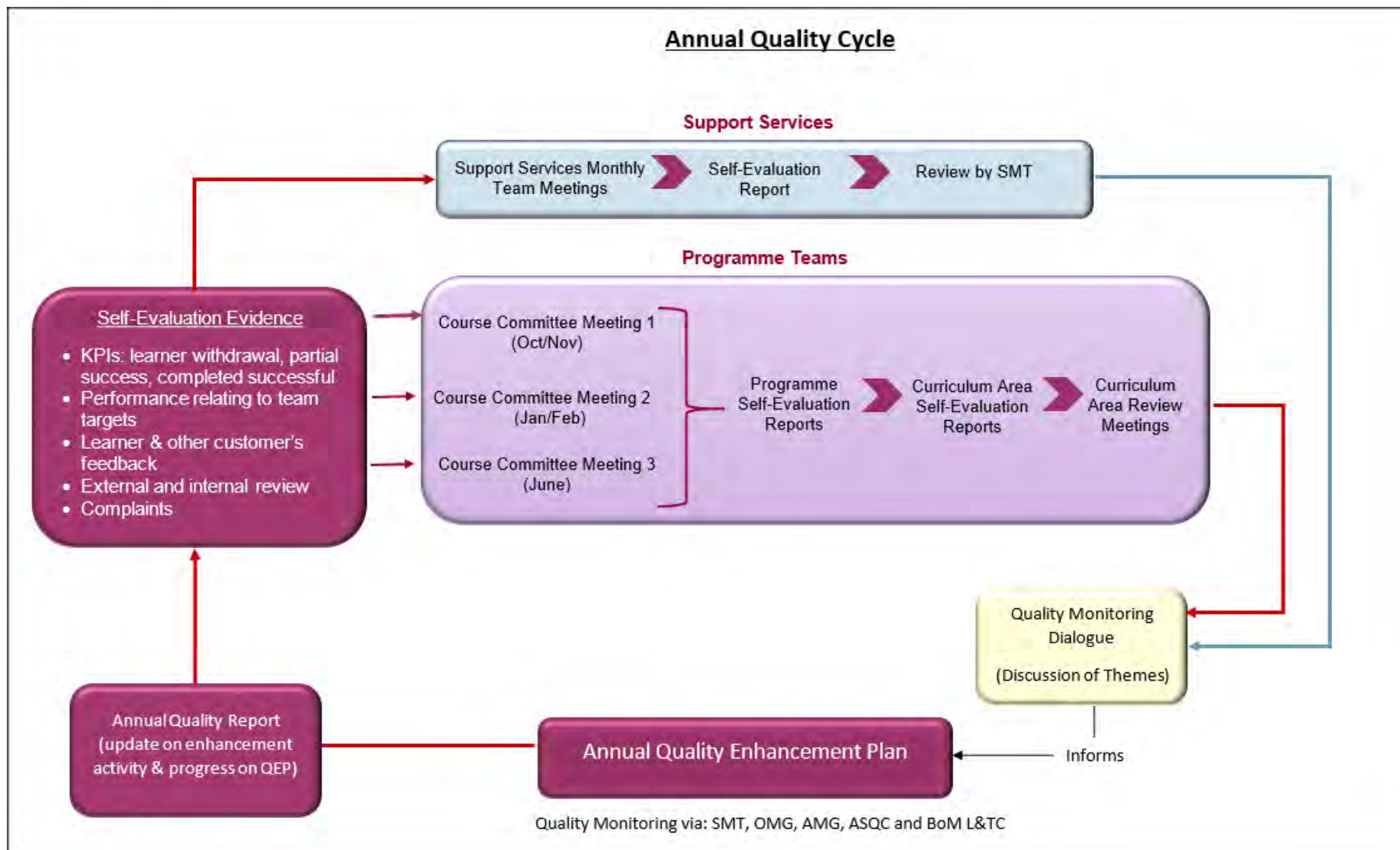
college committees, including the *Senior Management Team* (SMT), *Academic Management Group* (AMG), *Operational Management Group* (OMG), *Academic Standards and Quality Committee* (ASQC) and *Student Support Committee*. Through the annual reporting cycle, under-performing programmes or emerging issues are identified and may be subject to the *Targeted Intervention* process. This process provides additional support and challenge where required to overcome persistent issues or to address emerging concerns.

Progress Monitoring

Progress against action plans and targets is monitored via course committees, team meetings and college committees, informed by the evidence base generated throughout the year. The *INSIGHT* process implemented in 2016-17 enables real-time progress of individual learners to be monitored and early action to be taken to better support learner success. The system reflects performance indicator targets and generates a 'live' forecast for each programme based on learner progress. *INSIGHT* was implemented in 2016-17 for full-time and 'short-full time' FE programmes. Progress against the Quality Enhancement Plan and Targeted Intervention actions are also monitored via the committee structure. The Board of Management and its *Learning and Teaching Committee* monitor progress towards targets and actions for improvement through accurate and detailed management reports.

Other college processes, such as professional learning and development activities and *Professional Development Reviews* (PDR), are integrated with the three elements outlined above. The effectiveness of the quality arrangements themselves is also monitored and reviewed leading to annual amendments and ongoing further enhancements. These amendments and enhancements are often informed by effective practice identified from beyond the college and by the work of *LEAD*⁴ programme groups.

⁴ LEAD is the college's ongoing management development programme



3. Evaluative Report

3.1 Leadership and Quality Culture

3.1.1 Governance and Leadership of Change

Areas of Positive Practice

- The Board of Management provides effective support and appropriate challenge to ensure the college maintains and continuously improves the quality of its provision.
- The Board and its Learning and Teaching Committee receive full and accurate reports throughout the year on, for example, student recruitment, student satisfaction rates and survey findings, external verification visits and student outcomes. A report from the Student President and an update on progress on the *Student Partnership Agreement* actions are standing items on the Learning and Teaching Committee agenda. Two members of the students' association executive are members of the committee and of the full Board of Management.
- Reports and information shared through the Board and its committees ensure that the Board is well aware of the college's performance. Internal audit reports, Board members' understanding of the college's quality processes, references to nationally published and benchmarked performance indicators, engagement with stakeholders and triangulation with external scrutiny, all enable the Board to have confidence in the accuracy and validity of management reports.
- The college's *Strategic Plan 2017-20* was developed through extensive engagement between the Board, external stakeholders, managers, staff and students. A Board stakeholder event involving learner representatives, senior representatives from the Highland Council, SDS, HIE and other partners and the Interim Chief Executive of the SFC helped to ensure that the strategic plan is closely aligned with local, regional and national priorities.
- Senior managers engaged in an extensive consultation with staff and learners to further shape the strategic plan and to align the underpinning strategies with the new strategic plan. The college's well-established and effective quality arrangements ensure that the views of staff, learners and stakeholders are integral to the planning for continuous improvement.
- The principal and the senior team work closely with the students' association to monitor and improve the learner experience. The Board and the senior team supported the association's executive officers through the resignation of two student presidents in 2016-17. They also supported the elected student officers through the discussions and consultation that led to the amalgamation of the Inverness College Students' Association (ICSA) with the overarching Highlands and Islands Students' Association (HISA), with effect from 1 July 2017.

Areas for Development

- None

3.1.2 Leadership of learning and teaching

Areas of Positive Practice:

- The college has clear and effective strategies in place for improving learning and teaching and to ensure that learners achieve programme aims. The *Learning and Teaching Strategy* and the *Quality Assurance and Enhancement Strategy* clearly define the college's approaches to maintaining and improving the quality of provision.
- The strategies are enacted through a range of policies, process and practices that are well-embedded and effective. Staff have a strong sense of ownership of these arrangements, which are reviewed on an ongoing basis and revised by staff working groups. The arrangements ensure that issues affecting the quality of provision are identified early and that effective action is planned and implemented timeously.
- Managers make good use of the self-evaluation process to plan for continuous improvement. Robust processes for programme approval, curriculum planning, staffing and operational resources ensure that the quality of provision remains high.
- The Academic Management Group (AMG) oversees the operational management of all aspects of academic provision and the associated internal processes and quality arrangements. It ensures that good practice is shared among managers, priorities for action are collectively identified and managers collaborate effectively to make improvements.
- The Head of Curriculum, Programme Development Managers (PDM) and Programme Coordinators provide effective leadership and support for programme teams, ensuring that appropriate actions for improvement are identified and implemented.
- Self-evaluation is ongoing throughout the year, informed by learner feedback and the analysis of robust, up-to-date and accessible data. Regular Course Committee Meetings ensure that key aspects are reviewed by the team at particular points in the year.
- A comprehensive *Organisational and Professional Development Strategy* clearly defines the objectives for workforce development and ongoing professional learning. Team development needs are identified through the self-evaluation processes and individuals' needs are identified through the Professional Development Review (PDR) process.
- The college achieved Investors in People (IiP) Gold accreditation in December 2016 and aims to achieve Platinum accreditation by 2020. The internal management development programme, LEAD, is in its third year and has made a significant impact on management practice and collaboration.
- Staff development needs are supported well through whole-college development days, workshops, bespoke training provision and formal qualifications. All new teaching staff undertake a professional learning programme, which includes the *PDA Teaching Practice in Scotland's Colleges*. The programme has been refined and enhanced over 2016-17 to include greater opportunities for observation of teaching and informal mentoring. These arrangements work well in supporting staff to reflect

on and enhance their practice. 93% of permanent teaching staff hold a recognised teaching qualification and the rest are working towards one.

- Student representatives sit on several committees and contribute well to the development of strategy. Regular meetings take place between senior managers and the student association to review the actions emerging from the student partnership agreement, which includes learning and teaching elements.
- Learner views are gathered via a number of mechanisms and are used well to inform improvements at course and college levels. Curriculum teams engage well with employers through curriculum advisory groups and the college has excellent and productive relationships with a range of external partners.

Areas for Development

- None

3.1.3 Leadership of services to support learning

Areas of Positive Practice

- The college's strategic approach to maintaining and improving student support services is clearly articulated in the underpinning strategies, which were developed in consultation with staff, students and stakeholders.
- The Customer Service Excellence (CSE) framework is used to good effect to drive continuous improvement. The first annual re-assessment of the CSE award took place in December 2016. The assessment report identified over 20 areas of good practice and the following four areas of *compliance plus* (viewed as exceptional or as exemplars to others): the INSIGHT system; significant improvements made as a result of analysing the customer experience; the range and quality of information to meet the needs and preferences of customers; partnership working to benefit students and prospective students.
- The Operational Management Group (OMG) and LEAD project working groups are effective in supporting managers to work together to identify areas for improvement and further enhancement, and to take appropriate actions.
- The Head of Student Services and managers/team leaders of support areas work well together to review and improve services. Collaboration between support service and curriculum teams is a key feature of working practice and successful ongoing improvements.
- Learner needs are identified and responded to well. Trends in demand and student satisfaction with services are monitored closely and actions are taken to improve or amend services as required. The college engages with a range of external partners to ensure that future need is identified, best practice is shared and access to additional services is maintained.
- A comprehensive range of support services is available to learners including additional support for learning, *SkillZone*, careers guidance, mental health support and funding/financial information. Improvements in induction and signposting

arrangements have increased learner awareness of how to access support. Success rates for learners with a specific learning difficulty or a mental health issue improved in 2016-17.

- Ten support services are identified for evaluation and feedback in the annual student survey. Satisfaction rates were 89% or above for nine of the areas in the 2016-17 survey, and most areas returned satisfaction rates of 95% or above.
- Improvements in the last year include revisions to the student support funds application process and the introduction of the INSIGHT progression and attendance monitoring system. INSIGHT ensures that early action is taken to support student retention, including early and more focussed referral to student services.
- Improvements to the student funding process have resulted in funding applications being processed more timeously and student funding being in place from an earlier point. The number of learners with outstanding funding claims has reduced significantly: from 145 in March 2016 (2015-16) to only 8 outstanding by December 2016 (for 2016-17).
- The INSIGHT system and the improvements to student funding processes have contributed to a reduction in withdrawal rates in 2016-17.
- Learner representatives are members of the *Student Support Committee* and the *Equality and Diversity Committee*. Student support issues feature in the Student Partnership Agreement and are discussed regularly at the monthly Student Representative Council. These arrangements, along with the ongoing dialogue with learner representatives and the college's arrangements for gathering learner views, ensure that learners are engaged well in improvements to support services.
- Professional learning arrangements are well-developed and effective. Support service staff engage well in staff development provision, which includes bespoke and college-wide activities, such as the LEAD project and corporate training.

Areas for Development

- None

3.1.4 Evaluation leading to improvement

Areas of Positive Practice

- The college has developed a strong culture of quality improvement and enhancement that has had a positive and significant impact on learner outcomes over the last four years.
- Learners influence change in every aspect of the learner journey. Class Representatives attend monthly SRC meetings and Course Committee Meetings (CCM) to ensure the learner voice is heard at programme and at college levels. The number of learners providing feedback through CCMs, either in person or in writing via an established proforma, increased in 2016-17. There are good examples of where the learner voice has influenced and contributed to improvements.

- The wider student voice is captured formally through surveys and focus groups. Learners provide feedback directly to their PATs, which is shared as appropriate with teams and PDMs. Support services make good use of transactional feedback to effect change and all managers and teams make good use of learner feedback to improve provision. Most students believe their contributions are heard and influence change at the college. This systematic use of the learner voice has contributed well to improvements in retention and achievement and student satisfaction over the last three years.
- Almost all managers lead the evaluation of provision and services well. Collaboration between managers and staff to effect improvement has been a key feature of the college's overall development over several years. A number of projects has been identified through the LEAD programme, bringing staff together from across college in project working groups to implement change.
- Outcomes for students on FE programmes are above sector levels overall and have improved year-on-year for the last four years. There are good examples of cross college initiatives, such as INSIGHT, the revised admissions process and the PDLT process, which have had a positive impact on learner outcomes.
- The college maintains comprehensive, up-to-date and accurate data on student enrolments, retention and attainment. The data are made accessible to managers and teams through the *Enrolment Dashboard*. Managers and staff use the data well and routinely to set targets, monitor progress and identify areas for improvement.
- Partnership working is one of the college's major strengths. Employer-led Curriculum Advisory Groups make valuable contributions to programme development and review, as do ongoing links with employers and industry representative groups. Partnerships with agencies, such as *Who Cares? Scotland*, the NHS, the *Family Firm*, *Barnardos* and *New Start Highland* inform practice and provision for learners in a number of ways.

Areas for Development

- In the context of the college's high expectations, in a few programme and service areas, actions for improvement are not yet sufficiently or consistently effective.
- While the number of Class Representatives attending CCMs has increased, in a few areas the engagement of both staff and students in the process needs further support and improvement.
- Despite the extensive arrangements for learner engagement, one-fifth of learners on FE programmes responding to the college survey did not feel that learner views influence change.

3.2 Delivery of learning and services to support learning

3.2.1 Safeguarding and child protection (includes PREVENT)

Areas of Positive Practice

- The college has effective processes in place for safeguarding and takes good account of the requirements of the UK Government's PREVENT strategy. Appropriate protocols are in place for sharing information with other agencies, which ensures any potential safeguarding or PREVENT risks are identified at an early stage.
- All staff receive PREVENT awareness training and are well informed about their responsibilities relating to safeguarding and child protection. Key front line staff and student officers receive enhanced, home office approved *Workshop to Raise Awareness of Prevent* (WRAP) training. The college has two WRAP trainers and training is delivered in partnership with Police Scotland.
- The college works well with partners to ensure its safeguarding and child protection arrangements are comprehensive, effective and collaborative. It plays a key role in *Multi Agency Public Protection Arrangements* (MAPPA) and works closely with other agencies including NHS, Police Scotland and the Local Authority in undertaking joint risk assessments.
- Learners receive appropriate information and guidance at induction and effective signposting to advice and guidance thereafter. Almost all learners report feeling safe when in college.
- The college responds to its responsibilities well with regard to corporate parenting. Building on its well-established practices as holders of the Buttle Trust Award, its *Corporate Parenting Plan* has improved the processes for identifying and supporting care experienced leavers. Staff awareness is maintained through staff briefing and helpful training materials that were developed in partnership with *Who Cares? Scotland*.

Areas for Development

- None

3.2.2 Curriculum

Areas of Positive Practice

- A systematic curriculum planning process ensures that local, regional and national strategic drivers are considered well to maintain a relevant and valued curriculum. Curriculum Advisory Groups, comprising employer and sector representatives, ensure that curriculum design and content remain demand-driven and up-to-date. The groups also provide a useful mechanism for gathering stakeholder views on the quality of provision. Curriculum teams use this information well to inform their own evaluations and development plans.
- School-college partnerships have continued to develop, with over 600 school pupils enrolled on college programmes in 2016-17: a 40% increase on 2013-14 numbers. An effective process for agreeing school-college provision with many of the Highland

Council's 29 secondary schools is in place and works well. Thirty-three school pupils were enrolled on Foundation Apprenticeship (FA) programmes in 2016-17, just over one-third of all FA enrolments in the Highlands and Islands region and just under 10% of national enrolments. The college also began delivery of Scotland's first Graduate Level Apprenticeship, in Civil Engineering.

- The introduction in 2016-17 of *Sector Development Plans* has enhanced the curriculum planning process. The plans are produced through an environmental scanning process, including the gathering of labour market intelligence, to provide an analysis of industry sectors' needs together with actions and targets relating to the relevant curriculum areas. The plans feed into existing curriculum review and planning processes.
- The curriculum planning arrangements ensure that the FE curriculum takes good account of employment opportunities and the local and regional economy. Programme content and learning and teaching approaches ensure that learners develop relevant knowledge and skills.
- Progression pathways are clearly articulated and effective, enabling progression from access to postgraduate level in many subject areas, and supporting transitions to and from a range of qualifications and into employment or further study. The full-time Higher and National 5 provision enables learners to study up to four awards to support progression to a variety of HE programmes.
- The curriculum design and planning processes ensure that all programmes include opportunities for learners to develop employability skills. Workplace experience is embedded well across the curriculum in a variety of ways, including realistic workplace environments in college, site/employer visits, career events, personal skills analysis activities, enterprise events and guest speakers.
- Almost all curriculum teams enable learners to plan and personalise their learning well through activities such as choosing topics for investigation and designing project briefs. Teaching staff contextualise learning well to enhance learner motivation and engagement. As a result of learner feedback, a cross-college initiative around assessment scheduling has been implemented to further enhance the opportunities learners have to plan their own learning.
- Where appropriate opportunities arise within the curriculum, most teaching staff use them well to develop learner understanding and awareness of equality and diversity issues. Teams make good use of CCMs to seek learner views and to make improvements. Most learners agree that they are able to influence their learning.
- Curriculum teams make good use of learner views to inform improvements to programmes. Learners are represented at CCMs, either through physical attendance or submitted feedback. Attendance at CCMs increased in 2016-17 compared to the previous year. The results of formal student surveys are collated and disseminated at curriculum and programme levels, and are used well in team self-evaluation activities.
- Focus groups with class groups are facilitated by the Quality Unit where issues are identified through an analysis of data or student feedback, or through the complaints process. The outputs from the group discussions are provided to the relevant PDM for action, with the actions monitored through the AMG.

- Most learners are aware of how to provide feedback to improve learning and teaching. The college's commitment to responding to learner views makes a positive contribution to maintaining and improving the quality of provision overall.

Areas for Development

- Learners on the full-time Higher and National 5 programmes often receive conditional or unconditional offers during their programme, leading to disengagement with the awards that are not then necessary for their progression. This in turn leads to high levels of withdrawal and/or partial success on these programmes.

3.2.3 Learning, teaching and assessment

Areas of Positive Practice

- Almost all learners are motivated and engaged in their learning and almost all learners agree they are encouraged to take responsibility for their learning.
- Most learners make good use of the high quality resources available across the college. Digital resources are used extensively and well by learners across the curriculum. Learners express a high level of satisfaction with the resources available to them.
- Teaching staff are highly skilled and enthusiastic. They make good use of their vocational/subject and professional knowledge to contextualise learning and relate it to employment.
- The recent recruitment of a Digital Skills Officer has contributed to the development of staff digital skills, and this should be further enhanced through the implementation of a Core Digital Skills Framework in 2017-18.
- Most learners agree that the way they are taught helps them learn. The quality of learning and teaching is high across the curriculum, confirmed by the findings of the PDLT process in 2016-17 which inform the evaluations in this section of the report. Twenty-one reviews were undertaken in 2016-17, with seven held over to be completed by end of October 2017, prior to the new cycle beginning.
- Relationships in the learning environment are positive and respectful and learners collaborate well on tasks and projects.
- Learners develop a range of technical, personal and employment-related skills on their programmes, and core skills are contextualised well on most programmes. Learners are clear on the standards required and what they need to do to complete their studies successfully.
- Most learners are prepared well for assessments and have a good awareness of when summative assessments are due, enabling them to plan effectively. Most teaching staff use questioning, formative assessment and feedback well to support learner reflection on progress and to identify next steps in learning. Additional support arrangements, including those for assessment, work well and have recently been further improved.
- Teaching teams use accessible, accurate and up-to-date data on learner progress and performance well to inform improvement. The INSIGHT process, implemented in 2016-

17, has further enhanced the ongoing monitoring of learner progress and attendance and has contributed to an improvement in learner further withdrawal in 2016-17.

- Feedback from learners and stakeholders is gathered through a range of mechanisms including student surveys, CCMS, student focus groups, school-college planning groups and curriculum advisory groups. Their views are used well and routinely to inform evaluations and to plan improvements. Most learners feel they can influence their own learning and most learners are satisfied with their overall college experience.
- A strong culture of reflection and evaluation has been established across the college over the last few years. Teaching staff reflect well on their practice and this is supported effectively by college quality arrangements. *ICTeaching*, a peer-learning initiative based on the PDLT process, is being implemented in 2017-18 to further support staff to share and reflect on their practice.
- The positive impact of the culture of reflection and evaluation is evidenced by the year-on-year improvement in successful outcomes for learners on FE programmes. The targeted intervention process ensured that the success rates in Business, Management and Administration recovered for a dramatic fall in 2015-16 and are now 11 points above the sector subject level. A persistent focus on improving success rates in Care over a two-year period has resulted in a 19 point improvement in 2016-17.

Areas for Development

- Learning and teaching approaches are in need of further improvement in a few programme areas. These areas are included in the targeted intervention process for 2017-18 and progress will be monitored throughout the year.
- In a few programme areas, the ability of learners to influence their own learning is not sufficiently developed or facilitated.

3.2.4 Services to support learning

Areas of Positive Practice

- The high quality of the college's support services makes an important and valuable contribution to learner success and progression. Support services and teaching teams work in close collaboration with PDMs and PATs to ensure that the entire learner journey is coherent.
- Information, advice and guidance is provided through a suite of arrangements that ensures potential learners are well supported to make informed choices. This includes a comprehensive website and prospectus, useful *curriculum maps*, sector-specific publications, support service guides, funding surgeries and open information events. The inclusion in the prospectus of information on methods of delivery has been welcomed by learners. A shift away from traditional marketing methods to an increased use of social media has successfully extended the reach of information to a wider audience.
- The range of open days/evenings has also been extended to include events targeted at specific industry areas, developed and delivered in partnership with industry. Some of the open days go beyond the potential learner, and reach out to the wider community,

for example, the Scottish School of Forestry open day. The students' association play a key role in all open events and provision of information to potential learners. All such events are evaluated as useful and informative by those attending.

- Extensive student guides on all aspects of student support are available to potential, new and existing learners. Ongoing review of and improvement to the course planning and timetabling processes have resulted in earlier and more accurate pre-course information to learners. Changes to course handbooks have been well received by learners, with most expressing an increased level of satisfaction with their accuracy and content compared to the previous year.
- Effective arrangements are in place to identify and provide support for additional learning needs. Declaration on application means those requiring additional support are seen by an experienced member of the Additional Support Needs (ASN) team prior to or early in their programme. For those learners who do not disclose on application, referral takes place through the PAT process. The INSIGHT process has enhanced the identification and referral of any support needs not disclosed or identified at application.
- Significant improvements to student funding processes include systems to monitor the status of applications, comprehensive learner guides and the inclusion of a funding 'flag' on INSIGHT for learners with incomplete applications. These measures have had a positive impact on student understanding of the process and have greatly reduced the number of outstanding applications. The improvements were awarded 'Highly Commended' in the UHI Student Support Initiative Awards in 2017.
- The college's *CREATE* team provides extensive support for enterprise and entrepreneurship. Their annual *Business Idea* competition is open to all UHI college students over 16 years of age. The competition had over 140 entries last year and won the UHI Student Support Initiative Award. It supports well the embedding of enterprise in the college experience.
- PATs provide high quality, on-going advice and support through regular, often weekly, contact with learners. Discussions on progress provide a reflective focus for learners. INSIGHT has better supported PATs to identify those learners at risk of leaving or not completing their programmes successfully, and to provide early support or make timely referrals to other college services. Learner satisfaction with the support that PATs provide is high.
- Support service teams make very good use of the systematic learner feedback arrangements to further improve their services. Feedback gathered through the SRC, student focus groups and formal student surveys, as well as relevant data, are used systematically to make positive changes. Recent examples include the introduction of a facility that shows in real-time which computers in the Learning Resource Centre (LRC) are free, and an enhanced offer in the Skillzone, extending times and broadening content of available support.
- The college has strong and productive relationships with a number of external agencies, and has built on existing partnerships to the benefit of learners and prospective learners.

- Partnership working has been used effectively to support the increasing number of learners with mental health issues. Support staff make effective use of, and work collaboratively with, a range of external agencies, particularly third sector agencies and the NHS, to provide holistic support to students to supplement the health and wellbeing and counselling services provided by the college.

Areas for Development

- The increase in referrals as a result of the INSIGHT process and the increase in learners presenting with mental health issues have put considerable strain on resources for Guidance and Well-being.

3.2.5 Transitions

Areas of Positive Practice

- The college's arrangements to support transition are highly effective. Managers and staff work well with a range of partners, including schools, the Council, third-sector organisations and SDS, to maintain well-established access, transition and progression arrangements.
- The college is the main provider of FE and HE provision in the area, delivering about one-quarter of all the university's FE and HE provision. It works well with partners to ensure that the unique nature of its curriculum offer provides progression pathways from access to postgraduate level, and successfully raises awareness and understanding of the different qualification types on offer.
- The expanded *Schools Team* includes the *Access and Progression Manager*, *School Liaison and Transition Coordinator*, *Project Manager: Developing the Young Workforce* (DYW) and two coordinators funded through SDS to promote Foundation and Graduate-level Apprenticeships. Over 70 school visits were carried out during 2016-17 to highlight opportunities and progression pathways. The visits are planned and delivered in partnership with school staff and feedback from them is overwhelmingly positive.
- The dedicated School Liaison and Transition Coordinator has well-established and positive relationships with schools and other agencies. The role provides a welcome single point of contact to ease the transition from school to college/university for young people with additional needs.
- The *Corporate Parenting Working Group* ensures that transition and progression arrangements are in place and work well for this group of learners.
- Pathways to study and employment for adult returners, especially those furthest from the labour market and those with learning difficulties, are supported well through partnerships with organisations such as Barnardos, the *Cairngorm Learning Partnership* and New Start Highland.
- The *Adult Achievement Award* has been used well in the college's outreach activity over the last two years to enhance the essential skills of adults furthest from the labour market. Ten staff are now trained in the delivery of the award and it is embedded in the *Community Link* programme for adults with learning difficulties. A new *Access to FE*

programme, aimed at adult returners and commencing in September 2017, was designed in collaboration with third-sector partners.

- Learners are supported well to make informed choices about their next steps. Clear and coherent curriculum architecture, illustrated well by curriculum maps, ensures that learners have a good understanding of their internal progression opportunities. College staff ensure that articulation routes to other institutions are clear and that college programmes prepare learners well for them.
- Learners have regular contact with PATs and teaching staff to identify the next phase in their learning journey. Teaching staff draw on their industry experience and employer links well to support and enhance progression to employment. Most learners are satisfied with the support they receive to inform their future learning and with the advice provided by the careers service.
- Almost all learners on FE programmes whose destinations are known progress to work or further study.

Areas for Development

- None

3.2.6 Partnerships

Areas of Positive Practice

- The strength of the college's collaborative arrangements to evaluate and improve its services and the positive impact of partnership working on student outcomes are evidenced throughout this report.
- Partnership initiatives involve employers, schools, third-sector organisation, the local authority and local, regional and national agencies. Employers contribute positively to curriculum design and evaluation through Curriculum Advisory Groups and other similar mechanisms. Many local employers offer useful work placements to college learners. The Schools Team works closely with the local DYW Group, hosted by the Chamber of Commerce, including to jointly plan and deliver events and activities.
- The co-location of the college's Main Campus and the headquarters of HIE to the *Inverness Campus* has greatly improved the collaborative working between the two organisations. HIE views the college as a key partner in achieving its aims in Inverness, the Inner Moray Firth and Badenoch and Strathspey. Areas of current joint work include forestry and timber technologies, health, sport, tourism and hospitality.
- The college is now a member of the local Community Planning Partnership (CPP) core group and contributes well to identifying and addressing social and economic needs. Ongoing close collaboration with partners ensures that the curriculum and strategic planning is well informed and responsive to local and regional priorities.
- The reorganised *Business Solutions* service now offers a useful single point of contact for employers. Sector-focused advisors work with employers to identify workforce development needs and develop solutions which maximise the use of available funding. As a result of this approach, the college's Modern Apprenticeship contract

value has increased by over 14% between 2015-16 and 2017-18. Five new modern apprenticeship frameworks have been developed for 2017-18. Other developments include a range of new short courses and the collaborative development of specialist industry qualifications, such as saw doctoring.

- Employer engagement across the curriculum leads to a number of collaborative, 'live' projects which enable students to gain industry experience and employability skills whilst providing organisations with innovative ideas and approaches. Projects range from re-branding and logo design for local companies by visual communication students, through to the planning and re-building of bridges in community woodlands adjacent to the Scottish School of Forestry.

Areas for Development

- None

3.3 Outcomes and Impact

3.3.1 Wellbeing, equality and inclusion

Areas of Positive Practice

- The college has appropriate and effective policies and procedures in place that take full account of equalities legislation. The *Equality and Diversity Committee* monitors the implementation and impact of these, along with the analysis of equalities data. Equalities data are analysed in detail in programme team and curriculum area self-evaluation reports to ensure any trends or issues of concern are identified and acted on.
- The new Access and Inclusion Strategy and Gender Action Plan provide a good framework to accelerate the college's work on equalities. The approach taken to the Access and Inclusion Strategy was described by SFC as among the best in the sector.
- The Guidance team provides a range of support activities that respond well to learner needs, such as counselling and support for mental health. Cross-college activities, often in collaboration with the students' association, such as the award-winning *Happy Healthy You*, broaden the reach and scope of these activities well.
- The Corporate Parenting Working Group benefits from having input from a care experienced learner as well as representation from the students' association. The introduction of a co-ordinated support plan and a single point of contact for care experienced young people has contributed to improved student outcomes for this group in 2016-17.
- Staff receive training on supporting care experienced learners as part of staff induction, a flag on INSIGHT alerts PATs that a learner has declared they are care experienced, a range of activities during Care Leavers Week helps to raise awareness and a Breakfast Club is in place for learners experiencing hardship, including all care experienced learners. These measures are inclusive and extend beyond any age boundaries set by national definitions.
- The arrangements to support inclusion and equality work well to ensure specific learner groups and individual learners can access and succeed on college programmes, regardless of the barriers or challenges they face. Disclosure by care experienced learners is high, based on overall numbers in the Highland Council area, and participation of learners from the 10% most deprived postcode areas reflects well the combined Highland and Inverness population statistics.
- Success rates for care leavers⁵ improved in 2016-17. Success rates for younger learners and for learners with a declared disability are also improving.
- The college works closely with the students' association on equality and diversity issues and has supported various campaigns led by the Vice President of Equality and the LGBTQ Officer.
- Positive and respectful relationships in the classroom are evident through the outcomes of the PDLT process; almost all learners feel supported by the college and believe the teaching staff are approachable and responsive.

⁵ On programmes of 160 hours or more leading to recognised qualifications

Areas for Development

- In a few programmes, the active and positive promotion of equality and diversity in learning and teaching is not sufficiently embedded or effective.

3.3.2 Equity, attainment and achievement for all learners

Areas of Positive Practice

- Outcomes for learners on full-time FE programmes have improved overall year-on-year for the last four years, and are now 2 percentage points above the latest published sector levels.
- In the majority of subject areas, success rates on full-time FE programmes are above sector subject levels, and significantly so in some areas.
- Outcomes for learners on part-time FE programmes are high and have been well above sector levels for the last three years.
- The pass rate for Higher and National 5 awards is above the sector level for the majority of the awards for which the college presented candidates.
- Success rates for learners with a disability have improved and are now the same as the success rates for learners with no disability.
- Success rates for care experienced learners have improved and are now above sector levels for this learner group.
- Success rates continue to improve across the age groups. Success rates for learners aged under 18 years are within 1 point of the combined success rates for other age groups.
- Success rates improved overall by 2 points for male and for female learners.
- Almost all FE learners, whose destinations are known, progress to work or further study.
- Improvements in the delivery of core skills have resulted in increased success rates in certificated core skills units. Attainment is above the latest available sector levels at almost all SCQF levels in each of communication, information and communication technology and numeracy.
- Learners develop a range of essential skills through their programmes, preparing them well for progression and success in further study and/or employment. Learners are encouraged and supported to extend their skills beyond the requirements of the qualifications they are studying and many enter and are successful in competitions.

Areas for Development

- Learner success rates are low on a few full-time programmes.
- Withdrawal and partial success rates on full-time Higher and National programmes are high due to learners disengaging with some awards after receiving offers from HE providers. This has a significant impact on overall full-time FE success rates.

- Success rates for learners from the 10% most deprived postcodes fell slightly in 2016-17 and are below sector levels for this learner group.

4. Capacity for Improvement

Through a comprehensive programme of change over a four-year period, the college has successfully improved all aspects of its provision and there now exists a strong quality culture. Effective leadership and good governance ensure that the college has an outward-looking and informed perspective. Partnership working and the college's contribution to local and regional development are key strengths.

The continued and significant improvement in learner success rates over the last four years is a key indicator of the effectiveness and impact of the college's quality arrangements.

Team leadership and team working across the college has been strengthened through a focus on collaborative problem solving and through sustained management development. The college's clear focus on the quality of its provision and services, and a granular approach to reviewing and enhancing their impact on the learner journey, ensures that quality overall has improved steadily over the last four years.

The approaches to quality management and enhancement are now well-embedded and effective and are having a positive impact on learner outcomes and the learner experience. Processes, systems, approaches and practices are reviewed rigorously on an ongoing basis through the college's quality arrangements and management and governance structures.

The college has the capacity and ability to ensure that the quality of its provision and services, and the outcomes for learners, will continue to be maintained and further improved.

5. Enhancement Plan 2017-18

QI	Area for Development	Action(s)	SMT Responsibility	Outcome	Timeline
Leadership and Quality Culture					
1.4	In a few programme and service areas, actions for improvement are not yet sufficiently or consistently effective.	<ul style="list-style-type: none"> Targeted Intervention for programme areas where retention and/or attainment have not improved sufficiently. Includes scrutiny of action plans, targeted support and enhanced monitoring. <i>Customer Journey</i> review for support teams where satisfaction levels and/or PIs remain below acceptable levels. To include scrutiny of actions and enhanced monitoring. 	Depute Principal Depute Principal	Effective actions in place across all teams that drive continuous improvement: <ul style="list-style-type: none"> Success rates above sector level in all subject areas. Satisfaction rates high across all college services and provision 	Commencing Sept 2017 Commencing Nov 2017
1.4	In a few areas the engagement of both staff and students in the class representative process needs further support and improvement. One-quarter of learners responding to the college survey did not feel that learner views influence change.	<ul style="list-style-type: none"> Revise and enhance the Student Partnership Agreement, with a focus on Class Rep training and engagement. Ensure that CCM dates are planned before programmes commence and communicated to Class Reps on appointment. PDMs to confirm Class Rep attendance at CCMs prior to meeting dates, further confirmed by audit of minutes. 	Depute Principal Head of Curriculum Head of Student Services	<ul style="list-style-type: none"> Class Reps in place across almost all programmes. The learner voice demonstrably influencing improvements across all programmes and services Almost all learners confident that their views influence change. 	By end October 2017 Ongoing By end October 2017 By end Nov 2017

		<ul style="list-style-type: none"> Establish and monitor the impact of regular Class Rep engagement with PDMs at curriculum area level. Review and enhance the communication of the college response to learner feedback, at programme, curriculum and college levels. 	Head of Curriculum Depute Principal		By end October 2017 By end October 2017
Delivery of Learning and Services to Support Learning					
2.2 (3.2)	Learners on the full-time Higher and National 5 programmes often receive conditional or unconditional offers during their programme, leading to disengagement with the awards that are not then necessary for their progression. This in turn leads to high levels of withdrawal and/or partial success on these programmes.	<ul style="list-style-type: none"> Review curriculum design and implement revisions to address the impact on full-time PIs of learner disengagement. 	Head of Curriculum	Maintain access to Higher and National awards to aid progression while: <ul style="list-style-type: none"> minimising negative impact on student outcome PIs, and; ensuring more efficient credit-funded programmes. 	By January 2018
2.3	Learning and teaching approaches are in need of further improvement in a few programme areas.	<ul style="list-style-type: none"> Targeted Intervention process, including referral to <i>ICTeaching</i> process and mentoring. Expand team of PDLT reviewers to increase annual sample size. 	Depute Principal Depute Principal	<ul style="list-style-type: none"> Consistently high quality learning and teaching across the college's provision, evidenced through PDLT reviews. 	Commencing Sept 2017 By end Nov 2017

	In a few programme areas, the ability of learners to influence their own learning is not sufficiently developed or facilitated.	<ul style="list-style-type: none"> Targeted professional learning activities for areas where student satisfaction with this aspect is low. To include supported professional learning. 	Depute Principal	<ul style="list-style-type: none"> Learners engaged in enhancing their own learning across all programmes. 	Commencing Nov 2017
2.4	The increase in referrals as a result of INSIGHT and the increase in student mental health issues have put considerable strain on Guidance resources.	<ul style="list-style-type: none"> Establish a proactive, whole college approach to supporting mental health and wellbeing. Review approaches to support and guidance against increasing demand. 	Head of Student Services	<ul style="list-style-type: none"> Ensure continued, high quality support for learners. 	By Nov 2017
Outcomes and Impact					
3.1	In a few programmes, the active and positive promotion of equality and diversity in learning and teaching is not sufficiently embedded or effective.	<ul style="list-style-type: none"> Targeted professional learning activities for priority programme areas, informed by effective practice from across the college and the sector. Establish 'equalities champions' in priority areas who will lead on implementation and monitoring of local actions. 	Head of Student Services Head of Curriculum	<ul style="list-style-type: none"> Positive promotion of equality and diversity apparent across the curriculum. Evidenced through PDLT findings and student feedback. 	Commencing in Nov 2017 By Nov 2017
3.2	Learner success rates are low on a few full-time programmes.	<ul style="list-style-type: none"> Ensure the inclusion of these programmes in the Targeted Intervention process. 	Depute Principal	<ul style="list-style-type: none"> Overall success rates for learners on full-time FE programmes are above 70% for 2017-18. 	Commencing Sept 2017

3.2	Success rates for learners from the 10% most deprived postcodes fell slightly in 2016-17 and are below sector levels for this learner group.	<ul style="list-style-type: none"> Review and verify specific actions at curriculum area and programme level. Working with local schools and community groups, introduce specific progression pathways for learners from the 10% most deprived postcodes. Enhanced monitoring of progress and attendance for learners from these postcodes. Include flag on INSIGHT and Amber rating. 	<p>Depute Principal</p> <p>Depute Principal</p> <p>Head of Student Services</p>	<ul style="list-style-type: none"> Improve success rates for this learner group by 5 points in 2017-18. 	<p>By end Oct 2017</p> <p>Jan 2018</p> <p>Jan 2018</p>
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Board of Management

Subject/Title:	Financial Regulations
Meeting and date:	Board of Management –26 October 2017
Extract from Minutes of the Meeting of the Finance and General Purposes Committee held on 28 September 2017	

FINANCIAL REGULATIONS

The Director of Finance introduced the Financial Regulations which was the main policy document setting out how the college operated from a financial perspective. She indicated that some changes required to be made, specifically in relation to references to the Financial Memorandum.

The Committee discussed the document and a small number of further changes were suggested.

The Committee **AGREED**, subject to the inclusion of the changes discussed, to recommend the Financial Regulations to the Board of Management for approval.



FINANCIAL REGULATIONS

REFERENCE: PL/CS/2012/001

Policy Owner	Director of Finance
Lead Officer	Finance Manager
Review Officer	Accountant
Date first approved by BoM	10 December 2007
First Review Date	22 June 2009
Date review approved by BoM	23 November 2012
Next Review Date	June 2015
Equality impact assessment	12 September 2012
Further information (where relevant)	

Reviewer	Date	Review Action/Impact
Finance Officer	22/09/2009	Review approved by BoM
Finance Officer	07/10/2010	Review approved by F&GP Committee
Finance Officer	23/11/2012	Review approved by Audit Committee

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INTRODUCTION AND BACKGROUND

1 General Provisions

- 1.1. The Further and Higher Education (Scotland) Act 1992, ('the Act') created a framework for Further Education Colleges offering both full-time and part-time education to act as free corporate bodies, with powers to employ staff and to own land and buildings. From 1 April 1993, they were funded directly from Government, through the Scottish Funding Council (SFC), and taken out of local authority/ education authority controls. In October 2010, the UK Office for National Statistics (ONS) took the decision to reclassify further education colleges throughout the UK as public bodies, with the result that they are now treated as part of central government for budgeting, reporting, and accounting purposes.
- 1.2. The Financial Memorandum with Fundable Bodies in the College Sector (~~Appendix A~~) sets out the formal relationship between the SFC and college sector fundable bodies and the requirements with which funded bodies must comply as a term and condition of SFC grant. This memorandum was issued by the Scottish Further Education Funding Council effective from 1 December 2014. The current Financial Memorandum for Inverness College UHI is between UHI (the Regional Strategic Body) and Inverness College UHI and came into effect on 1 January 2016 (Appendix A). The Board of Management is responsible for ensuring that the conditions of grants are met. As part of that process, the College must ensure that it has sound systems of internal financial and management controls. The Financial Regulations of the College form part of this overall system of accountability and control.
- 1.3. The Financial Regulations should be read in conjunction with publications and guidelines from the following resources:
 - Statement of Recommended Practice
 - Audit Scotland
 - Accounting Standards
 - Scottish Parliament Audit Committee
 - HE College Administrative Schemes
 - Scottish Funding Council (SFC)
 - Scottish Public Finance Manual
 - Finance Manual – Inverness College
 - Inverness College UHI Board of Management Articles of Governance ~~Manual~~
 - HM Treasury Financial Reporting Manual

2 Status of Financial Regulations

- 2.1. This document sets out the College's Financial Regulations. It translates into practical guidance, the College's broad policies relating to financial control.

- 2.2. These Financial Regulations are subordinate to Inverness College's instruments and articles of governance and to any restrictions contained within Inverness College's Financial Memorandum.
- 2.3. The purpose of these Financial Regulations is to provide control over the totality of the College's resources and provide management with assurances that the resources are being properly applied for the achievement of the College's Strategic Plan and business objectives, these include:
- Financial viability
 - Achieving value for money
 - Fulfilling its responsibility for the provision of effective financial controls over the use of public funds
 - Ensuring that the College complies with all relevant legislation
 - Safeguarding the assets of the College
- 2.4. Compliance with these Financial Regulations is compulsory for all staff connected with the College. Any staff member who fails to comply with the financial regulations may be subject to disciplinary action under the College's Disciplinary policy. It is the responsibility of managers to ensure that staff are made aware of the existence and content of these Financial Regulations.
- 2.5. The Finance and General Purposes Committee is responsible for overseeing, reviewing and approving the Financial Regulations, through the Director of Finance.
- 2.6. In exceptional circumstances, the Principal may authorise a departure from the detailed provision herein, such departure to be reported to the Finance and General Purposes Committee at its earliest opportunity.
- 2.7. Inverness College's detailed Financial Procedures set out how these regulations will be implemented and are contained in the Finance Manual.

CORPORATE GOVERNANCE

3 Responsibility of the Principal and Chief Executive

- 3.1. The College Principal is responsible for the detailed administration of the College and will act as the Chief Executive and the Board's Chief Educational advisor.
- 3.2. The Principal is responsible for satisfying that the Board of Management meets the requirements of the Financial Memorandum ~~(SFC)~~ as a condition of receiving grant funding. In particular, UHI~~SFC~~ requires that the College complies with the principles of good governance set out in the Code of Good Governance for Scotland's Colleges, ensuring that:

- Public funds are used in accordance with relevant legislation, the requirements of the Financial Memorandum and only for the purpose(s) for which they were given. Strategic, capital or other grant funding must only be used for the purpose for which it is provided by the Regional Strategic BodySFC
 - Subject to any legal requirement to observe confidentiality, the College will be open and transparent with the Regional Strategic BodySFC and other stakeholders, and will give, or be prepared to give, a public justification of its decisions in relation to the use of public funds
 - The College strives to achieve value-for-money and is economical, efficient and effective in its use of public funding
 - There is effective planning and delivery of the College's activities in accordance with its mission and its commitments to the Regional Outcome Agreement agreed with SFC
 - The College plans and manages its activities to remain sustainable and financially viable. An institution is being managed on a sustainable basis if, year on year, it generates sufficient income to cover its costs and allow for maintenance of and investment in its infrastructure (physical, human and intellectual) at a level which enables it to maintain adaptive capacity necessary to meet future demands
 - The College has a sound system of internal management and control, including an audit committee, an effective internal audit service, and adequate procedures to prevent fraud or bribery
 - The College has an effective policy of risk management and risk management arrangements
 - The College has regular, timely, accurate and adequate information to monitor performance and account for the use of public funds. Such information will be made available to the Regional Strategic BodySFC on request, as necessary, for the exercise of its functions and to gain assurance
 - The College is engaged actively in continuously enhancing the quality of its activities and involves students and other stakeholders in these processes
 - The Regional Strategic Body Internal Audit Service has rights of access to all the College's premises, staff, records information and assets which it considers necessary to fulfil its role and responsibilities. Access will be arranged by prior agreement where possible
 - As well as being accountable directly to the governing body of the College for the proper conduct of the College's affairs, the Chief Executive Officer of the College is also accountable directly to the Regional Strategic Body's Chief Officer for the College's proper use of funds deriving from the Regional Strategic Body and its compliance with the requirements of this FM.
- 3.3. The Principal and Chief Executive shall demonstrate his or her oversight of financial matters by signing the balance sheet within the annual financial statements.
- 3.4. The Principal and Chief Executive is directly responsible to the Board of Management for the control of resources, for seeking economy, efficiency and effectiveness in the use of the College's resources and for ensuring that

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financial considerations are taken into account at all stages of decision-making.

3.5. In particular, the Principal and Chief Executive shall:

- Sign the accounts and ensure satisfactory and adequate records are retained in a form acceptable for presentation to the Scottish Parliament.
- Advise the Board of Management on the proper discharge of its financial duties.
- Be authorised to write off losses, up to a level as specified in the Scheme of Delegation contained in the Articles of Governance ~~Manual~~, and to instruct special payments.
- Be involved with the SFC Chief Executive on matters relating to public funding which arise before the Public Accounts Committee / Scottish Parliament.
- To vire monies from expenditure heads within agreed budgets taking account of and complying with these Regulations.

4 Responsibility of the Director of Finance

4.1. The Director of Finance is responsible for the day-to-day financial administration of the College and to the Principal and Chief Executive for:

- Preparing annual capital and revenue budgets and financial plans.
- Preparing accounts, management information, monitoring and control of income and expenditure against budgets and all financial operations.
- Preparing the College's annual accounts and other financial statements and accounts.
- Ensuring that the College maintains satisfactory financial systems.
- Provision of advice on financial policy and liaising with internal and external auditors to achieve efficient processes.
- Ensuring that the College adheres to the specific delegated financial limits and annual reporting requirements set out in Appendix G.

5 Responsibility of Budget Holders

5.1. Every budget holder shall ensure that at all times they comply fully with the College's Financial Regulations and Financial Procedures, and endeavour to secure value for money on all expenditure budgets for which they are responsible. They are fully responsible for working within their budgetary limits.

5.2. Budget holders must provide the Director of Finance on request information to assist with:

- Financial planning
- Compilation of College Financial statements
- Implementation of audit, financial, project and value for money reviews and recommendations

6 Staff Responsibility

- 6.1. All staff members should be aware and have responsibility for the security of the College's property, for avoiding loss and for due economy in the use of resources. They should ensure that they are aware of the College's financial authority limits, and College procurement guidance (see Procurement Toolkit).
- 6.2. Staff shall make available any relevant information to the Finance Department in connection with the implementation of the College's Financial Procedures, these Financial Regulations and the system of internal financial control.
- 6.3. Staff shall provide the Director of Finance with such financial and other information as he or she may deem necessary, from time to time, to carry out the requirements of the Board of Management.
- 6.4. All staff must immediately notify the Director of Finance whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, property or matters owned by the College.

7 Risk Management

- 7.1. Risk is the threat that an action or event will adversely affect the College's ability to achieve its objectives. Risk management seeks to control the potential loss or damage to which the College is exposed.
- 7.2. The College acknowledges the risks inherent in its business, and is committed to managing those risks that may cause a threat whether this is financially or objectively. Guidance on the level of risk considered to be acceptable and unacceptable by the College is set out in the Risk policy statement. Also contained within this policy are the requirements to have a Risk Register, Risk Mitigation Plan for the College and a Business Contingency Plan. The College has a Business Continuity policy statement.
- 7.3. The Board of Management has overall responsibility for ensuring there are appropriate risk management arrangements.
- 7.4. The Audit Committee monitors risk on behalf of the Board of Management and reports annually to the Board of Management.

8 Public Interest Disclosure (Whistle-blowing)

- 8.1. The College has a Public Interest Disclosure Policy, which complies with the Public Interest Disclosure Act 1998.

9 Code of Conduct

- 9.1. The College is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life (formerly known as the Nolan Committee), which members of staff at all levels are expected to observe.
- 9.2. The College has a Code of Conduct for Board members and a Staff Code of Conduct.
- 9.3. The College holds registers of interests for the Board of Management and the Senior Management team, maintained by the College Secretary.

10 Receiving gifts or hospitality

- 10.1. It is an offence under the Prevention of Corruption Act 1906 to accept corruptly any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in an official capacity or showing favour or disfavour to any person in an official capacity. The guiding principles to be followed by all members of staff must be:
- The conduct of individuals should not create suspicion of any conflict between their official duty and their private interest.
 - The action of individuals acting in an official capacity should not give the impression (to any member of the public, to any organisation with whom they deal or to their colleagues) that they have been (or may have been) influenced by a benefit to show favour or disfavour to any person or organisation. Staff members should seek guidance from the Director of Finance when there is an offer of gifts or hospitality. For the protection of staff, the College Secretary will maintain a register of gifts and hospitality received where the value is in excess of £20.00.
 - Gifts or hospitality received must be reasonable and proportionate to the nature of the relationship and must be accepted for the primary purpose of better presenting the College or establishing cordial relationships with business partners.
 - At all times staff must follow guidelines as contained within the staff Code of Conduct.

11 Financial Planning

- 11.1. The Director of Finance is delegated responsibility by the Principal and Chief Executive for preparing annual financial plans for approval by the Board of Management, on recommendation from the Finance and General Purposes Committee, and for preparing financial forecasts for submission to the funding body. Financial plans should be consistent with the strategic plans and Estates strategy approved by the Board of Management.

12 Resource Allocation

- 12.1. Resources are allocated annually by the College's Senior Management Team and recommended to the Board of Management through the Finance and General Purposes Committee, on the basis of the above objectives. College managers are responsible for the economic, effective and efficient use of resources allocated to them.

13 Budget Preparation

- 13.1. The Director of Finance is responsible for preparing an annual revenue budget and capital programme for consideration by the Finance and General Purposes Committee before submission to the Board of Management for approval.
- 13.2. The budget should include monthly cash flow forecasts for the year. The Director of Finance must ensure that detailed budgets are prepared in order to support the resource allocation process and that these are communicated to College managers following approval by the Board of Management.
- 13.3. Throughout the year, the Director of Finance is responsible for submitting revised budgets to the Finance and General Purposes Committee and the Board of Management.

14 Capital Expenditure Programme

- 14.1. The capital programme includes all expenditure on land, buildings, equipment, furniture and associated costs, whether or not they are funded from capital grants, to be capitalised for inclusion in the College's financial statements. The College's capital programme is approved by the Finance and General Purposes Committee.
- 14.2. The Director of Finance will establish procedures for the inclusion of capital projects in the capital programme for approval by the Finance and General Purposes Committee. These will set out the information that is required for each proposed project as well as the financial criteria that they are required to meet. These are shown at Appendix C.
- 14.3. The Director of Finance will also establish procedures for the approval of significant variations to approved projects, to the Principal and Chief Executive, the Finance and General Purposes Committee, and if appropriate, to the funding body.
- 14.4. The Director of Finance will provide regular statements concerning capital expenditure to the Finance and General Purposes Committee for monitoring purposes.

- 14.5. Following completion of any capital project, a final report should be submitted to the Finance and General Purposes Committees including actual expenditure against budget and reconciling funding arrangements where a variance has occurred as well as other issues affecting completion of the project. Where applicable, a post-project evaluation report may also need to be sent to the relevant funding body.

15 Overseas Activity

- 15.1. If planning and undertaking overseas activity, the College must have due regard to the relevant guidelines issued by the funding body.

16 Other Major Developments

- 16.1. Any new major aspect of business, or proposed establishment of a company or joint venture, which will require an investment in buildings, resources or staff time should be presented for approval to the Finance and General Purposes Committee. The information that is required for each proposed development as well as the financial criteria that they are required to meet are summarised at Appendix D.

17 Financial Control

- 17.1. The control of income and expenditure within an agreed budget is the responsibility of the designated Budget Holder (normally a Head of Department), who must ensure that day-to-day monitoring is undertaken effectively. Budget Holders are responsible for managing their budgets such that income targets are achieved and expenditure limits are not exceeded. Subject to the approval of the Senior Management Team, and conditional on other budgets being satisfactorily controlled, expenditure may include a proportion of additional income generated during the year.
- 17.2. Significant departures from agreed budgetary targets must be reported immediately to the Director of Finance by the Budget Holder concerned and, if necessary, corrective action taken.
- 17.3. The College's specific delegated financial limits are set out in Appendix G. The institution must obtain SFC's prior written approval, through the Regional Strategic Body, before entering into any undertaking to incur any expenditure that falls out with these delegations.
- 17.4. Prior SFC approval, through the Regional Strategic Body, must always be obtained before incurring expenditure for any purpose that is, or might be considered, novel, contentious or repercussive or which has or could have significant future cost implications. Novel is interpreted as involving proposed expenditure or financial arrangements of a sort not undertaken previously or which is not standard practice. Contentious would include proposed

expenditure or financial arrangements where there was any doubt as to its regularity e.g. its compliance with relevant legislation or guidance – or its propriety – e.g. compliance with the standards expected of publicly funded bodies or their officials. Proposed expenditure or financial arrangements that might be considered to be sensitive would also be regarded as contentious.

18 Financial Information

- 18.1. Budget Holders are assisted in their duties by management information provided under arrangements approved by the Director of Finance. The types of management information available to the different levels of management are described in the detailed Financial Procedures, together with the timing at which they can be expected.
- 18.2. The Director of Finance is responsible for supplying budgetary reports on all aspects of the College's finances to the Finance and General Purposes Committee. The report shall outline the income and expenditure of the College for the financial year to date, and be presented to the Board of Management.

19 Changes to the Approved Budget

- 19.1. Changes proposed to the approved College budget must be considered by the Finance and General Purposes Committee and if required the Board of Management.

20 Virement

- 20.1. Where a budget manager is responsible for more than one budget, virement is permitted of up to £3,000 of the budget to which virement is sought, with the approval of the Director of Finance.

ACCOUNTING ARRANGEMENTS

21 Financial Year

- 21.1. Inverness College's financial year will run from 1 August until 31 July the following year.

22 Basis of Accounting

- 22.1. The consolidated financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards and the funding body's direction.

23 Format of the Financial Statements

- 23.1. The financial statements are prepared in accordance with the Statement of Recommended Practice Accounting for Further and Higher Education, the Accounts Direction issued by the Scottish Funding Council; the ~~SFC~~ Financial Memorandum, the Scottish Public Finance Manual (SPFM) and the Financial Reporting Manual (FReM) where applicable.

24 Annual Reporting Requirements

- 24.1. The college is required to report annually to SFC, through the Regional Strategic Body, on the levels of its expenditure for certain categories of expenditure above specified levels detailed in the Financial Memorandum. A summary of these requirements is detailed in Appendix G.

25 The Public Services Reform (Scotland) Act 2010

- 25.1. After the end of the financial year, the college must publish a statement of any expenditure incurred during that financial year in connection with:
- Public Relations
 - Overseas Travel
 - Hospitality and entertainment
 - External consultancy
- 25.2. A statement must be produced giving specific details of any transactions relating to any of the matters listed above made during the financial year in excess of £25,000.

26 Capitalisation and Depreciation

- 26.1. New land and buildings will be recorded in the balance sheet at actual build or acquisition cost, except where they are received as gifts, where they will be recorded at depreciated replacement value. Buildings will be depreciated in equal instalments over their estimated remaining useful life. Land will not be depreciated.
- 26.2. Expenditure incurred on repairs, refurbishment or extension of existing buildings will be capitalised where it can be demonstrated that the work represents an improvement to the original specification of the building, and the resultant building value would be greater than the current book value.
- 26.3. Expenditure incurred on the acquisition of assets other than land and buildings will be recorded in the balance sheet where the acquisition cost is £5,000 or more. Grouped items (e.g. a suite of computers) with a collective

total value of £5,000 or more may also be capitalised. Capitalised assets other than land and buildings will be depreciated in line with the College's accounting policies.

26.4. Where capital assets are funded by SFC grant, a capital grant balance will be established and will be released to income over the useful life of the asset.

26.5.

27 Accounting Records

27.1. The Director of Finance is responsible for the retention of financial documents. Retained records should be kept in a form that is acceptable to the relevant authorities, and complies with the Freedom of Information (Scotland) Act 2002 and the Data Protection Act 1998.

27.2. The College is required by law to retain prime documents for six years (or as detailed within specific funding requirements). These include: official purchase orders, paid invoices, invoices raised, bank statements, receipts and payroll records (including expense claims).

27.3. The Director of Finance will make appropriate arrangements for the retention of electronic records.

27.4. Staff should ensure that retention arrangements comply with any specific requirements of funding organisations. Additionally, for auditing and other purposes, other financial documents should be retained for three years or as determined by the funder.

28 Public Access

28.1. The Board of Management is required to supply any person with a copy of the College's most recent approved financial statements within twenty days of a request. The College will allow members of the public to inspect the statement of accounts during normal working hours. Published accounts will also be posted on the College website. Note that financial statements are only fully approved once they have been laid before Parliament and no publication can take place before this.

29 Taxation

29.1. The Director of Finance is responsible for advising managers, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues relating to the College.

29.2. The Director of Finance shall ensure compliance with statutory requirements including those concerning VAT, PAYE, national insurance,

corporation tax and import duty. This will include provision for maintaining the College's tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

AUDIT REQUIREMENTS

30 General

30.1. External auditors and internal audit staff shall have authority to:

- Access College premises at reasonable times.
- Access all assets, records, documents and correspondence relating to any financial and other transactions of the College.
- Require and receive such explanations as are necessary concerning any matter under examination.
- Require any employee of the College to account for cash, stores or any other College property under his or her control.
- Access records belonging to third parties, such as contractors, when required.

30.2. The Director of Finance is responsible for drawing up a timetable for final accounts purposes and will advise staff and the external auditors accordingly.

30.3. The financial statements will be considered by the Finance and General Purposes Committee, and reviewed by the Audit Committee. On the recommendation of these Committees, they will be submitted to the Board of Management for approval, and to the funding body, who will present them to the Scottish Parliament via the external auditors. The financial statements shall be signed by the Principal and Chief Executive and Chairman of the Board of Management.

31 External Audit

31.1. Under the terms of the Public Finance and Accountability (Scotland) Act 2000, the Auditor General is responsible for the appointment of the external auditors for the College.

31.2. The primary role of external audit is to report on the College's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice from Audit Scotland.

32 Fraud and Corruption

- 32.1. It is the duty of all members of staff, management and the Council to notify the Director of Finance immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, corruption or any other impropriety. Please also refer to the Bribery Act (2011). The Director of Finance shall immediately advise the Principal and Chief Executive who will consider the course of action to take. Any frauds that are detected must be reported to SFC, through the Regional Strategic Body, as and when they occur. If the suspected fraud is thought to involve the Director of Finance and/or the Principal, the member of staff shall notify the College Secretary; who in turn will contact the Chair of the Audit Committee directly about the irregularities.

33 Value for Money

- 33.1. It is a requirement of the financial memorandum that the Board of Management of the College is responsible for delivering value for money from public funds. It should keep under review its arrangements for managing all the resources under its control, taking into account guidance on good practice issued from time to time by the funding body, Audit Scotland, the Public Accounts Committee or other relevant bodies. The College has a Value for Money Policy.
- 33.2. To fulfil this responsibility, the Board of Management will annually review spending for evidence of value for money received and will provide evidence of compliance with the funding body's requirements. It will be used to enable the Audit Committee to refer to value for money in its annual report.

34 Other Auditors

The College may, from time to time, be subject to audit or investigation by external bodies such as the funding body, Audit Scotland, European Court of Auditors, HM Revenue and Customs. They have the same rights of access as external and internal auditors.

TREASURY MANAGEMENT

35 Treasury Management

- 35.1. The College has a Treasury Management procedure (contained in the Financial Procedures) setting out the College position on cash management, investments and borrowings. This must comply with the SFC rules regarding approval for any secured or unsecured loans that go beyond the general consent levels set out in the financial memorandum.

35.2. All executive decisions concerning borrowing, investment or financing (within policy parameters) shall be delegated to the Principal and Chief Executive or the Director of Finance who will prepare an appropriate reporting system. All borrowing shall be undertaken in the name of the College and shall conform to any relevant funding body requirements. Any investments of a speculative nature must not be made without the prior written approval of SFC, through the Regional Strategic Body.

35.3. The Director of Finance will report to the Finance and General Purposes Committee on the activities of the treasury operation and on the exercise of treasury powers delegated to him/ her.

36 Appointment of Bankers and Other Professional Advisors

36.1. The Finance and General Purposes Committee is responsible for the appointment of the College's bankers and other professional financial advisers (such as investment managers). The appointment shall be subject to regular review, the results of which will be reported to the Finance and General Purposes Committee. Colleges are required to subscribe to the Government Banking Service from financial year 2017-18.

37 Banking Arrangements

37.1. The College Director of Finance is responsible, on behalf of the Finance and General Purposes Committee, for liaising with the College's bankers in relation to the College's bank accounts. All payments shall be ordered on the authority of the Director of Finance, who shall make proper arrangements for their safe custody.

37.2. Colleges are required to subscribe to the Government Banking Services (GBS) from financial year 17-18 onwards.

37.3. Only the Director of Finance or nominated deputy may open or close a bank account for dealing with the College's funds. All bank accounts shall be in the name of the College or one of its subsidiary companies.

37.4. Cheque payments up to an agreed amount shall require one signature before release of funds. Cheque payments over £5,000 must be signed by two authorised persons. Details of authorised persons and limits shall be provided for in the College's Financial Manual. Individual payments with a value of less than £5,000 will be verified by an appropriately senior member of staff.

37.5. With the exception of inter-account transfers under £100,000, electronic banking payments must have separation between payment initiation and authorisation. One electronic authorisation is required and payments should then be countersigned by either the Finance Manager or the Director of Finance.

37.6. BACs payment runs to suppliers are countersigned by the Director of Finance after transmission. The exception to this is payroll where this is carried out prior to transmission. For details on transmission limits please see the Finance Manual.

37.7. The Director of Finance is responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.

INCOME

38 General

38.1. The Director of Finance is responsible for ensuring that the College receives all income to which it is entitled. All receipt forms, invoices or other official documents in use and electronic collection systems must have the prior approval of the Director of Finance. Levels of charges for all College services provided, including contract research, services rendered, goods supplied and rents and lettings will be reviewed regularly and agreed by the Finance and General Purposes Committee at least annually. The Director of Finance is responsible for the prompt collection, security and banking of all income received.

38.2. The Director of Finance is responsible for ensuring that all grants notified by the funding body and other bodies are received and appropriately recorded in the College's accounts.

38.3. The Director of Finance is responsible for ensuring that all claims for funds, including research grants and contracts, are made by the due date.

39 Maximisation of Income

39.1. It is the responsibility of all staff to ensure that revenue to the College is maximised, and for the identification, collection and banking of income.

40 Receipt of Cash, Cheques and Other Negotiable Instruments

40.1. All monies received within departments from whatever source must be recorded by the department on a daily basis together with the form in which they were received, for example cash, cheques and other negotiable instruments. Receipts must be given where money is delivered in person or where specifically requested, using official receipt stationery.

40.2. All monies received must be banked or paid to the cashier promptly, and in accordance with a timetable prescribed by the Director of Finance and set out in the Financial Procedures. The custody and transit of all monies received must comply with the requirements of the College's insurers.

- 40.3. All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into the petty cash float.

41 Collection of Debts

- 41.1. The Director of Finance is responsible for ensuring that:
- Debtors invoices are raised promptly on official invoices in respect of all income due to the College.
 - Invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account.
 - Any credits granted are valid, properly authorised and completely recorded.
 - VAT is correctly charged where appropriate, and accounted for.
 - Monies received are posted to the correct debtors account promptly.
 - Swift and effective action is taken in collecting overdue debts, in accordance with the protocols noted in the financial procedures.
 - Outstanding debts are monitored and reports prepared for management.
- 41.2. Only the Principal and Chief Executive or Director of Finance can implement non-standard credit arrangements outside those approved by the Finance and General Purposes Committee. Any subsequent changes to standard credit terms must be submitted to Finance and General Purposes Committee for approval.
- 41.3. Recovery of debts outside the standard terms of payment may include the right to charge interest on late payments under the terms of the Late Payment of Debts (Interest) Act 1998.
- 41.4. Requests to write off debts must be approved in accordance with the Financial Procedures. All debts written off must be in accordance with the College Scheme of Delegation (contained in the Governance Manual) and reported to the Finance and General Purposes Committee. Any write-offs greater than £3,000 must be reported to the SFC, [through the Regional Strategic Body](#), on an annual basis (see Appendix G).

42 Student Fees

- 42.1. The Director of Finance is responsible for ensuring that all student fees due to the College are received. HE Fees are set by UHI and Inverness College adheres to the UHI Fees Policy. Increases in FE student fees must be agreed by the Finance and General Purposes Committee.
- 42.2. Any student who has not paid an account for fees or any other item owing to the College will not be permitted to complete their course until all outstanding debts have been cleared. Such students shall be prevented from re-enrolling at the College and from using any of the College's facilities unless appropriate arrangements have been made and approval has been given by the Principal.

43 Discretionary Fund and Childcare Payments

- 43.1. The College will comply with the Scottish Funding Council scheme for discretionary fund payments. Under no circumstances should payments be made other than in accordance with this approved scheme.
- 43.2. The Director of Finance is responsible for ensuring the adequacy of the systems in place for:
 - Approving funding awards in accordance with the scheme.
 - Paying awards that have been approved.
 - Recovering repayable loans that have been paid.

GRANTS AND CONTRACTS

44 General

- 44.1. Where approaches are to be made to outside bodies for support for research projects or where contracts are to be undertaken on behalf of such bodies, it is the responsibility of the Budget Holder to ensure that the financial implications have been appraised by the Director of Finance or a nominee. This will include obtaining a set of grant terms and conditions from each organisation providing funding to enable appropriate monitoring of compliance.
- 44.2. The Director of Finance is responsible for ensuring that there is adequate provision of resources to meet all commitments. The Director of Finance should ensure that the full cost of the project or contract is established. The agreement must be in line with the Colleges Financial Procedures with regard to indirect costs and other expenses and taking account of different procedures for the pricing of projects depending on the nature of the funding body.
- 44.3. Grants and contracts must be submitted in the name of the College and authorised prior to submission. Only the Director of Finance or the Principal and Chief Executive may authorise applications on behalf of the College.
- 44.4. The Director of Finance shall ensure that all financial records relating to grants and contracts are maintained in the approved manner and that all claims for reimbursement are initiated by the due date.
- 44.5. Each grant or contract will have a named contact and will be assigned to a specific budget holder.
- 44.6. The budget holder will control pay and non-pay expenditure. The budget holder may delegate day-to-day control to a designated person, but any overspend or under-recovery of overheads is the responsibility of the budget holder with any loss being a charge on departmental funds.

45 Grant and Contract Conditions

- 45.1. Many grant-awarding bodies and contracting organisations stipulate conditions under which their funding is given. In addition, there are often procedures to be followed regarding the submission of interim or final reports or the provision of other relevant information. Failure to respond to these conditions may result in the College suffering a significant financial penalty. It is the responsibility of the named supervisor or grant holder to ensure that conditions of funding are met. Any loss to the College resulting from a failure to meet conditions of funding is the responsibility of the budget holder, and will be charged against departmental funds.

OTHER INCOME GENERATING ACTIVITY

46 Private Consultancies and Other Paid Work

- 46.1. Unless otherwise stated in a staff member's contract, outside consultancies or other paid work may not be accepted without the consent of a member of the Senior Management Team (and in the case of a member of the Senior Management Team, the Principal).
- 46.2. Applications for permission to undertake work must be submitted for the appropriate authorisation and then be sent to the Director of Finance and will include the following information:
- The name of the member(s) of staff concerned.
 - The title of the project and a brief description of the work involved.
 - The proposed start date and duration of the work involved.
 - Full details of any College resources required (for the calculation of the full economic cost).
 - An undertaking that work will not interfere with the teaching and/ or normal College duties of the member(s) of staff concerned.
 - Any intellectual property implications (due regard to section 55 of these Regulations).

47 Short Courses and Services Rendered

- 47.1. In this context, a short course is any course which does not form part of the award-bearing teaching load of the department.
- 47.2. Any staff wishing to run a short course must have the permission of their Budget Holder. The course organiser will be responsible to the Budget Holder for day-to-day management of the course.

- 47.3. The term 'services rendered' includes testing and analysis of materials, components, processes and other laboratory services or the use of existing facilities in order to gain additional information.

48 Profitability and Recovery of Overhead Costs

- 48.1. All other income-generating activities must be self-financing or surplus generating unless it is intended that a new course is to be launched as a loss leader. If that is the case, the reason for it must be specified and agreed by the Director of Finance.

49 External business and management consultancy contracts

- 49.1. Any external consultancy contracts with a value of more than £100,000 must be approved in advance by the SFC, [through the Regional Strategic Body](#).

50 Deficits

- 50.1. Any unplanned deficits incurred on other income-generating activities will be charged to departmental funds.

51 Retention of income

- 51.1. The college can retain all commercial income, bequests or donations received. These funds will be in addition to any grant or funding the college receives from SFC. There can be no carry forward of any funds.

51.2. Donation of surplus funds to arms-length foundations

The College may donate any surplus on its income and expenditure account as at 31 March each year to an arms-length foundation (ALF), subject to approval from the Finance and General Purposes Committee. The donation must take place in the financial year in which it arises, and is subject to sufficient cash and resource cover being available. For the purposes of donations to an arms-length foundation, the financial year is the Scottish Government financial year which is April to March.

52 Additional Contributions to Departments

- 52.1. Distribution of profits on other income-generating activity between central funds of the College and individual departments will be in accordance with the Financial Procedures.

INTELLECTUAL PROPERTY RIGHTS AND PATENTS

53 General

- 53.1. Certain activities undertaken within Inverness College including research and consultancy may give rise to ideas, designs and inventions which may be patentable. These are collectively known as intellectual property.

54 Patents

- 54.1. The Principal is responsible for establishing a policy as required to deal with any patents accruing to Inverness College from inventions and discoveries made by staff in the course of their work.

55 Intellectual Property Rights

- 55.1. In the event of the College deciding to become involved in the commercial exploitation of inventions and research, the matter should then proceed in accordance with Intellectual Property policy. ~~These would be developed as required following legal advice and be approved by the Finance and General Purposes Committee. The College will adopt the UHI Intellectual Property Policy where applicable.~~

EXPENDITURE

56 General

- 56.1. The Director of Finance is responsible for making payments to suppliers of goods and services to the College.

57 Delegation to Budget Holders

- 57.1. The budget holder is responsible for purchases within their department. Budget holders are required to observe the College's Financial Procedures and adhere to guidelines in the Procurement Toolkit. Purchasing authority may be delegated to named individuals within the department.
- 57.2. The Director of Finance shall maintain a register of authorised signatories and budget holders must supply them with specimen signatures of those authorised to commit the College to goods or services or to certify documents for payment.

- 57.3. Central control by the Director of Finance shall be exercised over the creation of requisitioners and authorisers and their respective financial limits within any electronic requisitioning system.
- 57.4. The Director of Finance must be notified immediately of any changes to the authorities to commit expenditure.
- 57.5. Budget holders are not authorised to commit the College to expenditure without first ensuring that sufficient funds are available in an approved budget to meet the cost.

58 Procurement

- 58.1. Inverness College requires all budget holders, irrespective of the source of funds, to obtain supplies, equipment and services at the lowest possible cost consistent with quality, delivery requirements and sustainability, and in accordance with sound business practice.
- 58.2. The Director of Finance is responsible for:
- Ensuring that procurement is undertaken by appropriately trained and authorised staff and treated as a key component of achieving the institution's objectives consistent with the principles of Best Value, the highest professional standards and any legal requirement.
 - Ensuring that all procurement activity is in compliance with:
 - The Procurement Reform (Scotland) Act 2014
 - The Public Contracts (Scotland) Regulations 2015
 - The Procurement (Scotland) Regulations 2016
 - EU Procurement Directives 2014
 - Local Governance (Inverness College Financial Regulations)
 - The drafting and negotiation of all Tender notices undertaken by Inverness College, in collaboration with the budget holder and on legal advice, where required, ensuring that Inverness College complies with relevant regulations on public purchasing policy.
 - Ensuring that Inverness College's Procurement arrangements are known and observed by all involved in purchasing for Inverness College which is detailed in Appendix F – Procurement Thresholds.
 - Advising on matters of College purchasing and practice
 - Advising and assisting staff where required on specific departmental purchases.
 - Developing appropriate standing supply arrangements on behalf of Inverness College to assist budget holders in meeting their value for money obligations.

- Ensuring all orders are authorised before they leave Inverness College, no verbal or email instructions to proceed are to be issued to suppliers.
- By exception, ensuring that any accepted conditions of contract for the purchase of goods do not expose the College to unacceptable risk. The Inverness College Terms and Conditions are to be used unless agreed in advance by the Director of Finance.

59 Tender Management (Tenders and Quotations)

59.1. Budget Holders and delegated budget holders must comply with the Financial Procedures. The procurement thresholds are as follows:

Route 1 < £3000	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
<£500	All Staff	1 quote or catalogue/internet print is required that meets with the Inverness College Value for Money Policy and approved by Budget Holder No Single Source Form required
>£500 <£1000	By Technicians / Delegates	2 quotes or catalogue/internet print is required that meets with the Inverness College Value for Money Policy and approved by Budget Holder Single Source Form is required for single supplier
>£1000 < £3000	By Budget Holder or Delegate	Evidence of market research is to be provided - includes catalogue, internet print outs and 2 formal written quotes are required that meets with the Inverness College Value for Money Policy. Single Source Form required for single supplier
Route 2 >£3,000 & <£9,999	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
	By Budget Holder or Delegate	3 formal written quotes are required that meets with the IC Value for Money Policy. Single Source Form is required for single supplier.
Route 3 >£10,000 & <£49,999	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
	College Procurement Team	Competitive tendering on PCS using Quick Quote
Route 4A > £50,000 & Below OJEU	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
Below OJEU	APUC / College	Competitive quotes on PCS-Tender

Threshold	Procurement Team	
Route 4B OJEU Compliance	By	4 year spend to be checked and verified for PCS-T & OJEU compliance. Local / National Framework Agreements to be checked
Supply, Services and Design Contracts >£164,176	APUC / College Procurement Team	To be in compliance with the Scottish Government Procurement Regulations for the Public Sector and also the Procurement Reform (Scotland) Act 2014 Public Contracts (Scotland) Regulations 2015, Procurement (Scotland) Regulations 2016 and the statutory guidance.
Works Contracts >£4,104,394	APUC / College Procurement Team	To be in compliance with the Scottish Government Procurement Regulations for the Public Sector and also the Procurement Reform (Scotland) Act 2014 Public Contracts (Scotland) Regulations 2015, Procurement (Scotland) Regulations 2016 and the statutory guidance.

Notes:

These thresholds will apply to all Enquiries or Contracts processed locally or through the Public Contracts Scotland Portal (PCS) and all purchase orders processed regardless of the system used e.g. PECOS, SUN, Credit Card transactions.

The use of any relevant Local and National Framework Agreements are also to be considered.

As per government regulations, the 4 year cumulative spend has to be reviewed to ensure it does not exceed £50K within a 4 year window - (4 x £12.5K) unless a National Framework Agreement exists.

It is important that the total lifecycle costing and impact mapping is considered.

Working towards cost savings and cost avoidance is paramount with greater focus towards improved efficiencies, contract management and budget/cost management will be monitored.

59.2. Requisitions **must not be split** into smaller order quantities in order to avoid the correct procurement route.

59.3. When considering the correct procurement amount to apply, where spend is recurring, this should be calculated over a 4-year period. This has to take into account the whole commodity range and the expenditure across the College (excluding VAT).

- 59.4. Exceptions to using Procurement Routes 1, 2, 3 and 4 is where by there is a suitable National Framework Agreement in place or where there is evidence and justification for using only one supplier.
- 59.5. Suppliers/contractors **must be made** aware of Inverness College's Terms and Conditions and these must be accepted in full. If there are deviations from these, this must be highlighted and reviewed by the College Procurement Team.
- 59.6. For further information on these subjects, please see the Finance Manual and if further advice is required please contact the College Procurement Team.

60 Contracts

- 60.1. The College Procurement Team who will also be involved in the evaluation of bids and formal contracts award must only undertake the issue and receipt of tenders.
- 60.2. The achievement of value for money will be an objective in the letting of all contracts. No contract will be awarded for a period beyond which a budget has been approved unless specifically approved in writing by the Director of Finance.

61 Purchase Orders

- 61.1. The ordering of goods and services shall be in accordance with the College's Financial Procedures and Procurement Toolkit. Where possible orders must be placed using the current e-procurement system.
- 61.2. For any circumstances that we are unable to process purchase orders via the current e-procurement system then a Purchase Order Requisition must be completed in advance and passed to the Finance Department to raise the official College purchase order. Purchase orders must be in place for the purchase of all goods and/or services rendered unless the goods or services are specified in the Finance Manual as excepted items.
- 61.3. No verbal or email instructions are to be issued to suppliers in advance of requisitions and purchase orders being approved by the respective approvers in our current e-procurement system or our own Financial System.
- 61.4. The College will not accept responsibility for meeting or reimbursing the cost of goods or services purchased in any other circumstances.
- 61.5. All purchase order requisitions/orders must be placed using the purchase order template and be approved by a designated budget holder in accordance with the scheme of delegated authority.

- 61.6. It is the responsibility of the Director of Finance to ensure that all purchase orders refer to the College's terms and conditions of contract.

62 Receipt of Goods

- 62.1. All goods and services shall be received at designated receipt and distribution points. They shall be checked for quantity and/or weight and inspected for quality and specification.
- 62.2. If the goods received are deemed to be unsatisfactory, the supplier should be notified immediately, so that they can be collected for return as soon as possible. Where goods are short on delivery, again the supplier should be notified immediately.
- 62.3. Where possible, all persons receiving goods on behalf of the College should be independent of those who negotiated prices and terms and placed the official order.

63 Payment of Invoices

- 63.1. All payments shall be in a form specified by the Director of Finance.
- 63.2. The Director of Finance is responsible for deciding the most appropriate method of payment for categories of invoice. Payments to UK suppliers will normally be made by BACS transfer.
- 63.3. Budget Holders are responsible for ensuring that expenditure within their departments does not exceed an approved budget.
- 63.4. Suppliers should be instructed by the purchase order to submit invoices for goods or services to the Finance Department. Care must be taken by the delegated budget holder to ensure that discounts receivable are obtained.
- 63.5. Payments will only be made by the Finance Department against invoices that have been approved for payment. Payment in advance of the receipt of goods or services shall not be made except with the prior approval of the Director of Finance.
- 63.6. Approval of an invoice for payment will ensure that:
- The goods have been received, examined and approved with regard to quality and quantity, or that services rendered or work done is satisfactory.
 - Where appropriate, the invoice is matched to the order.
 - Invoice details (quantity, price discount) are correct.
 - The invoice is arithmetically correct.

- The invoice has not previously been passed for payment.
 - Where appropriate, an entry has been made on a stores record or departmental inventory.
- 63.7. The College shall ensure that all invoices are paid within thirty (30) days. To assist with this all invoices should be approved timeously.

64 Reporting of Expenditure

- 64.1. Appendix G sets out the levels for certain categories of expenditure above which the College should report annually to SFC. The report should describe the number of instances and total cost, by category.

65 Petty Cash

- 65.1. Petty Cash may be obtained to pay for small items of equipment (up to £35.00) required urgently. There may also be an allowance to hold petty cash amounts in certain College locations, further detail is contained in the Finance Manual.

66 Other Payments

- 66.1. Payments for maintenance and other items to students on behalf of sponsoring organisations shall be made on the authority of the Director of Finance, supported by detailed claims approved by the budget holder.
- 66.2. Any other non-trade payments should be requested in a form prescribed by the Director of Finance and be authorised by the appropriate budget holder.

67 Late Payment Rules

- 67.1. The Late Payment of Debts (Interest) Act 1998 was introduced to give businesses the right to charge interest on late payments from large organisations and public authorities. In view of the penalties in this Act, invoices must be authorised for payment as soon as they are received, unless there is valid reason to withhold approval, and paid within the supplier's terms.

68 Leasing

- 68.1. Lease agreements for buildings must be approved and signed by the Director of Finance.
- 68.2. Equipment may be acquired under an operating lease or a finance lease. Finance leases must be accounted for in the balance sheet in the normal manner. Operating leases must be signed by the Director of Finance. Details of all lease agreements will be kept within the Finance Office and monitored by the Contracts and Procurement Co-ordinator in relation to expiry and renewals.

PAY EXPENDITURE

69 Remuneration

- 69.1. All College staff will be appointed in accordance with the appropriate conditions of service. All letters of appointment must be issued by the Human Resources department.
- 69.2. Remuneration and other benefits must fall within budget limits approved by the Board of Management.

70 Appointment of Staff

- 70.1. All contracts of service shall be concluded in accordance with the College's human resources practices and procedures and all offers of employment with the College shall be made in writing by the Director of Organisational Development. Budget holders must ensure that the Director of Finance and the Director of Organisational Development are provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

71 Salaries and Wages

- 71.1. The Director of Finance is responsible for the payment of salaries and wages to all staff including payments for overtime or other additional services rendered. All timesheets and other pay documents, including those relating to fees payable to external examiners, visiting lecturers or researchers, will be in a form prescribed or approved by the Director of Finance.
- 71.2. The Director of Organisational Development will be responsible for keeping the Director of Finance informed of all matters relating to personnel for payroll purposes. In particular, these include the human resources policies approved for application in the College together with the following in relation to individual staff:
- Appointments, resignations, dismissals, supervisions, secondments and transfers.

- Changes in remuneration including normal increments and pay awards.
 - Information necessary to maintain records of service for superannuation, income tax and national insurance.
- 71.3. The Director of Finance is responsible for payments to non-employees and for informing the appropriate authorities of such payments. All casual and part-time employees will be included on the payroll.
- 71.4. The Director of Finance shall be responsible for keeping all records relating to payroll including those of a statutory nature.
- 71.5. All payments must be made in accordance with the College Financial Procedures and comply with HMRC regulations.

72 Superannuation Schemes

- 72.1. The Board of Management is the employer in relation to appropriate pension arrangements for employees.
- 72.2. The Director of Finance is responsible for day-to-day superannuation matters, including:
- Paying contributions to various authorised superannuation schemes.
 - Preparing the annual return to various superannuation schemes.
- 72.3. The Director of Organisational Development is responsible for administering eligibility for pension arrangements and for informing when deductions should begin or cease for staff.

73 Travel, Subsistence and Other Allowances

- 73.1. All claims for payment of subsistence allowances, travelling and incidental expenses shall be completed in a form approved by the Director of Finance and will be in accordance with the Financial Manual.
- 73.2. Claims by members of staff must be authorised by the budget holder. The certification by the budget holder shall be taken to mean that:
- Journeys were authorised.
 - The expenses were properly and necessarily incurred.
 - The allowances are properly payable by the College.
 - Consideration has been given to value for money in choosing the mode of transport.
- 73.3. Claims for expenses by the Principal and Chief Executive shall be approved by the Chair of the Board of Management, and expenses for the Board of Management shall be approved by the College Secretary.

74 Giving Gifts and Hospitality

- 74.1. Staff entertaining guests from outside bodies should use the College catering facilities where possible, and within budget. Where this is not the case, claims for reimbursement should state clearly that they relate to hospitality and includes the necessary receipts and details required by the Financial Procedures
- 74.2. Gifts and hospitality must be reasonable and proportionate, both in frequency and scale, to the nature of the relationship and must not exceed normal business courtesy. They must be offered or accepted for the primary purpose of better presenting Inverness College UHI or establishing cordial relationships with business partners.
- 74.3. The offer of gifts and corporate hospitality should have a demonstrable link to the work of the College and represent good value for money.
- 74.4. A corporate gift is a tangible item or service given to another on behalf of an organisation. Common gifts include pens, diaries, calendars and other business stationery, keyrings, souvenirs, books, flowers, bouquets and promotional items.

75 Overseas Travel

- 75.1. All arrangements for overseas travel must be in accordance with the Financial Manual. Any approvals required must be obtained in advance of committing the college to those arrangements or confirmation of any travel bookings. All overseas travel must be notified to the Financial Manager for insurance purposes.

76 Expenses for members of the Board of Management

- 76.1. Claims for members of the Board of Management will be approved by the College Secretary as budget holder.

77 Severance and Other Non-Recurring Payments

- 77.1. Severance payments shall only be made in accordance with the relevant guidelines and legislation. In particular, the college must follow the requirements of the Scottish Public Finance Manual (SPFM) in determining settlement agreements, severance, early retirement and redundancy arrangements and payments. Any such scheme or payment must be approved by the SFC, through the Regional Strategic Body.
- 77.2. The college must have regard to the principles of good practice contained in Audit Scotland's May 2013 report: 'Managing early departures from the Scottish public sector'.

77.3. All payments must be authorised by the Principal and Chief Executive. Approval of early retirement packages, enhanced pension arrangements or financial packages in excess of statutory provision is reserved by the Board of Management after prior approval by the SFC. Any special severance payment out with a severance scheme approved by SFC in excess of £1,000 must be approved by SFC (see Appendix G).

77.4. All matters referred to an employment tribunal shall be notified to the Director of Finance at the earliest opportunity in order that budget provision may be made.

ASSETS

78 Land, Buildings, Fixed Plant and Machinery

78.1. The purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority from the Board of Management and with reference to funding body requirements where exchequer-funded assets or exchequer funds are involved.

79 Fixed Asset Register

79.1. The Director of Finance is responsible for maintaining the College's register of capital assets. Budget holders will provide the Director of Finance with any information he or she may need to maintain the register.

80 Property Register

80.1. The Director of Finance is responsible for maintaining a full register of properties owned or occupied by the College.

80.2. When transferring equipment between departments, the transfer must be recorded, a copy of the record sent to the Director of Finance and the inventories amended accordingly.

81 Stocks and Stores

81.1. Budget holders are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their departments. The systems used for stores accounting in departments must have the approval of the Director of Finance.

81.2. Budget holders are responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature will be subject to appropriate security checks. Advice should be obtained from the College's Health and Safety Officer.

- 81.3. Budget holders whose stocks require valuation in the balance sheet must ensure that appropriate stocktaking procedures are in place and have the approval of the Director of Finance.

82 Safeguarding Assets

- 82.1. Budget holders are responsible for the care, custody and security of the buildings, stock, stores, furniture, cash, etc. under their control. They should contact the senior manager with responsibility for Estates in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 82.2. Assets owned by the College shall, so far as is practical, be effectively marked to identify them as College property.

83 Personal Use

- 83.1. Assets owned or leased by the College shall not be subject to personal use except by approval by the Director of Finance.

84 Asset Disposal

- 84.1. Disposal of equipment and furniture, whether by sale or otherwise, requires the prior written authorisation of the Director of Finance and must be in accordance with the Finance Manual.
- 84.2. Disposal of land and buildings must only take place with the authorisation of the Board of Management. Funding body consent may also be required if exchequer funds were involved in the acquisition of the asset.

FUNDS ON TRUST

85 Gifts, Benefactions and Donations

- 85.1. The Director of Finance is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the College and initiating claims for recovery of tax where appropriate.

86 Student Support Funds

- 86.1. The Director of Finance will prescribe the format for recording the use of student funds. Records of support funds will be maintained according to funding body requirements.

87 Trust Funds

87.1. The Director of Finance is responsible for maintaining a record of the requirements for each trust fund and for advising the Finance and General Purposes Committee on the control and investment of fund balances.

87.2.

88 Voluntary Funds

88.1. The Director of Finance shall be informed of any fund that is not an official fund of the College, which is controlled wholly or in part by a member of staff in relation to their function in the college. The accounts of any such fund shall be audited by an independent person and shall be submitted with a certificate of audit to the appropriate body. The Director of Finance shall be entitled to verify that this has been done.

OTHER

89 Insurance

89.1. The Director of Finance is responsible for the College's insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management arrangements, all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include important potential liabilities and should provide sufficient cover to meet any potential risk to all assets. This portfolio of insurances will be reviewed annually.

89.2. It has been agreed by Scottish Ministers that colleges can extend their current commercial insurance arrangements until 31 July 2018.

89.3. The Estates function is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.

89.4. All staff using their own vehicles on behalf of the College shall maintain appropriate insurance cover for business use at their own cost.

90 Companies, Partnerships, Joint Ventures and Other Charitable Vehicles

90.1. In certain circumstances it may be advantageous to establish a company, joint venture or other appropriate legal entity to undertake services on behalf of the College. Any member of staff considering the use of such an entity should first seek the advice of the Director of Finance, who should have due regard to guidance issued by the funding body.

- 90.2. The Board of Management is responsible for approving the establishment of all companies or other legal entities. This will have regard to any guidance provided by the funding body.
- 90.3. It is the responsibility of the Board of Management to establish the shareholding arrangements and appoint directors of companies wholly or partly owned by the College.
- 90.4. The directors of companies where the College is the majority shareholder must prepare an annual report. They will also submit business plans or budgets as requested to enable the Finance and General Purposes Committee to assess the risk to the College. The College's internal and external auditors shall also be appointed to such companies.
- 90.5. Where the College is the majority shareholder in a company, that company's financial year shall be consistent with that of the College.

91 Security

All staff, irrespective of grade, have a general responsibility for the security of all College property, although certain senior staff will have more specifically defined responsibilities.

Strategic and Operational Managers have responsibility for maintaining proper security, custody and control at all times of the plant, buildings, materials, stores, furniture, equipment, cash, etc. under their control. They should consult with the Estates Manager and/or a relevant member of the Senior Management Team in any cases where security is considered to be defective or where it is considered that special security arrangements may be required.

- 91.1. Keys to safes or other similar containers are to be kept securely at all times. The loss of such keys must be reported to the Director of Finance immediately.
- 91.2. The ICT Manager shall be responsible for maintaining proper security and privacy of information held on the College's computer network. Appropriate levels of security will be provided, such as passwords for networked PCs together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the Data Protection Act 1998. The Data Controller shall be nominated to ensure compliance with the Act and the safety of documents.
- 91.3. The Director of Finance is responsible for the safekeeping of certain official and legal documents relating to the College. Signed copies of deeds, leases, agreements and contracts must, therefore, be forwarded to the Director of Finance. All such documents shall be held in an appropriately secure, fireproof location.

92 Provision of Indemnities or Guarantees

- 92.1. Any request for indemnity or guarantee can only be given by the Director of Finance or the Principal.

DRAFT

APPENDIX A - Financial Memorandum

Insert new SFC Financial Memorandum here

To Access the Financial Memorandum please click on the following link:

<https://www.inverness.uhi.ac.uk/about-us/board-of-management/6.FinancialMemorandumbetweenUniversityoftheHighlandsandIslands.pdf>

http://www.sfc.ac.uk/web/FILES/Guidance_Governance/Financial_Memorandum_within_the_College_Sector_-_1_December_2014.pdf

It can also be viewed in: ~~P:\Staff\Quality\Staff Toolkits\Policy & Procedure Files\Finance~~

APPENDIX B - Key Contacts in Finance

The Finance Department is located in G1 of the ground floor of the Beechwood Campus. There is also a cash office located on the ground floor to the left of the main reception desk at Beechwood. The cash office is normally open between 9.00 and 15.00 (Monday to Friday).

In order to obtain maximum benefit from the Finance Department, it is important to observe any published deadlines. These deadlines have been established and agreed in order to guarantee the delivery of particular services which might not otherwise be achievable.

The main services offered by the Finance Department are noted below:

- Creditor payments
- Collection of income
- Payroll
- Travel service
- Insurance
- Financial accounting
- Capital projects
- Budget monitoring
- Budget planning
- Internal audit
- Policy and procedures
- Purchasing
- Contract development and maintenance
- Tendering management
- Operational issues re. vendors, purchases etc.
- Administration and payment of student support funds.
- Value for Money control

Director of Finance	01463 273260
Finance Manager	01463 273408

APPENDIX C - Capital Expenditure Appraisal

Purpose: to ensure that all capital expenditure proposals are suitably evaluated and properly authorised.

Outline capital expenditure proposals must be consistent with the aims and objectives of the College Strategic and Operational Plans, and also, where appropriate, other strategies and policies, including the Estates and ICT. Specific reference should be made in any proposal to the objective within the Strategic Plan that the proposal links to.

Any capital expenditure proposal should also include the following:

- The specification of the needs and objectives of the proposal within the context of the organisation's strategic plans.
- The identification of all available options.
- The valuation of the costs, benefits, timing and risks involved. The costs of the project must include any professional fees associated and also VAT.
- The identification of any available funding.
- The analysis of the results and assessment of affordability.
- The recommendation for the option selected.
- The extent and scope of the appraisal process will vary depending on the scale of the expenditure and the nature of the project. The extent of the appraisal will be determined by the Senior Management Team and will normally be carried out during the planning process cycle.

Capital Expenditure procedures must comply with the financial memorandum issued by the SFC (see Appendix 1), and for major projects, observe any specific procedural notes issued by the SFC. Proposals for all major projects will require to be supported by a full business plan.

Projects will be ranked by the Senior Management Team (SMT) in terms of priority to facilitate the decision making process and impose strict budgetary control. Available grant funding and the criteria and timing constraints imposed by grant providers will influence the evaluation process and the ranking of projects.

SMT will advise relevant College managers when approval has been given for capital expenditure. Finance will incorporate the expenditure into the annual capital expenditure plan.

If an organisation invests in a project, it expects a return, and deciding on a project involves making a long-term decision. One of the things organisations consider is the time value of money – if I have £5 now, how much is it worth in 4 years time? This is where we use the Net Present Value (NPV) method to appraise an investment opportunity. The other two main ways are the Internal Rate of Return (IRR) and the Payback method. The three methods are described below and assistance in their calculation can be sought from Finance.

The Principles of Discounted Cash Flow

The basic principle of discounting is that if we wish to have £x in so many years time, we need to invest y at an interest rate of z in order to get that sum of money.

Present value just means the amount of money which must be invested now to make a certain amount of money in so many years time.

Capital Investment Appraisal – Net Present Value (NPV) method

Discounted cash flow methods can be used to appraise capital investment projects. The two main methods are NPV and IRR, but there is also the payback method.

Net present value method - calculates the present values of all items of income & expenditure related to a project at a given rate of return & calculates a net total. If it is positive, then it is ok to invest in that project, but if it is negative, it is not a good investment.

Capital Investment Appraisal – Internal Rate of Return (IRR) method

The IRR method determines the rate of interest (the internal rate of return) at which the NPV is zero. The internal rate of return is therefore the rate of return on an investment.

The IRR method will indicate if a project is viable if the IRR exceeds the minimum acceptable rate of return.

Capital Investment Appraisal – Payback method

The payback period is the time that is required for the inflows to equal the outflows. Before it can be calculated, you must know the initial cash outflow & the estimate of future earnings/ savings.

There are two ways to use the payback period:

- a) Accept project with the shortest payback period.
- b) Have a payback period limit, where only projects which are less than the period limit will be accepted.

The Payback method is often used as a first step in project appraisal but it should not be used alone for decisions. If it passes the payback test, NPV or IRR should then be used.

Click on the links below for examples:

- [NPV Example](#)
- [Payback Example](#)

APPENDIX D - Summary of Protocols for Proposed Major Developments

Any proposal for major developments should be supported by a business plan for at least three years which sets out:

- a demonstration of the proposal's consistency with the strategic plans approved by the governing body and with the College's powers under current legislation;
- details of the market need and the assumptions (based on reference data) of the level of business available;
- details of the business and what product or service will be delivered;
- an outline plan for promoting the business to the identified market and achieving planned levels of business;
- details of the staff required to deliver, promote and manage the business, together with any re-skilling or recruitment issues;
- details of any premises and other resources required;
- a financial evaluation of the proposal together with its impact on revenue and surplus, plus advice on the impact of possible alternative plans and sensitivity analyses in respect of key assumptions;
- contingency plans for managing adverse sensitivities;
- consideration of taxation and other legislative or regulatory issues; and,
- At least a three-year financial forecast for the proposal including a cash flow forecast and details of the impact on the College cash flow forecast for the financial years in question.

APPENDIX E - Internal Audit Responsibilities

The primary responsibility of the internal audit service is to provide the funding body, the Board of Management and managers of the College with assurance on the adequacy and effectiveness of the internal control system, including risk management and governance. Responsibility for internal control remains with management, who should recognise that internal audit can only provide 'reasonable assurance' and cannot provide any guarantee against material errors, loss or fraud. Internal audit also plays a valuable role in helping management to improve systems of internal control and so to reduce the potential effects of any significant risks faced by the College. Risk management provides the opportunity for internal audit work to be efficient and focused. It does not necessarily imply that internal audit activity has to be increased.

Internal audit can also provide independent and objective consultancy advice specifically to help management improve the internal control system, including risk management and governance. In such circumstances, internal auditors apply their professional skills in a systematic and disciplined way to contribute to the achievement of corporate objectives. Such advisory work contributes to the opinion that internal audit provides on internal control, including risk management and governance.

APPENDIX F – Procurement Thresholds

Inverness College UHI work with [Advanced Procurement for Universities and Colleges](#), to support the development of advanced procurement across the further and high education sector in Scotland.

The college has also signed up to the [Scottish Government's Suppliers' Charter](#) as part of our commitment to working together with other Public Sector buying organisations and Scottish businesses in order to improve public sector procurement processes and dialogue. When calculating the contract value, for a one-off purchase, the total cost of the good(s) or service(s) will provide the contract value. If the purchase is a recurring spend, the College will calculate the value over 4 years to establish the total contract value.

A national framework or local contract that meets the requirements must be used in the first instance for all tendering activity.

Inverness College is committed to carrying out procurement activities in an environmentally, socially, ethically and economically responsible manner and to entering into agreements and contracts with suppliers that share and adhere to its vision. Inverness College demonstrate this through its promotion of the APUC Supply Chain of Conduct. A copy of the APUC Supply Chain of Conduct is located in the Finance Manual.

For Goods and Services

For Goods and Services greater than £50,000 and less than the OJEU thresholds – the College Procurement Team must undertake a formal tendering process and must advertise on the national advertising website Public Contracts Scotland. Additionally the Board of Management must provide approval.

Over EU Threshold – For Goods, Services and Works Projects must undertake a full formal tendering process and advertise the contract in the Official Journal of the European Union, as well as on Public Contracts Scotland (www.ojec.com/thresholds). This will be carried out by the College Procurement Team. Additionally the Board of Management must provide approval.

For Works Projects

£2m – 4.1m – this must undertake a formal tendering process and must advertise on the national advertising website Public Contracts Scotland. This will be carried out by the College Procurement Team. Additionally Board of Management must provide approval.

>£4.1m – a full formal tendering process must be undertaken and advertise the contract in the Official Journal of the European Union, as well as on Public Contracts Scotland. www.ojec.com/thresholds. This will be carried out by the College Procurement Team with additional approval by the Board of Management.

Sustainable Procurement Duty

For Procurement exercises (>£50k Goods & Services / Works £2m) Inverness College is committed to the sustainable Procurement Duty and promises to:

Improve the economic, social, and environmental wellbeing of the authority's area, Facilitate the involvement of small and medium enterprises, third sector bodies; supported businesses in the process; and promote innovation.

Route 1 < £3000	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
<£500	All Staff	1 quote or catalogue/internet print is required that meets with the Inverness College Value for Money Policy and approved by Budget Holder No Single Source Form required
>£500 <£1000	By Technicians / Delegates	2 quotes or catalogue/internet print is required that meets with the Inverness College Value for Money Policy and approved by Budget Holder Single Source Form is required for single supplier
>£1000 < £3000	By Budget Holder or Delegate	Evidence of market research is to be provided - includes catalogue, internet print outs and 2 formal written quotes are required that meets with the Inverness College Value for Money Policy. Single Source Form required for single supplier
Route 2 >£3,000 & <£9,999	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
	By Budget Holder or Delegate	3 formal written quotes are required that meets with the IC Value for Money Policy. Single Source Form is required for single supplier.
Route 3 >£10,000 & <£49,999	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
	College Procurement Team	Competitive tendering on PCS using Quick Quote
Route 4A > £50,000 & Below OJEU	By	4 year spend to be checked and verified. Local / National Framework Agreements to be checked
Below OJEU Threshold	APUC / College Procurement Team	Competitive quotes on PCS-Tender
Route 4B OJEU	By	4 year spend to be checked and verified for PCS-T & OJEU

Compliance		compliance. Local / National Framework Agreements to be checked
Supply, Services and Design Contracts >£164,176	APUC / College Procurement Team	To be in compliance with the Scottish Government Procurement Regulations for the Public Sector and also the Procurement Reform (Scotland) Act 2014 Public Contracts (Scotland) Regulations 2015, Procurement (Scotland) Regulations 2016 and the statutory guidance.
Works Contracts >£4,104,394	APUC / College Procurement Team	To be in compliance with the Scottish Government Procurement Regulations for the Public Sector and also the Procurement Reform (Scotland) Act 2014 Public Contracts (Scotland) Regulations 2015, Procurement (Scotland) Regulations 2016 and the statutory guidance.

Notes:

These thresholds will apply to all Enquiries or Contracts processed locally or through the Public Contracts Scotland Portal (PCS) and all purchase orders processed regardless of the system used e.g. PECOS, SUN, Credit Card transactions.

The use of any relevant Local and National Framework Agreements are also to be considered.

As per government regulations, the 4 year cumulative spend has to be reviewed to ensure it does not exceed £50K within a 4 year window - (4 x £12.5K) unless a National Framework Agreement exists.

It is important that the total lifecycle costing and impact mapping is considered.

Working towards cost savings and cost avoidance is paramount with greater focus towards improved efficiencies, contract management and budget/cost management will be monitored.

Requisitions must **not** be split into smaller order quantities in order to avoid the correct procurement route.

For Major Works projects over £4m Community Benefit Clauses will be considered and documented.

APPENDIX G – Delegated Financial Limits and Annual Reporting Requirements**Delegated financial limits and annual reporting requirements for Regional Colleges and Regional Boards****Delegated financial limits**

External Business and management consultancies	£100,000
Special severance payments	£1,000
Operating leases-non property	£250,000
Procurement non-competitive action	£25,000

Annual reporting requirements

Extra contractual payments	£5,000
Compensation payments	£5,000
Ex-gratia payments	£1,000
Claims waived or abandoned	£3,000
Write-off of bad debt	£3,000
Losses	£3,000
Overseas student irrecoverable loss	£6,000
Fraud loss	£5,000

Board of Management

Subject/Title:	SFC Financial Forecast Return (FFR) 2017
Meeting and date:	Board of Management –26 October 2017
Extract from Minutes of the Meeting of the Finance and General Purposes Committee held on 28 September 2017	

SFC FINANCIAL FORECAST RETURN (FFR) 2017

A report by the Director of Finance referred to the FFR which was part of the SFC's financial health monitoring framework. In line with SFC guidance, the FFR 2017 had already been submitted to SFC.

The biggest financial challenge facing not just IC UHI but the sector as a whole was the impact of National Bargaining. Only the costs of the uplift in salary scales for promoted and unpromoted lecturers had been reflected in the FFR as there was no certainly around financial impact of changes to terms and conditions or changes resulting from job evaluation for support staff or senior management. Discussions at Board level would be required on how the college, and UHI, should plan to address the funding gap.

Accepting the inherent uncertainty in the current environment, the Committee **AGREED** to recommend the FFR 2017 to the Board of Management for approval

Board of Management

Subject/Title:	Financial Forecast Return (FFR) 2017		
Meeting and date:	Finance and General Purposes Committee 28 September 2017		
Author:	Fiona Mustarde, Director of Finance		
Link to Strategic Plan:			
Cost implications:	Yes If yes, please specify: Indicative financial position for the next five years		
Risk assessment:	Yes If yes, please specify: Financial: Please see report Operational: Organisational:		
Status – Confidential/Non confidential	Non confidential		
Freedom of Information Can this paper be included in “open” business	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)

The committee is requested to approve the report and the FFR 2017.

Purpose of report

To provide the committee with the Financial Forecast Return (FFR) 2017 for approval. In line with SFC guidance, the FFR 2017 has already been provided during August 2017 to UHI as the RSB responsible for collation and submission.

Background

Each year colleges are requested to complete a Financial Forecast Return (FFR) by the SFC. This forms part of the SFC's financial health monitoring framework. In previous years, this return has covered a three year period plus the current year just ending (the call for information comes out towards the end of the academic year). For the FFR 2017, the format has changed considerably. The SFC now require information in respect of the current year plus the following five years. This is to meet the recommendations from Audit Scotland that colleges produce five year plans. There are also a number of additional information sheets that now form part of the FFR which were not required last year.

Main body of information

SFC published the call for information at the end of June 2017. Attached to this was an annex with further information on assumptions to be made in completion of the return. However, some elements of the guidance given were contradictory and there was little clarity regarding some of the new sheets.

Both the FFR 2017 and the accompanying commentary have been attached.

One of the new tables for completion takes the surplus/(deficit) figures reported as per the accounts (in the form of the Statement of Comprehensive Income) and adjusts these to reflect the underlying position. The categories of adjustment here have been agreed with the sector to ensure consistency of approach in presentation of financial information.

The biggest financial challenge facing not just IC UHI but the sector as a whole is the impact of National Pay Bargaining. Currently, only the costs of the uplift in salary scales for unpromoted and promoted lecturers have been reflected in the FFR. This does not take into account any financial impact that may result from changes to terms and conditions. It also does not reflect the financial impact resulting from job evaluation for support staff or the impact of these changes in relation to senior management. There is no certainty yet around the level of these costs and given the recent experience with regard to funding for the unpromoted and promoted lecturers, we would be wary of calculating the costs without full information.

With regards to the pay uplift, as per SFC guidance we have assumed that in 18/19 and 19/20 the uplift costs will be fully funded, however thereafter the funding reduces over the next two years. This is reflected in the increasing deficit position. By the time we get to 22/23, there will be no funding for these additional costs.

Earlier this month, the SFC requested further detail from the sector in relation to the figures included in staff costs resulting from national bargaining.

The challenge for the sector is huge. Without SFC funding to pay for the increased staff costs, the current model is not affordable. As we are required to produce a balanced budget each year, we need to plan now for how we address this funding gap and what can we do differently.

Statement of Comprehensive Income and Expenditure (SOCIE)

2017/18 approved budget used as the baseline throughout.

Income

- Tuition fees, research and other income assume 1.5% increases each year from 2018/19.
- SFC grant assumptions:
 - flat cash 2018/19 and 2019/20 then 2% uplift 2020/21 and 2021/22
 - unpromoted and promoted lecturer additional costs funded in full until 2020/21
 - 2020/21 additional pay funding drops to 67% (£1.337m)
 - 2021/22 additional pay funding drops to 33% (£659k)

Expenditure

- Staff costs include the estimated impact of national bargaining for the pay uplift only in respect of unpromoted and promoted lecturers. Anticipated additional cost of £295k in 2017/18, £637k in 2018/19, £1,063k in 2019/20. Figures for 2019/20 reflect the additional annual cost over the existing staff cost thereafter.
- Does not include any estimates of costs resulting from changes to terms and conditions for teaching staff.
- Does not include any estimates relating to job evaluation for support staff or changes to senior management pay levels.
- Includes an assumed amount of £450k each year for FRS102 pension costs.
- Other operating expenses reflect anticipated efficiencies and 1.5% increase from 2018/19
- Interest charges relate to the new campus contract and pension interest.

Underlying Operating Result

The purpose of this sheet is an attempt to strip out the non-cash elements to arrive at a clearer picture of the financial position of each college in a consistent manner. The items on this sheet are those where there is less opportunity for colleges to influence the values, or items that are separately ring-fenced in government accounting terms.

Balance Sheet

The significant movement in fixed assets from 2015/16 to 2016/17 reflects the disposal of former campus sites at Midmills, Burnett Road (Longman campus) and the student car park from the Longman campus.

Sensitivity Analysis

This sheet has not been completed due to a lack of clarity regarding the requirement. Discussion with the Director of Corporate Resources at UHI EO identified that there had been differing approaches across the colleges within the region. Rather than compounding the issue, it was left for completion at a later date once further information became available. There has been no further clarity provided as yet.

Capital Expenditure

Assumed static SFC grant income levels at 2017/18 budget amount. Plans are not yet drawn up for future years but on the basis that HE capital can only be spent on land and buildings we have kept the expenditure split static also.

ALF Funding

At the time of preparing the FFR, we did not have any specific future plans for utilising ALF funding beyond 2017/18. Requests to the Foundation for funding are largely driven by needs identified through the annual operational planning process. However, recent communication from the solicitor acting on behalf of the Trustees has indicated that we will need to carefully consider our future plans as they do not believe that the Foundation will continue in the longer term.

FFR Commentary

The call for information requests a commentary to be provided along with the spreadsheets to provide further detail behind the figures and the assumptions used.

The commentary has identified two key financial risks which are the impact of national pay bargaining and achieving our student activity targets. Whilst we plan and closely monitor activity to ensure it remains on track, there is limited scope for dealing with the financial impact of national bargaining. Looking ahead to 2020/21 when the funding will be reduced, the scale of impact becomes apparent.

Financial Forecast Return 2017

Institution	Inverness College UHI
Contact	Fiona Mustarde
Telephone	01463 273260
Email:	Fiona.Mustarde.ic@uhi.ac.uk

DECLARATION:	The attached worksheets represent the financial forecasts for the Institution. They reflect a financial statement of our academic and physical plans from 2016-17 to 2021-22. Adequate explanations have been provided where requested on the return. The worksheets and their underpinning assumptions have been reviewed and approved by the Board of Management in accordance with their agreed practices. In preparing this financial forecast the Institution has fully considered the financial implications of all aspects of its strategy and has properly reflected these in the forecast.
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Signed:	<div></div> Principal/Chief Executive Officer
Date:	<div></div>

Inverness College UHI

	Actual 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	2015-16 - 2016-17	2016-17 - 2017-18	2017-18 - 2018-19	2018-19 - 2019-20	2019-20 - 2020-21	2020-21 - 2021-22	Explanation for variance
Statement of Comprehensive income and expenditure (Consolidated)	£000	£000	£000	£000	£000	£000	£000	%	%	%	%	%	%	
INCOME														
Tuition fees and education contracts	3,288	3,732	3,771	3,827	3,885	3,943	4,002	13.5%	1.0%	1.5%	1.5%	1.5%	1.5%	
Funding council grants	18,480	18,652	18,651	19,288	20,352	20,046	19,728	0.9%	0.0%	3.4%	5.5%	-1.5%	-1.6%	
Research grants and contracts	206	354	350	355	361	366	371	71.8%	-1.1%	1.4%	1.7%	1.4%	1.4%	
Revenue grants from Arms Length Foundation	178	0	0	0	0	0	0	-100.0%						
Capital grants from Arms Length Foundation	325	0	0	0	0	0	0	-100.0%						
Other non-government capital grants	0	0	0	0	0	0	0							
Other income	2,176	2,022	1,821	1,848	1,875	1,902	1,929	-7.1%	-9.9%	1.5%	1.5%	1.4%	1.4%	
Investment income	7	0	0	0	0	0	0	-100.0%						
Total income before donations and endowments	24,660	24,760	24,593	25,318	26,473	26,257	26,030	0.4%	-0.7%	2.9%	4.6%	-0.8%	-0.9%	
Donations and endowments	0	0	0	0	0	0	0							
Total income	24,660	24,760	24,593	25,318	26,473	26,257	26,030	0.4%	-0.7%	2.9%	4.6%	-0.8%	-0.9%	
EXPENDITURE														
Staff costs	13,573	14,426	14,878	15,624	16,748	16,892	17,038	6.3%	3.1%	5.0%	7.2%	0.9%	0.9%	
Staff costs - exceptional restructuring costs	0	0	0	0	0	0	0							
Fundamental restructuring costs - non-staff	0	0	0	0	0	0	0							
Other operating expenses	6,860	6,651	6,657	6,787	6,972	7,165	7,364	-3.0%	0.1%	2.0%	2.7%	2.8%	2.8%	
Donation to Arms Length Foundation	0	0	0	0	0	0	0							
Depreciation	2,220	1,673	1,679	1,486	1,463	1,458	1,458	-24.6%	0.4%	-11.5%	-1.5%	-0.3%	0.0%	
Interest and other finance costs	3,503	3,461	3,422	3,380	3,334	3,282	3,225	-1.2%	-1.1%	-1.2%	-1.4%	-1.6%	-1.7%	
Total expenditure	26,156	26,211	26,636	27,277	28,517	28,797	29,085	0.2%	1.6%	2.4%	4.5%	1.0%	1.0%	
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(1,496)	(1,451)	(2,043)	(1,959)	(2,044)	(2,540)	(3,055)	-3.0%	40.8%	-4.1%	4.3%	24.3%	20.3%	
Gain/(loss) on disposal of fixed assets	0	0	0	0	0	0	0							
Gain/(loss) on investments	0	0	0	0	0	0	0							
Share of operating surplus/(deficit) in joint venture(s)	0	0	0	0	0	0	0							
Share of operating surplus/(deficit) in associate(s)	0	0	0	0	0	0	0							
Surplus/(deficit) before tax	(1,496)	(1,451)	(2,043)	(1,959)	(2,044)	(2,540)	(3,055)	-3.0%	40.8%	-4.1%	4.3%	24.3%	20.3%	
Other taxation	0	0	0	0	0	0	0							
Surplus/(deficit) for the year	(1,496)	(1,451)	(2,043)	(1,959)	(2,044)	(2,540)	(3,055)	-3.0%	40.8%	-4.1%	4.3%	24.3%	20.3%	
Unrealised surplus on revaluation of land and buildings	0	0	0	0	0	0	0							
Actuarial (loss)/gain in respect of pension schemes	(1,494)	0	0	0	0	0	0	-100.0%						
Other comprehensive income	0	0	0	0	0	0	0							
Total comprehensive income for the year	(2,990)	(1,451)	(2,043)	(1,959)	(2,044)	(2,540)	(3,055)	-51.5%	40.8%	-4.1%	4.3%	24.3%	20.3%	

Inverness College UHI

	Actual 2015-16 £000	Forecast 2016-17 £000	Forecast 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	2015-16 - 2016-17 %	2016-17 - 18 %	2017-2018 - 19 %	2018-2019 - 20 %	2019-2020 - 21 %	2020-21 - 22 %
UNDERLYING OPERATING RESULT													
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(1,496)	(1,451)	(2,043)	(1,959)	(2,044)	(2,540)	(3,055)						
Add:													
Depreciation net of deferred capital grant release <i>(incorporated colleges only)</i>	652	719	1,212	1,019	996	991	991	10.3%	68.6%	-15.9%	-2.3%	-0.5%	0.0%
Exceptional non-restructuring items (e.g. impairment costs)	436	0	0	0	0	0	0	-100.0%					
Non-cash pension adjustments	721	730	730	730	730	730	730	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Donation to Arms Length Foundation <i>(incorporated colleges only)</i>	0	0	0	0	0	0	0						
Deduct:													
Non-Government capital grants	0	0	0	0	0	0	0						
Exceptional income	0	0	0	0	0	0	0						
Revenue funding allocated to loan repayments and other capital items <i>(incorporated colleges only)</i>	0	0	0	0	0	0	0						
Underlying operating result	313	(2)	(101)	(210)	(318)	(819)	(1,334)	-100.6%	4950.0%	107.9%	51.4%	157.5%	62.9%
Cash budget for priorities <i>(incorporated colleges)</i> :													
Student support funding	0	0	0	0	0	0	0						
2015-16 pay award	182	182	182	182	182	182	182						
Loan repayments	0	0	0	0	0	0	0						
Other - please describe	0	0	0	0	0	0	0						
Other - please describe	0	0	0	0	0	0	0						
Other - please describe	0	0	0	0	0	0	0						
	182	182	182	182	182	182	182						

Inverness College UHI

	Actual 2015-16 £000	Forecast 2016-17 £000	Forecast 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	2015-16 - 2016-17 %	2016-17 - 2017-18 %	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21 - 2021-22 %
Staff costs													
Salaries	10,679	11,213	11,602	12,202	12,957	13,071	13,187	5.0%	3.5%	5.2%	6.2%	0.9%	0.9%
Social Security costs	829	1,015	1,032	1,085	1,222	1,233	1,244	22.4%	1.7%	5.1%	12.6%	0.9%	0.9%
Other pension costs	1,631	1,748	1,794	1,887	2,119	2,138	2,157	7.2%	2.6%	5.2%	12.3%	0.9%	0.9%
FRS 102 pensions adjustments	434	450	450	450	450	450	450	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Severance payments	0	0	0	0	0	0	0						
Total	13,573	14,426	14,878	15,624	16,748	16,892	17,038						

Inverness College UHI														
		Actual 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	2015-16 - 2016-17	2016-17 - 2017-18	2017-18 - 2018-19	2018-19 - 2019-20	2019-20 - 2020-21	2020-21 - 2021-22
Balance Sheet		£000	£000	£000	£000	£000	£000	£000	%	%	%	%	%	%
1 Non-current assets	a) Intangible assets	0	0	0	0	0	0	0						
	b) Goodwill	0	0	0	0	0	0	0						
	c) Negative goodwill	0	0	0	0	0	0	0						
	d) Fixed assets	55,842	52,761	51,369	50,170	48,994	47,823	46,652	-5.5%	-2.6%	-2.3%	-2.3%	-2.4%	-2.4%
	e) Heritage assets	0	0	0	0	0	0	0						
	f) Investments	0	0	0	0	0	0	0						
	g) Investment in joint venture(s)	0	0	0	0	0	0	0						
	h) Investment in associate(s)	0	0	0	0	0	0	0						
Total non-current assets		55,842	52,761	51,369	50,170	48,994	47,823	46,652	-5.5%	-2.6%	-2.3%	-2.3%	-2.4%	-2.4%
2 Current assets	a) Stock	0	0	0	0	0	0	0						
	b) Debtors	410	466	467	467	467	467	467	13.7%	0.2%	0.0%	0.0%	0.0%	0.0%
	c) Investments	0	0	0	0	0	0	0						
	d) Cash and cash equivalents	3,344	3,733	3,583	3,583	3,583	3,583	3,583	11.6%	-4.0%	0.0%	0.0%	0.0%	0.0%
	e) Other (e.g. assets for resale)	0	0	0	0	0	0	0						
Total current assets		3,754	4,199	4,050	4,050	4,050	4,050	4,050	11.9%	-3.5%	0.0%	0.0%	0.0%	0.0%
3 Creditors: amounts falling due within one year	a) Bank loans and external borrowing	0	0	0	0	0	0	0						
	b) Bank overdrafts	0	0	0	0	0	0	0						
	c) Lennartz creditor	0	0	0	0	0	0	0						
	d) Obligations under finance leases and service concessions	0	0	0	0	0	0	0						
	e) Payments received in advance	690	954	467	467	467	467	467	38.3%	-51.0%	0.0%	0.0%	0.0%	0.0%
	f) Amounts owed to Funding Council	0	0	0	0	0	0	0						
	g) Obligations under PFI/NPD	463	511	564	621	684	751	824	10.4%	10.4%	10.1%	10.1%	9.8%	9.7%
	h) Other creditors and accruals	6,484	6,243	6,243	6,243	6,243	6,243	6,243	-3.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Total creditors < 1 year		7,637	7,708	7,274	7,331	7,394	7,461	7,534	0.9%	-5.6%	0.8%	0.9%	0.9%	1.0%
Share of net assets/(liabilities) in associate		0	0	0	0	0	0	0						
NET CURRENT ASSETS/LIABILITIES		(3,883)	(3,509)	(3,224)	(3,281)	(3,344)	(3,411)	(3,484)	-9.6%	-8.1%	1.8%	1.9%	2.0%	2.1%
TOTAL ASSETS LESS CURRENT LIABILITIES		51,959	49,252	48,145	46,889	45,650	44,412	43,168	-5.2%	-2.2%	-2.6%	-2.6%	-2.7%	-2.8%
4 Creditors: amounts falling due after more than one year	a) Local authority loans	0	0	0	0	0	0	0						
	b) Bank loans and external borrowing	0	0	0	0	0	0	0						
	c) Lennartz creditor	0	0	0	0	0	0	0						
	d) Finance leases and service concessions	0	0	0	0	0	0	0						
	e) Obligations under PFI/NPD	38,009	37,498	36,934	36,313	35,628	34,878	34,054	-1.3%	-1.5%	-1.7%	-1.9%	-2.1%	-2.4%
	f) Amounts repayable to Funding Council	0	0	0	0	0	0	0						
	g) Other creditors	10,587	10,747	10,567	10,387	10,207	10,026	9,846	1.5%	-1.7%	-1.7%	-1.7%	-1.8%	-1.8%
	Total creditors >1 year	48,596	48,245	47,501	46,700	45,835	44,904	43,900	-0.7%	-1.5%	-1.7%	-1.9%	-2.0%	-2.2%
5 Provisions	a) Pension provisions	9,232	9,232	9,232	9,232	9,232	9,232	9,232	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	b) Other	2,672	2,672	2,672	2,672	2,672	2,672	2,672	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total provisions		11,904	11,904	11,904	11,904	11,904	11,904	11,904	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL NET ASSETS		(8,541)	(10,897)	(11,260)	(11,715)	(12,089)	(12,396)	(12,636)	27.6%	3.3%	4.0%	3.2%	2.5%	1.9%
9 Restricted Reserves	a) Endowment Reserve	0	0	0	0	0	0	0						
	b) Restricted Reserve	0	0	0	0	0	0	0						
10 Unrestricted reserves	a) Income and Expenditure Reserve	-8,541	-10,897	-11,260	-11,715	-12,089	-12,396	-12,636	27.6%	3.3%	4.0%	3.2%	2.5%	1.9%
	b) Revaluation reserve	0	0	0	0	0	0	0						
11 Non-controlling interest		0	0	0	0	0	0	0						
TOTAL RESERVES		(8,541)	(10,897)	(11,260)	(11,715)	(12,089)	(12,396)	(12,636)	27.6%	3.3%	4.0%	3.2%	2.5%	1.9%

Inverness College UHI

SENSITIVITY ANALYSIS

Forecast 2016-17 £000	Forecast 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000
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Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates

(1,451)	(2,043)	(1,959)	(2,044)	(2,540)	(3,055)
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Income:

SFC activity funding +/- 2.5%

	0	0	0	0	0
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Non-SFC income +/- 2.5%

0	0	0	0	0	0
---	---	---	---	---	---

Expenditure:

Non-staff costs +/- 2.5%

0	0	0	0	0	0
---	---	---	---	---	---

Staff costs:

Total staff costs +/- 2.5%

0	0	0	0	0	0
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Total staff costs +/- 5%

0	0	0	0	0	0
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Inverness College UHI

Capital Expenditure Projects and Forecast Methods of Financing

Expenditure:

Land & Buildings

Equipment & Others

Financed by:

Cash reserves

Arms Length Foundation

Leasing

SFC grant

Re-investment of proceeds from disposal of assets

Non-SFC grants

PFI/NPD

Other - please specify if material

Actual 2015-16 £000	Forecast 2016-17 £000	Forecast 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	2015-16 - 2016-17 %	2016-17 - 2017-18 %	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21 - 2021-22 %
377	157	160	160	160	160	160	-58.4%	1.9%	0.0%	0.0%	0.0%	0.0%
4116	236	127	127	127	127	127	-94.3%	-46.2%	0.0%	0.0%	0.0%	0.0%
4,493	393	287	287	287	287	287	-91.3%	-27.0%	0.0%	0.0%	0.0%	0.0%
0	0	0	0	0	0	0						
325	0	0	0	0	0	0	-100.0%					
0	0	0	0	0	0	0						
223	393	287	287	287	287	287	76.2%	-27.0%	0.0%	0.0%	0.0%	0.0%
0	0	0	0	0	0	0						
151	0	0	0	0	0	0	-100.0%					
0	0	0	0	0	0	0						
0	0	0	0	0	0	0						
699	393	287	287	287	287	287	-43.8%	-27.0%	0.0%	0.0%	0.0%	0.0%

Inverness College UHI

ALF Funding

	Actual 2015-16 £000	Forecast 2016-17 £000	Forecast 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000
Estimated balance of cash in ALF as at 1 August	3,121	2,693	2,693	0	0	0	0
Donation to Arms Length Foundation	0	0	0	0	0	0	0
Grant from Arms Length Foundation - capital	(325)	0	(943)	0	0	0	0
Grant from Arms Length Foundation - revenue	(103)	0	0	0	0	0	0
Estimated balance of cash in ALF as at 31 July	2,693	2,693	1,750	0	0	0	0

Note:

For most foundations, the most recent accounts available are for periods ending in 2016. Colleges' forecast movements will not include governance costs, donations from third parties, payments to third parties or investment income.

Grant from Arms Length Foundation - capital:

ICT Equipment	325	0	0	0	0	0	0
Group 2 equipment for NPD new campus	0	0	943	0	0	0	0
Description	0	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Total	325	0	943	0	0	0	0

Grant from Arms Length Foundation - revenue

Curriculum Development/Leadership & Mgt Training	103	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Total	103	0	0	0	0	0	0

Inverness College UHI
FINANCIAL SUMMARY

Actual 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
£000	£000	£000	£000	£000	£000	£000

Income ratios							
Total Income	24,660	24,760	24,593	25,318	26,473	26,257	26,030
Total Funding Council Grant as % of Total Income	75%	75%	76%	76%	77%	76%	76%
Total non-Funding Council Grant as % of Total Income	25%	25%	24%	24%	23%	24%	24%
Total Education Contracts and Tuition Fees as % of Total Income	13%	15%	15%	15%	15%	15%	15%
Total Research Grants and Contracts as % of Total Income	1%	1%	1%	1%	1%	1%	1%
Total Other Income as % of Total Income	9%	8%	7%	7%	7%	7%	7%

Expenditure ratios							
Total Expenditure	26,156	26,211	26,636	27,277	28,517	28,797	29,085
Salaries as % of Total Expenditure	52%	55%	56%	57%	59%	59%	59%
Other operating costs as % of Total Expenditure	26%	25%	25%	25%	24%	25%	25%
Depreciation/amortisation as % of Total Expenditure	8%	6%	6%	5%	5%	5%	5%

Operating position							
Operating Surplus/(deficit)	-1,496	-1,451	-2,043	-1,959	-2,044	-2,540	-3,055
Operating Surplus/(deficit) as % of Total Income	-6%	-6%	-8%	-8%	-8%	-10%	-12%
Underlying operating surplus/(deficit)	313	-2	-101	-210	-318	-819	-1,334
Underlying operating surplus/(deficit) as % of Total Income	1.3%	0.0%	-0.4%	-0.8%	-1.2%	-3.1%	-5.1%

Cash Position							
Cash and Current Asset Investments	3,344	3,733	3,583	3,583	3,583	3,583	3,583
Overdrafts	0	0	0	0	0	0	0
Days Ratio of Cash to Total Expenditure	51	56	52	51	48	48	47

Balance Sheet strength							
Unrestricted reserves	(8,541)	(10,897)	(11,260)	(11,715)	(12,089)	(12,396)	(12,636)
Current Ratio	0.49	0.54	0.56	0.55	0.55	0.54	0.54
Unrestricted reserves as % of Total Income	-35%	-44%	-46%	-46%	-46%	-47%	-49%
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)	38,472	38,009	37,498	36,934	36,312	35,629	34,878
Interest cover	0.57	0.58	0.40	0.42	0.39	0.23	0.05

COMMENTARY FOR FFR 2017 – INVERNESS COLLEGE UHI

1. INTRODUCTION

- In May 2016 Education Scotland published a review on behalf of the SFC which concluded Inverness College UHI has in place 'effective arrangements to maintain and enhance the quality of its provision and outcomes for learners and other stakeholders'. The current strategic plan covers the period 2017-2020 with a recurring theme of opportunity and growth across all six strategic aims. The College has been working through the process of renewing existing strategies and formulating new strategies to underpin the overall strategic plan. The College is going through a period of significant change at senior management level. The former Principal moved on to UHI Executive Office in early June 2017 and the new Principal comes into post on 1 September 2017. There has been a number of new Board members appointed within the last six months. The vacant Director of Finance post has only recently been filled.
- **NPD** - The new buildings at our Main Campus and Scottish School of Forestry opened to students at the start of 2015/16. The College pays a monthly unitary charge under the NPD contract for these buildings. The majority of this cost is met by SFC grant funding with the College responsible for a proportion related to hard facilities maintenance and lifecycle costs. There remain outstanding issues and the final account has not yet been put forward by the contractor although the anticipated costs in respect of group 2 equipment i.e. the equipment purchased by the contractor on behalf of the College, was accounted for in the 2015/16 financial statements.
- **HE student numbers** – in 2016/17, the College had a target of 1,622 FTEs, an increase on our HE student numbers by 172 FTEs (11.9%) from 1,450 FTEs in 2015/16. This was an ambitious target and the final outturn is expected to be lower at 1,545 FTEs. The 2016/17 target followed two consecutive years of strong growth however the actual growth in 2016/17 was lower. The curriculum plan for 2017/18 is in place and with a target of 1,594 FTEs.
- **FE student numbers** - in 2016/17 the College had a target of 29,647 credits which included ESIF funded credits and we are currently forecasting to achieve 30,934 credits against this. The core credit target for the College for 16/17 was 28,569. The core credit target for 2017/18 is an increase of 500 credits to 29,069.

- **On-going financial sustainability** - in 2016/17, the college is forecasting an underlying operating deficit position of £2,000. For future years' forecasts, the college is working hard to ensure that changes are captured in the forward forecasts, and opportunities are created to engender a positive impact on the College's ability to provide a high quality learning experience to our students. The College will consider how best to meet the needs of our learners in the challenging financial climate.
- **Customer service excellence and IIP Gold**– as well as transforming the physical buildings that make up Inverness College UHI, we also committed to transforming the organisational culture. We are therefore committed to a comprehensive development plan for the College that recognises the essential contribution made by every member of College staff to achieving excellence in the service we provide. The two awards of IIP Gold and Customer Service Excellence provide the framework required to achieve this transformational change and involve all staff in the development process. In 2015/16 we achieved Customer Service Excellence and IIP. In 2016/17 we achieved IIP Gold.

2. REVIEW OF FINANCIAL PERFORMANCE – 2016/17

- The projected outturn for the financial year 2016/17 is a deficit of **£1,451,000**, compared to the budgeted break even position. The variance against budget is largely down to the accounting for the NPD campus which changed after the budget for 2016/17 had been set and **FRS102 pension costs**. The underlying position is a deficit of £2,000.
- For SFC FE grant, the college is projecting to be above its target of 29,647 credits (including ESIF), the current estimate being 30,934 credits. For HE activity, the college is projecting to be below its undergraduate target of 1,622 FTEs, with the current estimate being 1,545 FTEs, 77 FTEs below target.
- Tuition fees and education contracts are projected to be £3.732 million for the year, compared to the budget figure of £3.543 million and last year's actual figure of £3.288 million, which is an increase of 5.3% compared to the budget and an increase of 13.5% compared to the previous year. This is mainly due to additional activity in the year and the associated fees, as well as some increase in commercial courses.
- Staff costs are projected to increase compared to the budget, the projected total being £14.088 million, compared to the budget of £14.039 million, an increase of 0.4% (**exclusive of FRS102 employers cost**). This is due to an increase in staff costs resulting from the lecturer pay uplift through national bargaining. Without the impact from national

bargaining the College would have had a positive variance against budget in staff costs.

- Other operating expenses have decreased as we have settled into our new campus buildings with reductions in utilities costs.
- In the balance sheet, the overall figure for net assets are forecast to increase from negative £3.8 million to negative £3.5 million.
- Fixed Assets include our Main Campus (including the Early Learning and Childcare Centre) and the Scottish School of Forestry. The reduction from 2015/16 to 2016/17 reflects the impact of the former campus disposals completed by 31 July 2017.
- Detailed cashflow forecasts remain to be completed for the period covered by the FFR.

3. SFC/ UHI RECURRENT GRANT

- The College's anticipated FE allocation of SFC funding for 2017/18 is based on a target of 29,069 credits (excludes ESIF), an increase on 2016/17 of 500 credits. The main recurrent Grant for 2017/18 of £7,823,543 is based on college's 2016/17 final allocation of £7,662,361. These figures do not include any allocations in respect of national bargaining. In 2016/17, the College received £79,648 in respect of the additional cost for the period 1 April to 31 July 2017.
- For 2017/18 the HE allocation has been budgeted at £4,657,930 compared to £4,792,470 for 2016/17, a decrease of £134,540. This grant figure is based on the college achieving an activity target of 1,595 FTE in 2017/18, compared to our target figure of 1,622 FTE in 2016/17, a decrease of 27 FTE.

4. CHANGES IN TUITION FEE INCOME & OTHER INCOME

- For 2016/17, an increase of £0.230 million in fees to £3.732 million compared to the budget for 2016/17 of £3.588 million is forecast. The budget for 2017/18 set at £3,133,554 reflects a slight decrease on 2016/17 which reflects the anticipated HE activity levels.
- For other income including research income, the anticipated outturn for 2016/17 is £2.376million compared with a budget of £2.404million. The budget for 2017/18 has been set at £2.171million which reflects the drop in anticipated ESIF income.

5. CHANGES IN STAFF COSTS & NON-STAFF COSTS

- In 2016/17 we have seen the start of the impact of implementing national pay bargaining in respect of unpromoted teaching staff. The new pay levels became effective on 1 April 2017 and the initial four months cost estimated at £79,648 has been funded in 2016/17. The additional cost for Inverness College for 2017/18 has been estimated at £217,372 for unpromoted staff and £23,676 for promoted staff. The total cost to the College of implementing national bargaining for pay costs has been estimated at £2.086million across the implementation period. We have followed the assumptions stated in the circular reflecting the 2018/19 and 2019/20 costs being funded by SFC. These cost assumptions do not yet reflect the impact of changes to terms and conditions, nor do they reflect the impact resulting from job evaluation for support staff. They do however include a 1% uplift as per para 27.
- Other operating expenses is where the College is seeking efficiency savings. For 2018/19 and beyond, non-staff costs are assumed to increase by 1.5%.

6. RISK MANAGEMENT

- The key risks that have been identified when preparing the 2017/18 forecast have been presented to the Finance & General Purposes Committee and the Board of Management. The main risk relates to the costs associated with national bargaining and the funding of this. The other key risk is achieving both the FE & HE activity targets.
- In terms of mitigating the above risks, the College will work with the regional strategic body and aligned colleges to assess delivery of courses. The quality of the student activity data has improved and so the forecasting for both FE & HE activity is now significantly more robust. Also, further work has been carried out on college admissions processes to ensure that all students are dealt with in an effective manner.

7. OTHER ISSUES

- The college is currently working with the SFT to progress the disposal of the remaining Longman campus, having already sold both the Midmills campus and two elements of the Longman campus.

- The effect of the accounting treatment for the NPD buildings has meant that there is a significant interest charge in the early years which adversely impacts on the SOCIE. This will diminish over the length of the contract and the capital element of the repayments will increase. The contract started with an interest value of £3,215,624 in 2016 which will reduce to £295,633 in the final year. The contract is for a 25 year period.
- The FFR for 2017 has been approved and signed off by the Acting Principal of the College but has yet to go to the Board. This will be presented to the next Finance and General Purposes Committee which takes place on 28 September 2017.

Fiona Mustarde
Director of Finance
Inverness College UHI

August 2017

BOARD OF MANAGEMENT

Subject/Title:	Procedure for establishing and reviewing the Principal's Objectives, Performance and Salary		
Meeting and date:	Board of Management - 26 October 2017		
Author:	Fiona Ambrose, Secretary to the Board		
Link to Strategic Plan:	N/A		
Cost implications:	No		
Risk assessment:	Yes Financial: Operational: Organisational: required for the proper Governance of the College		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in "open" business	Open		
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

The Board of Management is asked to approve the procedure for establishing and reviewing the Principal's objectives, performance and salary.

Background

The Code of Good Governance for Scotland's Colleges requires that

ITEM 7

“The college board must ensure a clear process is in place to set and agree personal performance measures for the principal. This process should seek the view of students and staff. The chair on behalf of the board, should monitor, review and record the principal’s performance, at least annually, against the agreed performance measures”

The Chairs Committee at its meeting on 14 September considered a proposed procedure for establishing and reviewing the Principal’s objectives, performance and salary. There was a discussion on how to include the input of staff and students to the appraisal process, which was a requirement under the Code. It was suggested that the IIP framework would allow the views of staff and students to be gathered through a random selection of participants from these two groups.

The Board of Management is asked to approve the procedure for establishing and reviewing the Principal’s objectives, performance and salary.

PROCEDURE FOR ESTABLISHING AND REVIEWING THE PRINCIPAL'S OBJECTIVES, PERFORMANCE AND SALARY

Introduction

The purpose of this paper is to formally document the procedure and process for setting the Principal's objectives each year, reviewing performance against these and implementing a process for establishing the salary or pay rise that should be applied to the post.

This document has been developed to ensure that the College is fully compliant with the requirements of the Code of Good Governance issued by College's Scotland in August 2016.

Principal's Performance

1. Setting of Targets

The Strategic Plan and any addendums thereto will form the basis for setting the Principal's targets for the coming academic year.

The specific targets for the Principal will be established by the Chair of the Board and the Senior Independent Member. These will be discussed in a meeting with the Principal which will be observed and supported by the Secretary to the Board of Management. This will normally take place during July or August each year. The objectives will be set at that meeting and reported to the Board of Management at its first meeting of the new academic year (October). This will allow all members an opportunity to provide input or comment on the objectives set.

The Principal's objectives will then be made publicly available.

2. Review of Performance

The Principal will prepare a 6 month report providing a review of progress. The Chair and Senior Independent Member will meet with the Principal in March (again observed by the Secretary to the Board of Management) to specifically discuss progress against the Principal's targets.

A brief report on the outcome of this meeting will be prepared for a meeting of the Performance, Review and Remuneration Committee (PR&R) in May. The PR&R Committee will only report to the Board of Management formally in the event that they decide that there are matters raised which are material to the performance of the College

A final appraisal of progress against the objectives for the year (using the established College PDR documentation shown below) will form part of the meeting in July/August which establishes targets for the following year.

The report of the July/August appraisal will be prepared for a meeting of the Performance, Review and Remuneration Committee in September. Again, the PR&R Committee will only report to the Board of Management formally in the event that they decide that there are matters raised which are material to the performance of the College

Finally, the Principal will provide an overarching report on the College performance against the Strategic Plan in October each year. This will include a review of performance against targets, a report on progress towards the key targets set in the Regional Outcome Agreement (ROA) and a review of financial performance.

3. Annual Timeline for Setting and Review of Principal's Targets

1.	July/August	Meeting between Principal, Chair and Senior Independent Member to agree targets for following year. This will be observed by the Board Secretary. Those targets will be reported to the next Board of Management meeting in October.
2.	March	Principal to provide 6 month report providing a review of progress and meet with the Chair and Senior Independent Member. Again observed by the Board Secretary
3.	May	Senior Independent Member to report to the PR&R committee on review of the Principal's performance against targets at 6 month stage. Committee to decide if further reporting to the Board of Management is necessary.
4.	July/August	Final appraisal of progress for the year / setting of targets for following year
5.	September	Final appraisal report prepared for PR&R committee in September. Committee to decide if further reporting to the Board of Management is necessary.
6.	October	Principal to present an overarching report on performance against the Strategic Plan for the previous year to the Board of Management.

Principal's Remuneration

The PR&R Committee is responsible for setting the Remuneration of the Principal. The Terms of Reference for the PR&R committee are attached as **Appendix 1**

The Principal's pay is not covered by the National Bargaining Framework and therefore has to be set by the Board of Management.

The PR&R Committee is required to take into account the views of students and

staff. The procedure outlined takes account of the views of all Board members including the staff and student members.

Firstly, the PR&R Committee will consider whether a pay award for the post is warranted. The PR&R Committee will take into account the performance of the College, the performance of the Principal and the views of learners and staff (as represented at the Board of Management), in reaching a conclusion on this matter. The following documentation will be made available to the Remuneration Committee to reach a conclusion on this matter:

- All documentation outlined in section 2 of this procedure
- Evidence that the College is meeting the annual activity targets set for both FE and HE
- Evidence of growth in diversified income, principally commercial and research income
- A report endorsed by the Learning and Teaching Committee summarising the students' views of the learner experience and student survey results.
- The annual IIP report which will include any staff survey undertaken.
- The annual audit report incorporating the annual internal and external audit reports.
- The colleges' self-evaluation report.
- Other relevant external reviews of the work of the College to include the most recent reports on the quality of learning and teaching from Education Scotland and SQA.
- Evidence of sustainability across all areas of the college

Following a review of the evidence listed above, along with any other evidence which members of the PR&R Committee wish to be considered, the Committee will decide whether they wish a pay rise to be applied to the post in line with the college Senior Managers Pay Strategy document:

The full Board of Management will be advised accordingly.

Pay awards for the Principal will apply from April each year in line with current arrangements in place for other staff groups. The above process will normally be completed by August for the previous April settlement date. It will be reported to the full Board of Management. The Principal's salary will also be publicly reported in the College Annual Report.

The PR&R Committee may also wish to consider, from time to time, whether the Principal's salary is appropriate. This is important and will help ensure that the College is able to attract appropriately skilled and qualified candidates when filling the post.

This will be done by taking into consideration the principles outlined in the Senior Managers Pay Strategy document.

Affordability and the pension effect of any remuneration proposals must be taken into account in all discussions.



SECTION 1: Review Details *(to be completed by reviewer)*

Name:		Date of Review Meeting:	
Job Title:		Date of Last Review or Start Date in Role:	
Department:			
Reviewer Name:		Reviewer Job Title:	

The following documents should be reviewed before completing the section below: Operational Plan; Team Self-Evaluation; CPD log; previous PDR documentation; Job Description; IC Personal Skills Framework

Reviewee comments on development of job role since last review:
Reviewee evaluation of staff development undertaken since last review:
Reviewer comments:

SECTION 3: Review of Objectives

Reflect and comment on the objectives set in your last review, or since the start date in a new role

Objective:- (list objectives agreed in last review)	Reviewee comments: (what was achieved and how? – refer to personal skills framework)	Achieved/ Partially Achieved/ Not Achieved
Reviewer comments:		
Discuss any challenges or successes that have emerged that were not anticipated at the last review.		
Reviewer Comments:		

SECTION 4: Personal Skills Reflection



Referring to the IC Personal Skills Framework, give examples where you have used these personal skills and indicate areas where you identify further development.

Examples of achievements in personal skills	Personal skills development areas
Reviewer comments on achievements	Reviewer comments on development areas
Development objectives agreed:	

SECTION 5: Job Skills Reflection

i.e. experience, skills and/or knowledge essential for both current job role and/or future aspirations.

Key Strengths:	Link to Strategic/Operational Objectives (please specify):
Reviewer comments on Key Strengths:	
Areas for Development:	Link to Strategic/Operational Objectives (please specify):
Reviewer comments on Areas for Development:	

SECTION 6: Future Focus - Objectives for Next Period

Proposed SMART Objectives	Anticipated outcome and method to measure progress	
Agreed SMART Objectives:	Link to Strategic/Operational Plan (please specify):	Agreed Target Completion Date

SECTION 7: Staff Development Requests

Support or training requested	Impact on Role		
Reviewer Recommendation	Link to Strategic/Op. Plan	Planned Dates	Action by * Reviewee/ Reviewer

* ***All training requests requiring resources must be authorised by submission and agreement of a TD1 Form.***

SECTION 8: Review Summary/Sign Off *(to be completed by both reviewer and reviewee after the PDR meeting)*

Reviewer Comments:	
Signed:	Date:

Reviewee Comments:	
Signed:	Date:

Counter-signatory (SMT representative):	
Signed:	Date:

SECTION 9: Mid-term review

Reviewee comments on progress against objectives and evaluation of staff development targets:	
Signed:	Date:
Reviewer comments:	
Signed:	Date:

PR&R Terms of Reference

See separate document

BOARD OF MANAGEMENT

Subject/Title:	Board Evaluation		
Meeting and date:	Board of Management - 26 October 2017		
Author:	Fiona Ambrose, Secretary to the Board		
Link to Strategic Plan:	N/A		
Cost implications:	No		
Risk assessment:	Yes Financial: Operational: Organisational: evaluation of the effectiveness of the board		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in “open” business	Open		
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

The Board of Management is asked to approve the proposed actions which have been identified from the Board Evaluation exercise.

Background

There is a requirement within the Code of Good Governance for Scotland’s Colleges that

“the board must keep its effectiveness under annual review and have in place a robust self evaluation process”.

Evaluation process

All members who had served on the Board for a period of more than 12 months were asked to complete a board evaluation exercise.

The responses to the 12 questions are shown in Appendix A, along with a summary stating the key themes identified and a number of actions which are proposed.

If the actions are approved by the Board, they will be added to the actions identified within the externally facilitated review of Board effectiveness which was completed earlier this year. The combined actions will form the annual Board Development Plan.

SELF-EVALUATION REVIEW 2016/17

ROLE OF THE BOARD

COMBINED RESPONSES

1	Question	Response	Theme and Action
	Am I confident that the board has the right information to assess the College's and management's performance?	<p>YES</p> <p>Yes. The most recent ongoing work on Strategic planning and sub strategic plans allied to forthcoming event on PIs, show we are continually re-evaluating how we can do this even better.</p> <p>Yes. While there could be a little more structured approach to information, the Executive provide detailed papers on strategic and significant matters and are able to substantiate their position when challenged.</p> <p>Yes, I believe the correct information is fed into both the committee meetings and the board meetings. It is something that should be regularly reviewed however as we can never know everything</p> <p>Yes, I believe that the IC SMT are very collaborative and provide the information transparently that the board needs to be confident that the college is being managed appropriately.</p>	<p>Majority yes</p> <p>Themes:</p> <ul style="list-style-type: none"> • Overall Information is accurate and timeous • Culture is collaborative and transparent. • Strategic KPI's and ROI metrics will enhance the quality of information that comes to the Board. <p>-----</p> <p>No action required</p>

		<p>Broadly yes. However, I think the agreement and production of the strategic KPIs will further empower the Board to understand current performance and also, crucially, help play a part in improving the College's resiliency in respect of future years' performance. Further planned developments in procurement management and also ROI metrics re course and investment decisions will also help</p> <p>Mostly - reports tend to be of a high standards - sometimes it requires follow up questions at the board meeting but answers from officers are always full and more than adequate</p> <p>The College Management team operates in a transparent and open manner at all times. The information presented to the Board and at all of the sub-committee's that I have been privy to has been thorough and allowed the correct level of scrutiny to be applied. Any requests for additional information or points of clarification have been answered in full.</p> <p>Yes. We have access to and discuss regularly a range of key performance measures. Any other information that the Board or its Committees have asked for has, in my opinion been provided in a timely manner.</p> <p>There is a wealth of quantitative information which enables an assessment of this type. There is not a great deal of qualitative information about the experience of students & staff but I'm not sure whether a Board needs, or indeed, wants this.</p>	
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2.	Question	Response	Theme and Action
	Am I sure that the board has effectively assessed the risks facing the College and has plans in place to manage those risks?	<p>YES</p> <p>This is an area that although we are reasonable add still needs more work, particularly in understanding risk and risk appetite. Again, however, this has been recognised and work is progressing led by Chair of Audit Comm</p> <p>Yes. Again there needs to be a slightly more structured approach to ensuring that risk mitigation and management actions are working and the Audit Committee will follow up on this as part of their risk assessment process</p> <p>Yes, but I do think there is room for improvement with how the board, manage and monitor risks.</p> <p>The Chair has worked hard to get a good mix of board members from different backgrounds that can identify and ensure that they are tracked and mitigation put in place.</p> <p>Yes, as far as is truly possible in the financial and regulated environment within which the College must operate.</p> <p>Although the Risk element as a Board activity is concentrated mainly with the Audit Committee, I believe there are systematic and healthy discussions around risk at the committees that I attend and a clear and understood path for escalation for Board members.</p> <p>SMT are also aware of the Boards role and concern in such matters.</p> <p>Yes - risks are assessed very thoroughly and a lot of</p>	<p>Majority Yes</p> <ul style="list-style-type: none"> • Overall satisfactory • UHI risk register has created some difficulty • Lots of good work in this area but some room for improvement, particularly in tracking mitigating actions. • Overall a sound approach, Board members content. <hr/> <p>No action required</p>

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		<p>time is taken to review the risk register.</p> <p>The College's attitude to risk management is based on sound methodology and a realistic approach to mitigation.</p> <p>The recent application of a corporate methodology for recording risk has caused a degree of confusion but has not deflected the UHI Board from keeping a close eye on risks and their management.</p> <p>Yes.</p> <p>We have had in depth discussions at both the Audit Committee and Board of the IC risk register, its content and the link to the UHI risk register and the mitigating plans that are in place to manage those risks. The difficulty comes when ownership of risk(s) falls out with the College</p> <p>Yes, it appears that this is an area in which a great deal of work has taken place. There is a visible trail of risk assessment etc</p>	
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3.	Question	Response	Theme and action
	Am I confident that the board has the right skills, knowledge and expertise?	<p>YES</p> <p>Yes. Recent recruitment exercises have been geared specifically to areas of need and we ran an extra exercise to bring in educational background and understanding expertise.</p> <p>Yes. The Board has a broad skillset commensurate with all aspects of its role and this has been strengthened by recent recruitment</p> <p>Yes, we have an excellent board composition.</p> <p>As above, the new board member recruitment has improved the mix within the board and has strengthened the skills base. The chair has been astute in hiring from the education sector, public and private sector.</p> <p>This, along with the SMT, student and staff representation make this a strong board.</p> <p>We have had a number of new Board members arrive over the past months and it is clear that, as they increasingly find their voice, that the resultant Board has a good mix of skills, knowledge and expertise across the requisite areas.</p> <p>Coupled with the excellent experience of the longer service members such as John and Neil, I think we are in a healthy position.</p> <p>Yes - lots of new members coming onto the board with a wide range of skills and experience</p> <p>There has been a strong emphasis on governance training and a focused effort to bring the right type of</p>	<p>Majority Yes</p> <ul style="list-style-type: none"> • Overall very positive. • Overall good blend of skills and experience • Recruitment has been very good and brought in some excellent knowledge. • Potential question over the level of education sector knowledge on the Board <hr/> <p>No action required</p>

APPENDIX A

		<p>people, with a good blend of experience to bring depth to the board. I have a high level of confidence in my fellow board members, recent appointments will only add to the effectiveness of the Board.</p> <p>Yes. The skills and experience of Board members are clearly articulated & recorded. This has identified areas that need strengthened and has informed the recent rounds of Board recruitment.</p> <p>The Board has a wide range of skills, knowledge & experience. I'm not aware of there being a high level of these matching to education but I'm not wholly aware of everyone's experience.</p>	
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4	Question	Response	Theme and action
	Does the financial and performance information I receive as a board member tell me how the College is performing?	<p>YES</p> <p>I believe so. It is important that variances from planned spend are highlighted and appropriate narrative detail added so that decisions can be made with full confidence. Even more so with a number of new Board members.</p> <p>Yes and improving. We are provided with sufficient detail on finance papers and on indicators that we report externally to allow us to track performance. The development of strategic KPIs will allow us to improve further in this area.</p> <p>Yes, I am happy with the financial info received.</p> <p>I believe it does. There is a lot of detail in the information presented. The internal hire of a Finance Director has also been positive as they are very experienced and knowledgeable and provide concise explanations to any queries the board have.</p> <p>Partly. As indicated above, the new KPIs will play an important role going forward. It will be important to ensure these are strategic performance measures and do not take the Board to an operational level unless truly required. However, currently, I believe indicators are sufficient to highlight any strategic issues.</p> <p>Mostly - sometimes it is presented in a way that can be hard to understand - but again follow up questions are always answered fully and explanations given</p>	<p>Mainly Yes</p> <ul style="list-style-type: none"> • Strategic KPI's will allow for better governance in this area. • Benchmarking against other colleges might be useful • More information on staff satisfaction; morale; staff/management relations etc nor about soft skills attained by students of FE & HE would be useful (one response). <hr/> <p>No action required</p>

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		<p>willingly.</p> <p>Yes.</p> <p>See response to question 1. It is also useful to benchmark performance against other Colleges which we do in some areas e.g. student outcomes</p> <p>It gives a great deal of detail about recruitment; retention & achievement and how this translates to income and expenditure. It does not allow, or inform, about staff satisfaction; morale; staff/management relations etc nor about soft skills attained by students of FE & HE.</p>	
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5	Question	Response	Theme and action
	Is the relationship between the Chair and Principal effective, balanced and appropriate?	<p>YES FOR DIANE TO BE RECREATED FOR CHRIS</p> <p>This was the case and the Principal was duly challenged where required. A new Principal gives the opportunity to set off with a clear understanding of roles, responsibilities and expectations all around.</p> <p>While this is a difficult question to answer (there is currently an "Acting Principal" following the departure of the Principal, and the new Principal is not yet in post), there are some healthy tensions at the border of strategic / executive and overall the relationship appears effective</p> <p>I would like to think so.</p> <p>The relationship with the outgoing principal appeared to very professional and I have no reason to doubt that the relationship between the Chair and the new Principal will not be as effective. This will have to be evaluated over time</p> <p>I think the arrival of the new Principal gives Neil an excellent opportunity to develop such a relationship and provide a fresh start.</p> <p>Yes - and with a new principal coming in, it will give the chair the opportunity to ensure the relationship is balanced from the first day</p> <p>The Chair and Principle have a strong professional relationship. Both are open to challenge and collegiate in their respective approaches.</p>	<p>Mainly yes but based on outgoing Principal.</p> <ul style="list-style-type: none"> Overall the Board very positive that an effective, balanced and appropriate relationship will be generated between the Chair and incoming Principal. Good opportunity for the relationship to be re-set with clear roles and responsibilities set out t the start Board will have to monitor and evaluate relationship over time <hr/> <p>No action required</p>

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		<p>The board has responsibility to ensure that this relationship endures as the new Principle takes up appointment.</p> <p>Yes, particularly given the changes in the leadership of the College and associated recruitment process, the Chair has maintained good working relations with all involved.</p> <p>I don't feel as though I have sufficient information to comment</p>	
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6	Question	Response	Theme and action
	Do the Chair and the Principal understand and respect their respective roles?	<p>YES</p> <p>See above</p> <p>Yes. Again, there have been some healthy tensions at the border of strategic / executive around some issues but again in the main each respects their separate roles.</p> <p>Yes, again I believe so.</p> <p>I know that the present Chair does. As the new Principle has a lot of experience I have no reason to doubt that he would not understand and respect the role of the Chair.</p> <p>Once again this will have to be evaluated over time.</p> <p>With the previous incumbent in the Principal role, I believe that this was a difficult situation at times, not only with Neil but with the Board as a whole.</p> <p>As indicated above, I believe that the new Principal, with a good HE background will provide a great opportunity to get this relationship to a healthy and sustainable level.</p> <p>Yes</p> <p>For the incumbents, yes, for the new Principle it is impossible to say at this early stage – please see answer above which is equally relevant to this question.</p> <p>Yes. Based upon my personal observations of both members, they exhibit behaviours appropriate to their roles.</p>	<p>Majority yes, but based on outgoing Principal</p> <ul style="list-style-type: none"> • The Board is clear that the Chair has a very well-developed understanding of the role. • The incumbent Principal is very experienced and there is a degree of confidence that the new principal will have a good understanding, again, this will require monitoring over time. <hr/> <p>No action required</p>

		From what I have witnessed, it appears so.	
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7	Question	Response	Theme and Action
	Does the board know when to stay out of the day-to-day running of the organisation?	<p>IN GENERAL YES....OCCASIONALLY AN INDIVIDUAL WILL GET TOO INVOLVED</p> <p>A great deal of work has been done by way of training to ensure that this is the case. The Balance needs to be worked on continuously. At the moment I think the balance is good</p> <p>There is no evidence that the Board is involved in day-to-day running of the organization.</p> <p>I think this is an area where we have made improvements in the last few years, however I think there is still a need to ensure discussions keep out of the operational, I have a role to play in shaping that, as do the other committee chairs.</p> <p>Yes. From my time on the board there have been discussions about understanding the strategic from the tactical and ensuring that we, as a board, only get involved in the tactical when absolutely necessary.</p> <p>I believe so.</p> <p>Usually although sometimes there is a need for an understanding of the operational to help inform the strategic and the board should be aware on the implications of their decisions on the operation and daily life of the college.</p> <p>The management team is responsible for the day to day operational running of the College. This underpins everything that the Board of Management undertakes in our approach. I have seen nothing from either side that would indicate any inappropriate interference in</p>	<p>Slightly non-committal with a few yes but majority content that Board does not interfere in day-to-day running of College.</p> <hr/> <p>No action required</p>

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		<p>operational activities.</p> <p>Yes.</p> <p>I have not witnessed or been aware of any significant involvement in the operational running of the College other than current investigations which are entirely appropriate.</p> <p>As outlined in question 11, we have better developed our strategic focus through our collective involvement in strategy and KPI setting.</p> <p>In my short experience, the Board does not concern itself with the day-to-day running of the college</p>	
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8	Question	Response	Theme and Action
	What more could the board do to be open and transparent?	<p>NOTHING</p> <p>To ensure that minutes give an understanding of discussions and rationale behind decisions without being too long winded. This too is being continuously examined. Also to ensure that we do publish details of Board activities on web site. Maintain stakeholder events and look to positively promote the College. Over the last 2-3 years there has been tremendous improvements made in this regard</p> <p>People in the main are most likely to be interested in Board interactions that relate to their more immediate interests and concerns, rather than being informed about what the Board thinks people should be interested in. Regular contact with staff outside of the Senior Management Team at events (including the recruitment of the Principal, strategy discussions, etc) demonstrating a willingness to listen and to explain the Board's role would assist.</p> <p>I think we are open and transparent and moves are afoot to make more of our information available online, a step in the right direction.</p> <p>Spend time with students listening to their experiences and explaining what the role of the board is.</p> <p>It is an issue of time, which for many volunteers in these roles is not at a premium. However, I do not believe there is a systemic issue with transparency at IC. Minutes are shared, discussions are frank and open.</p>	<p>A general feeling that transparency and openness are a strength but that more interaction outside of board / committee meetings would assist in this regard. One board member felt that the process for selecting the new Principal could have been handled more openly. However, it was also felt by some that the selection process was a positive experience that led to more interaction.</p> <p>A general feeling that the Board need to 'get out more' amongst students, staff and other stakeholders.</p> <hr/> <p>Action: Board members to engage more in ambassadorial role</p>

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		<p>Neil does an excellent job of ensuring everyone is given the opportunity to speak and be considered.</p> <p>There is a need to raise the profile of the board amongst the community and stakeholders -- maybe an open evening much like we had before the principal interviews - it was really good to meet stakeholders and get the opportunity for informal discussion, networking and IC profile raising. . despite much work, there is still a residual misunderstanding of IC and the board and a 'hangover' from days gone by</p> <p>Difficult to see how this can be achieved. All cttee reports and minutes are now shared with all board members and the Chair and Management Teams are fastidious in ensuring that information is distributed to Board members on local and strategic matters.</p> <p>The only potential point I would make was on the recruitment of the new principle. I was unaware of how the selection committee was established and also how the final decision was achieved. Not a criticism per se, but an observation that I have seen more openness at Board level with regards to this type of decision within other organizations</p> <p>This question suggests that the Board is currently not open & transparent which I'm not sure I would agree with.</p> <p>I don't know</p>	
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9	Question	Response	Theme and Action
	<p>Are we learning and sharing enough from other boards?</p>	<p>SHARING TOO MUCH. I WOULD SUGGEST THE BOARD MEETINGS REMAIN HIGH LEVEL ON THE STRATEGIC ISSUES, AND LET THE SUB-COMMITTEES DO THE IN-DEPTH REVIEW. THE BOARD SHOULD NOT THEN AGAIN REVIEW ALL THE SUB-COMMITTEE WORK BUT STAY HIGH LEVEL</p> <p>Probably we could do more here and perhaps the SIM role as it develops might help in this regard and Scotland's Colleges have a key role to play in the spread of best practice.</p> <p>The participation of the College Secretary in the various College Secretary Groups and her subsequent briefings to the Board have provided an excellent conduit for the Board to gain an understanding of other Boards' challenges and of improvements that could be and are made. It's hard to comment on whether this is "enough" but the culture of the Board is for reflective self-assessment and improvement.</p> <p>I think there is scope for us to learn more from others, however I think we are good at what we do and others could also learn from us.</p> <p>No, I believe that this is an area, a board member I have not seen any collaboration, even within UHI.</p> <p>No, although IC does attend it's fair share of communal events. UHI could bring forward specific groupings to aid work in this area.</p>	<p>A general sense that more should be done in actively promoting collaboration, particularly across the UHI and Colleges Scotland networks.</p> <p>Governance training has been a real positive in this regard.</p> <hr/> <p>Action: Chair to raise this in the first instance through FERB and then consider the wider college sector</p>

		<p>Not really - there was an opportunity to meet with UHI board members at the days training but it would be good to learn from other boards outwith the college sector</p> <p>Not to my knowledge other than through our regular governance training. Having said this, there is undoubtedly information sharing when Chairs get together.</p> <p>This is perhaps an area where we could adopt a more open approach</p> <p>I'm not sure. There are two examples where the performance of other Boards have been used in the context of learning from others;</p> <ol style="list-style-type: none"> 1. The very useful governance training received as part of my Board induction. This included a scenario based session on where there were governance issues in other Boards. 2. The College Development Network conference that Brian and I attended last year gave the opportunity to network and learn of areas of good practice from other Boards. <p>I don't think I can think of any other examples where we have looked to or discussed the work of other Boards, both good and bad.</p> <p>I am not aware of being informed about other boards and their processes</p>	
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10	Question	Response	Theme and Action
	How could we improve and develop our system of induction, training and assessment of board members?	<p>I THOUGHT THIS WAS THOROUGH AND TO THE CORRECT LEVEL OF DETAIL</p> <p>Difficult to say. Perhaps allied to comments at 9 above. Balance must be struck between improvements and demands on members' time. Board members are voluntary and unpaid. We are in danger of expecting too much in this area. Need to have a simple system that is sufficient for purpose and no more.</p> <p>One of the comments from new Board members is that it takes 4 Board meetings to understand what is happening at committees and what their role is in relation to information provided. Perhaps a ½ day provided by the SMT for batches of new Members about the College, its purpose, and the “business” of running a college would be helpful to reduce this time period of “learning” and enable people to contribute effectively earlier</p> <p>I think committee chairs should reflect about inductions for new committee members. Training still seems sporadic and ad-hoc particularly as it requires members to undertake what is expected of them which they don't always do. Assessment of members is very time consuming and difficult, expecting the chair to assess all 18 members is proving impossible.</p> <p>Have a documented process, with sign off by the secretary, chair and principle, that documented competency criteria have been met and that this a consistent approach across institutions.</p>	<p>Varied responses, generally the induction process was felt to be quite effective.</p> <p>Numerous suggestions about how to improve training of board members including: ½ day staff briefings for new members, more active role for chairs in assessments and having a structured, documented process in place,</p> <p>One suggestion was made to hold a workshop to look at this area.</p> <hr/> <p>Action: Board Secretary and a few Board members to review the current induction process and materials</p>

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		<p>I think our system is fulsome and effective. Much of this requirement is self driven, with the documentation being available for members to avow themselves of.</p> <p>Fiona does an excellent job of chasing members re their obligations.</p> <p>It was very good- - it is a lot to take in all at once though. Also it would be good to have the opportunity for the informal chats</p> <p>This is something that probably needs to be the focus of a workshop. The nature of recent developments has mandated that governance has become the focus of board member training and that is fine and understandable.</p> <p>There is a danger that in focusing on governance, the nuances and particular uniqueness of Inverness College UHI can become lost in the 'big picture' stuff.</p> <p>I think my own induction was quite comprehensive and I would suggest that all Board members have the opportunity to attend Governance training. In terms of training, areas of need should be identified as part of the annual assessment process. Changes to the assessment process discussed at Chairs today</p> <p>Catch up sessions for induction, training etc could be arranged more often.</p>	
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11	Question	Response	Theme and Action
	Do I think our committee structure enhances our scrutiny work or does it slow us down or draw us into too much detail?	<p>COMMITTEE'S WORK WELL. IT IS THE RE-HASHING AT BOARD LEVEL THAT SLOWS THINGS DOWN</p> <p>I believe the balance here is about right at the moment. There are a number of new Chairs either in place or on the way and this should freshen up both the committee and Chairs Committee in particular. New Board members once bedded in will assist in this regard also.</p> <p>The Committee Structure works well.</p> <p>I think the committee structure works well</p> <p>The committee structure appears to be working with governance in place through the chairs meeting. This gives the Chair a confirmation check that each committee is functioning and delivering to the students.</p> <p>I believe so. The level of debate and challenge is improving with the introduction of new board members and this leads to better decision making.</p> <p>No.</p> <p>Enhances although quite often part of the board is a re-run of the committees and there is duplication. Can we learn from other boards how they deal with minutes etc from committees?</p> <p>I think that it allows just about the right degree of rigor to be applied. I worry that the management team spend a little too much time preparing papers for the</p>	<p>Majority happy with the current structure. Some concerns about papers being re-hashed by the Board and the board being a re-run of committees.</p> <p>The importance of good chairs was a recurring theme.</p> <hr/> <p>Action: Chairs Committee to consider how to improve the process</p>

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		<p>Board and think that anything that can be done to relieve this extra effort is worth exploring</p> <p>I think it is not so much about the structure of the committees but how they are Chaired and the agendas set that influence what is discussed and where our focus lies. This is where the leadership of the Chair is important too in terms of setting both an example and direction.</p> <p>Our involvement in developing the College strategy and associated KPI's was really useful to help us focus on the longer term development of the College and think collectively at a more strategic level.</p> <p>I think the Committee structure is suitable and necessary</p>	
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APPENDIX A

12	Question	Response	Theme and Action
	Am I confident that the board makes the best decisions?	<p>YES</p> <p>What are the Best decisions? I believe that the Board reaches conclusions and the way forward in an honest and unbiased fashion bearing in mind all the information to hand at the time. Only passage of time can say whether it was the “best”.</p> <p>I am confident that the Board, collectively, use their best judgement and skills based on the information available, to take evidenced decisions in the interests of the College. Only hindsight enables the evaluation of these decisions as “best” but looking back over my tenure I cannot identify any that have proven to be a collective misjudgement.</p> <p>YES</p> <p>I believe so. The level of debate and challenge is improving with the introduction of new board members and this leads to better decision making.</p> <p>With the information to hand – yes</p> <p>Yes - I think we all work really hard to be thoughtful and well informed about many decisions we take - it is all learning though and with many new board members (and i still count myself as one!) and all of us juggling jobs and families as well, it can be hard to feel you are fully involved</p> <p>I am confident that the Board makes sound, well balanced decisions based on sound analysis and critical thinking applied to the information provided</p>	<p>Majority yes. Some confusion about what a ‘good’ decision but overall feedback is that sound evaluation and decision-making is conducted and that information is used intelligently to make informed decisions.</p> <hr/> <p>No action required</p>

APPENDIX A

		<p>Yes, in my experience debate and discussion is open and transparent with all points of view given equal time and consideration.</p> <p>I find this question difficult to answer. Decisions seem to be more about agreeing with SMT's plans etc rather than the Boards own ideas, or them choosing from options. As a new member, it is possible that this the usual way forward and I'm just not experienced enough to know any different.</p>	
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BOARD OF MANAGEMENT

Subject/Title:	Risk Appetite		
Meeting and date:	Board of Management - 26 October 2017		
Author:	Fiona Ambrose, Secretary to the Board		
Link to Strategic Plan:	N/A		
Cost implications:	No		
Risk assessment:	Yes Financial: Operational: Organisational: Without quantification of the risk appetite for different categories of risk, senior management may not be aware of the parameters set by the Board when developing strategic proposals.		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in “open” business	Open		
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

The Board of Management is asked to approve the risk policy and risk appetite statements at Appendix 1 of the report.

Background

There is a requirement within the Code of Good Governance for Scotland's Colleges that

“The board of a college or a regional body is responsible for the overall management of risk and opportunity. It must set the risk appetite of the body and ensure there is an appropriate balance between risk and opportunity and that this is communicated via the principal to the body’s management team”

The externally facilitated review of board effectiveness which the board considered at its meeting in March 2017 observed that although work had previously been carried out to consider the risk appetite for the college, this had not been finalised.

The recommendation in the report was that “The previous work conducted to consider the Board’s risk appetite should be revisited and finalised.” Management agreed that this work would be progressed following discussion and agreement on the Executive lead for risk management. This is still being determined.

However, in the interim, the University Court, at its meeting on 20 September reviewed the risk policy statement and risk appetite statement for the University. As there is now a partnership approach to risk management across all partners it would seem sensible to mirror the risk policy statements and risk appetite of the University when setting the risk appetite of the college.

The following statements were reviewed and agreed by the University Court on 20 September 2017

Risk Policy Statement

The University’s general approach is to minimise its exposure to risk. It will seek to recognise risk and mitigate the adverse consequences. However, the University recognises that in pursuit of its mission and academic objectives it may choose to accept an increased level of risk. It will do so, subject always to ensuring that the potential benefits and risks are fully understood before developments are authorised, and that sensible measures to mitigate risk are established.

Risk Appetite

The University will take a portfolio approach to risk management – i.e. whilst at any one time it may be carrying a high level of risks in one or more parts of its business, it will ensure that the number of areas exposed to high risk at any time are minimised and balanced with a low risk approach in other areas.

The portfolio of risk will be regularly reviewed by the risk review group, finance and general purposes committee and university court.

High risk areas will be very closely aligned to strategic priorities and aligned to high returns i.e. the university should not be exposed to high levels of risk if returns are likely to be minimal or if the activity is not business critical.

The elapsed time over which the university is exposed to a high level of risk in any area should be minimised as much as possible.

The University statements have been adapted to meet the needs of the College and are shown in appendix 1.



APPENDIX 1

Risk Statement

The general approach by Inverness College UHI is to minimise its exposure to risk. It will seek to recognise risk and mitigate the adverse consequences. However, the College recognises that in pursuit of its mission and academic objectives it may choose to accept an increased level of risk. It will do so, subject always to ensuring that the potential benefits and risks are fully understood before developments are authorised, and that sensible measures to mitigate risk are established.

Risk Appetite

Inverness College UHI will take a portfolio approach to risk management – i.e. whilst at any one time it may be carrying a high level of risks in one or more parts of its business, it will ensure that the number of areas exposed to high risk at any time are minimised and balanced with a low risk approach in other areas.

The portfolio of risk will be regularly reviewed by the Senior Management Team by the Audit Committee and by the Board of management.

High risk areas will be very closely aligned to strategic priorities and aligned to high returns i.e. the College should not be exposed to high levels of risk if returns are likely to be minimal or if the activity is not business critical.

The elapsed time over which the College is exposed to a high level of risk in any area should be minimised as much as possible.

Board of Management

Subject/Title:	Risk Register Update		
Meeting and date:	Board of Management – 26 October 2017		
Author:	Chris O'Neil. Principal		
Link to Strategic Plan:	Yes:		
Cost implications:	No <i>(delete as applicable)</i> If yes, please specify:		
Risk assessment:	Yes / No <i>(delete as applicable)</i> If yes, please specify: Financial: Operational: Organisational:		
Status – Confidential/Non confidential	Non -confidential		
Freedom of Information Can this paper be included in “open” business	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)

The Board is asked to discuss the updated register and advise.

Purpose of report / Summary

The purpose of this report is to present the Board with an updated and current Risk Register.

Background

The college maintains a Risk Register that is now in line with the overall UHI Risk Register and in particular, the overarching 11 key risks identified by UHI.

In reviewing the Register at a point in time when key strategies and operational delivery need to be re-assessed, the Register along with the Strategic Plan has become a useful catalyst for appraising the work of the College.

Main body of information

The Risk Register is attached for consideration and comment. It is intended that the Register is considered alongside the Principals Presentation (item 17) which lays out high level priorities and course level KPIs.

Following the Board's guidance, the senior team will further align priorities, KPIs and the Risk Register.

Chris O'Neil

Principal

UHI STRATEGIC RISK REGISTER TEMPLATE

UHI STRATEGIC RISK REGISTER TEMPLATE					Inverness	TIMESCALE 3 Years										
Ref ID	Date	Risk Status	Category	Risk Description	Causes	Impacts/Evidence	Owner	Likelihood	Impact	Gross Risk		Actions to minimise risk in place	Residual Likelihood	Residual Impact	Residual Risk	
Inverness/9	17/10/2017	Active	Financial	COLLEGE FAILS TO MAINTAIN AND DEVELOP APPROPRIATE FUNDING SURPLUS AND RESERVES	MISPLACED INVESTMENT. UNDER RESOURCING lack of strategic planning; lack of senior management resource; POOR TARGET SETTING AND performance management; failure to develop commercial and international income streams. COLLEGE FAILS TO PLAN AHEAD FOR IMPACT OF NATIONAL PAY BARGAINING. COLLEGE FAILS TO ATTRACT AND RETAIN STUDENTS AND ASSOCIATED INCOME.	DIMINISHING OFFER, FAILURE TO MEET FISCAL OBLIGATIONS, Stagnation; lack of research and innovation; loss of potential income; reputational damage; curriculum becomes out of date; College is not seen as the partner of choice	Principal	4-Likely	4-Major	16		CONSIDERED FORWARD AND STRATEGIC PLANNING. CLEAR AND TRANSPARENT TARGET SETTING. DEVELOPMENT OF APPROPRIATE SYSTEMS.EMHANCED Curriculum planning. SMT to review progress income/investment balance , continued discussiuns with UHI regarding IC UHI's HE AND OTHER expansion. Development of external relationships in key sectors. Identification of additional opportunities for development at team/subject level to maximise opportunities fpr growth	3-Possible	3-Significant	9	
Inverness/15	17/10/2017	Active	External	Reduction in HE resource	Government reduces HE funding; increase in top-slice, FAIURE TO RECRUIT, POOR PROGRESSION AND HIGH WITHDRAWAL RATES.	Unable to meet staffing costs, UNABLE TO MEET FISCAL OBLIGATIONS, unable to offer remitted time to develop NON TEACHING ACTIVITY and therefore unable to enhance teaching and to attract and recruit new staff, students AND PARTNERSHIPS.	PRINCIPAL	3-Possible	4-Major	12		Regular AND APPROPRIATE monitoring reports (BAROMETER) circulated to TEACHING TEAMS budget holders, SMT and Board of management. SET AND Monitor CRITICAL KPI's WITH Board OVERSIGHT to ensure we are meeting and exceedind targets. Ensure all budget holders are aware of KPIs, APPROPRIATE regulations AND STRATEGIES. More EFFECTIVE working practices. Further increase in non SFC funding including international, research.	3-Possible	3-Significant	9	
Inverness/17	17/10/2017	Active	External	Financial instability OR VIABILITY of UHI	Financial instability ACROSS UHI academic partners AS A CONSEQUENCE OF - IMPACT OF NATIONAL PAY BARGAINING. FAILURE TO MAINTAIN 'ATTRACTIVENESS' ACROSS THE PARTNERSHIP, FAILURE TO MAINTAIN APPROPRIATE PROGRESSION AND PROMOTE THE UNIVERSITY AS AN INTEGRATED ENTITY. POOR OR INCONSISTENT SUCCESS RATES, FAILURE TO DEVELOP A POSITIVE 'TEF' OR RELATED POSITION. ENTERING THE LEAGUE TABLES.	Reduced unit of resource to the College; unable to meet operating costs, unable to develop new curriculum, unable to develop research, surpluses are taken from the College, unable to progress strategic developments.	PRINCIPAL	4-Likely	4-Major	16		Regular CONTACT WITH UHI CENTRAL, REGULAR CONTACT WITH ALL PARTNERS TO DISCUSS AND SET KPIs,finance monitoring reports circulated to budget holders, SMT and BOM. Monitor financial KPIs reported to Board to ensure we are exceeding collective activity targets. Ensure all budget holders are aware of KPIs STRATEGIES AND OPERATIONAL DELIVERY. More efficient working practices, eg savings AND EFFICIENCIES IN OPERATIONS THUS RELEASING CAPACITY. Further increase in non SFC funding including international, research. Monitor AND SUPPORT performance of Academic Partners and of the UHI partnership as a whole.	3-Possible	4-Major	12	
Inverness/18	17/10/2017	Active	Organisational	College fails to maintain improvement in performance against national targets and outcomes	Staff recruitment; staff training; student recruitment; lack of staff buy in to targets and outcomes. POOR MANAGEMENT AND OBJECTIVE SETTING	Reputational damage; partners fail to support in College development; SFC intervention.REDUCTION IN CORE AND OTHER INCOME, STAFF TURNOVER INCREASES	Depute Principal	3-Possible	3-Significant	9		Implement targeted intervention and internal review of learning and teaching processes REVIEW OF LEARNING AND TEACHING STRATEGY, STAFF DEVELOPMENT/CPD, DEVELOPMENT OF A STUDENT PARTNERSHIP SCHEME	2-Unlikely	4-Major	8	
Inverness/19	17/10/2017	Active	Organisational	College does not achieve allocated HE student number targets. ???REPETITION OF 2 ??? COLLECE FAILS TO ACHIEVE ALLOCATED SFC CONTRACT RANGE???	Failure to recruit sufficient students due to various factors such as: over ambitious PPF target, poor marketing, curriculum gaps, poor NSS result, poor relationship with schools etc	Reduction of college income from UHI, regional student number target at risk resulting in possible clawback to SFC from UHI in year or reduction in future years grant.	Depute Principal	3-Possible	4-Major	12		Rigorous curriculum planning process in place, proactive development of school/college relationships, proactive development of relationships with employers, excellent quality management processes, systematic monitoring of applications through to enrolment. ENVIRONMENTAL SCANNING INCLUDING THE IJSE OE HEFPI AND ADVISORY BOARDS	3-Possible	3-Significant	9	
Inverness/20	17/10/2017	Active	Organisational	College does not achieve allocated FE Credit targets.	Failure to recruit sufficient students due to various factors such as: reduction in school leaver numbers, curriculum that lacks relevance to local economy, curriculum gaps, ineffective marketing and engagement with local schools/employers	Reduction of college income from UHI, regional student number target at risk resulting in possible clawback to SFC from UHI in year or reduction in future years grant.	Depute Principal	3-Possible	4-Major	12		Rigorous curriculum planning process in place, proactive development of school/college relationships, proactive development of relationships with employers, excellent quality management processes, systematic monitoring of applications through to enrolment.	2-Unlikely	3-Significant	6	
Inverness/21	17/10/2017	Active	Organisational	The institution has a poor reputation.	Significant or sustained adverse publicity, governance/management failure, negative comments on social media, poor academic results, poor performance in league tables, significant withdrawal rates, major health and safety incident, student/staff involvement in criminal activity	Inability to recruit students or attract and retain high calibre staff, inability to attract funding and/or develop strategic partnerships.	Principal	5-Almost certain	3-Significant	15		Internal audit of governance procedures (supported by additional process of external validation of self-evaluation), current and effective policy environment closely monitored to ensure compliance, use of externally validated quality frameworks to support organisational commitment to quality enhancement. Close monitoring of Pis and implementation of systematic process to effect improvement where remedial action required. PVG checks undertaken. Proactive promotion of collective ownership of Health and Safety management. H & S management system implemented and systematically reviewed. On-going media relationship management.	2-Unlikely	2-Minor	4	
Inverness/22	17/10/2017	Active	Organisational	Disruption to services/projects and/or partnership working resulting from loss of a key staff member.	Retirement, resignation or death in service of key staff member(s). Inadequate succession planning. Unsystematic management of corporate knowledge, Associated knock on impacts resulting from transition arrangements with staff acting up and possible failure of backfill solutions.	Projects delayed due to loss of continuity, corporate knowledge gaps and disruption/loss of established relationships and contacts.	Director of Organisational Services	3-Possible	2-Minor	6		Workforce planning process adopted to anticipate future skill need, staff development funding aligned with strategic plan to support succession planning, in particular development of skill sets to support future curriculum developments, systematic recording of coporate procedures and corporate knowledge, systematic approach taken to development of supervisory skills and leadership and management to support succession planning.	3-Possible	3-Significant	9	
Inverness/23	17/10/2017	Active	Organisational	Non-compliance with relevant statutory regulations.	Lack of awareness of relevant laws and penalties. Management failures. E.g new General Data Protection Regulation from 25th May 2018, Bribery Act, Health and Safety Regulations etc. lack of incident and near miss reporting; high risk courses e.g. forestry, construction, aquaculture, science; people failing to take responsibility or ownership for health and safety issues.	GDPR will provide new rights for individuals and impose additional obligations on data controllers and processors. GDPR will also introduce an increased penalty framework for non-compliance/data breaches and includes new requirements for authorities to ensure that they maintain evidence to demonstrate compliance with the Law. Major risk to reputation caused by serious health and safety incident; risk to students caused by non-compliance with PVG/Disclosure requirements	Principal	5-Almost certain	3-Significant	15		Dedicated Health and Safety Management role, Health and Safety Management system implemented, systematic use of internal audit, SMT commitment and proactive leadership to develop a strong H & S management culture, strong emphasis on near miss recording and lessons learned, H & S Committee chaired by Principal, systematic recording and analysis of incident, accident and near miss trends, Dedicated Data Controller role with responsibility for awanreness raising and adaptation of policy/procedures win line with legislative change, current shared project on effective data management with IT Manager, rigorous implmentation of mandatory staff training. Director of Organisational Development with direct responsibility for awareness raising and adaptation of policy/procedure in line with legislative change. All of the above reported systematically to relevant Board of Management Committees.	2-Unlikely	3-Significant	6	
Inverness/24	17/10/2017	Active	Organisational	Governance Failure.	Governing body does not have an appropriate balance of skills and experience. Role of a governor/director is perceived to be onerous making it difficult to attract a broad range of high calibre individuals to serve for non-remunerated roles.	Recent advertisements for new members have attracted few applications;	Chair of the Board of Management	3-Possible	3-Significant	9		Regular recruitment drives undertaken. Skills matrix approach used to support recruitment of members with relevant skills base. Proactive approach taken to encourage application from diverse backgrounds, development of strong governance culture verified through internal audit processes and external validation of self-evaluation procedures.	2-Unlikely	2-Minor	4	

[illegible]

Board of Management

Subject/Title:	National Bargaining		
Meeting and date:	Board of Management – 26 October 2017		
Author:	Lindsay Ferries, Director of Organisational Development Fiona Mustarde, Director of Finance		
Link to Strategic Plan:			
Cost implications:			
Risk assessment:	Yes If yes, please specify:		
Status – Confidential/Non confidential	Non confidential		
Freedom of Information Can this paper be included in “open” business			
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.)			

Purpose of report / Summary

This report provides an update on national bargaining.

Lecturers

In light of the industrial action that had been taken and the intervention of Scottish Government, an agreement was reached to implement the transition towards a national pay scale.

The transition for lecturers at Inverness College UHI is as follows:

FTE Salary at 31 March 2017	FTE Salary on 1 April 2017 will be:	FTE Salary on 1 April 2018 will be:	FTE Salary on 1 April 2019 will be:
£ 31,561	£ 32,674	£ 33,788	£ 36,014
£ 32,743	£ 34,564	£ 36,385	£ 40,026
£ 34,165	£ 35,630	£ 37,096	£ 40,026
£ 36,337	£ 37,259	£ 38,182	£ 40,026

The costs associated with the first transition payment were calculated and produced for Scottish Government Scrutiny. The Funding Council thereafter notified colleges that:

1. Part of the funding had already been provided through the 16/17 allocation.
2. That the funding would not include increments that would have been paid

Furthermore management side confirmed that progression to the new pay scale would not be dependent on reaching milestones for example completion of induction, completion of teaching qualifications etc.

Part one implementation of the transition was paid to staff in July 2017 salaries (backdated to 1 April 2017).

Promoted Lectures (Programme Development Managers)

Three posts with the following spot pay points have been agreed to be fully implemented with effect from 1 April 2019 alongside a similar transition arrangement as implemented for lecturers.

Level 1 - £43,850

Level 2 - £46,925

Level 3 - £50,000

The matching process to one of the pay points is to be progressed at a college level, following a set of 11 pre-determined criteria. The mechanism for doing so to include local EIS FELA officers and to be completed, including appeals by Christmas.

NJNC Lecturers Terms and Conditions

The Scottish Government, in conjunction with the Scottish Funding Council (SFC) have been conducting a 'Lessons Learned' review over the last few weeks in relation to National Bargaining.

Following the gathering of views from representatives from all parties involved in the National Bargaining process, the Scottish Government advised that they wished to hold a workshop as a matter of priority to take matters forward.

The Scottish Government were aware that a National Joint Negotiating Committee (NJNC) meeting was scheduled for Thursday 21 September 2017 to consider further lecturer terms and conditions, and in light of all parties being available on that date, they requested to use that date and that the NJNC be postponed.

The Scottish Government National Bargaining – Reflections and Improvement Workshop, was facilitated by John Sturrock QC and we await the formal report on the outcomes of the day.

Support Staff

A pay agreement has been reached for 17/18.

1. Flat cash settlement of £425 (pro rata for part time)
2. Minimum salary point no less than the Living Wage as at 1 April 2017 i.e. £8.45 per hour
3. 44 days annual leave with effect from 1 April 2017.
4. Effective date of implementation of Job Evaluation outcomes 1 September 2018.

Meeting the costs of National Bargaining

A meeting with Scotland's Colleges regarding the disproportionate financial impact on UHI colleges was scheduled on Wednesday 16 August 2017. The gap in the calculation of the funding put to government for the lecturer and promoted lecturer is in the region of £660,000 on the figure already presented. This was accepted by Scotland's Colleges.

Furthermore the SFC issued the circular CI/03/2017 – *'Financial forecast return (FFR) for further education colleges 2016-17 to 2021-22 and information on financial planning assumptions'*.

This document provides the first indications of the funding that may be available to the sector to cover the costs of National Bargaining through to 2021/22.

While funding for up to 2021/22 is yet to be confirmed (and will be subject to further consideration as part of the annual spending review) a number of indications are made through the circular:

1. The grant for the next three years will cover the cash costs for National Bargaining, not any costs associated with terms and conditions and no inflation increase.
2. In year 4 and year 5, an increase of 2% per year will be made available, however the additional National Bargaining grant will be phased out (67% in year 4 and 33% in year 5).
3. Effectively the sector will receive flat cash for the next 3 years.
4. Over the 5-year period funding will only increase by 4% to cover all costs including the increased cost from National Bargaining.

Clearly these may be subject to change as the sector progresses through the Annual Spending Review, however, the current financial reality from this circular is that insufficient additional funds will be made available to support the National Bargaining process.

Conclusions and Risk Analysis

- Impact on ongoing pay bill and funding pressures. College budget for 2017/18 approved on the basis of SFC full funding for national bargaining. SFC subsequently advised that significant proportion (80%) of the funding uplift previously notified to Colleges/Regions to be allocated against pay costs. But funding uplift already fully accounted for in College budgets before pay uplift.
- SFC partial provision for year one transition costs, no guarantee of further support for transition costs to new pay model. Costs of transition relating to April 2017 to July 2017 funded in full by SFC. Additional funding now allocated but still a gap.
- Any additional funding granted to be fully removed by 2022 leaving the College with an additional pay cost in excess of £1m pa for teaching staff pay uplift alone.
- National calculations presented to Scottish ministers did not take account of local variances or of the UHI distribution of funding. New pay model disproportionately impacts on some UHI partners and therefore sustainability of current model.
- National costs of implementation of job evaluation under-estimated at 6%. The uplift in pay costs for lecturing staff is approximately 10%.
- The college pay model is based on an objective job evaluation system and single table bargaining for all staff groups, this is now undermined by the national pay scales for lecturers and promoted lecturers and flat cash settlements.
- Considerable pressure from academic unions to revert back to a 'Blue Book' approach which is not in keeping with the way colleges now operate and does not reflect the UHI dimension.
- Pay scales for lecturers no longer reflect the professional progression of a lecturer and the CPD and support required to develop their capacity and capabilities with no scope of introducing a probationary lecturer post and scale.
- Pace of national negotiations has been largely driven by the trade unions, this doesn't allow for full consideration of the relative costs and full impact assessment of the agreements entered into on our behalf often at very short notice.
- The introduction of national pay bargaining and the National Joint Negotiating Committee (NJNC) was politically instigated and is now reflected in formal governance arrangements. Individual Boards have minimal influence on proceedings.
- Impact of review of the public sector pay policy and expectation on public bodies to find savings to meet increases in inflationary pay rises.

Board of Management

Subject/Title	Key Performance Indicators		
Meeting and date:	Board of Management - 26 October 2017		
Author:	Chris O'Neil, Principal		
Link to Strategic Plan:	Yes		
Cost implications:	No		
Risk assessment:	Yes / No <i>(delete as applicable)</i> If yes, please specify: The report is presented as part of the Board of Management's risk mitigation strategy, enabling close monitoring of KPIs.		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in "open" business	Open		
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.)			

Purpose of report

This report is offered for discussion and to give the Board an update on the 2016/17 Institutional KPIs.

It must be noted that the update is provisional and some figures are still subject to audit confirmation or collation.

Key Performance Indicators**Student Activity**

Student success rates have improved over the last 4 years although they have plateaued or dropped marginally over the course of the last academic year. However, there is some significant variation at course level. Consequently, the RAG system is flagging the overarching figures as red and further work will identify specific areas for improvement.

The change from weighted SUMs (student unit of measurement) to credits in session 14/15 as a measure of FE activity makes a direct comparison between years difficult: however, the level of activity continues to be above target.

HE student activity has continued to grow and will further benefit from course development and a concerted effort around retention and progression.

The calculation for the KPI for teaching delivery efficiency is under review.

PI Theme	Performance Area	Key Performance Indicator	Actual 2014/15	Actual 2015/16	Actual 2016/17	RAG Status
1	Student Enrolment	Enrolments	FTFE 1,226	FTFE 1,366	FTFE 1,314	
			PTFE 3,649	PTFE 3,370	PTFE 3,134	
2	FE activity	WSUMs/Credits	41,510 wSUMs	31,605 Credits	29,647 Credits	
3	HE activity	FTE Students	1,342	1,361	1,378	
4	Student withdrawal	Early withdrawal (EW)	FTFE 10%	FTFE 9%	FTFE 9%	
			PTFE 3%	PTFE 3%	PTFE 2%	
			FTHE 4%	FTHE 5%	FTHE 5%	
			PTHE 2%	PTHE 2%	PTHE 3%	
		Further withdrawal (FW)	FTFE 17%	FTFE 16%	FTFE 13.5%	
			PTFE 4%	PTFE 7%	PTFE 6%	
			FTHE 8%	FTHE 9%	FTHE 6%	
			PTHE 3%	PTHE 5%	PTHE 5%	
5	Student success	Completed successful	FTFE 63%	FTFE 67%	FTFE 68%	
			PTFE 82%	PTFE 79%	PTFE 81%	
			FTHE 76%	FTHE 79%	FTHE 75%	
			PTHE 58%	PTHE 88%	PTHE 75%	
6	Teaching delivery efficiency	KPI: WSUM/FTE	tbc	tbc	tbc	

Financial

All figures in this section are subject to audit confirmation and as such, a narrative and any changes will be tabled at the meeting.

PI Theme	Performance Area	Key Performance Indicator	Actual 2014/15	Actual 2015/16	Actual 2016/17	RAG status
1	Operating Surplus/Deficit	Amount as % of turnover.	-1.55%	-5.73%	-6.63%	
2	Liquidity	KPI: Current assets to liabilities ratio	1.53	0.59	0.60	
3	Mainstream Income	Actual income against income targets	17, 658, 642	24, 734, 782	26,550,316	
4	Other income	Income from business development SDS, SNIPPEF, SECCT & Construction Skills	299,658 805,039	357,113 809,238	TBC but at June – 282,749 (NOT FULL YEAR)	
5	Staff Costs	KPI: Staff cost as % of total college turnover	71.79%	51.37%	54.94%	

Human Resources

As reported last year, there has been an increase in reported accidents and near misses but as a consequence of an improved and simplified online reporting methodology. The College's investment has been supported with staff training and awareness.

Whilst the overarching numbers raise concerns about the frequency of incidents, it should be noted that the severity and seriousness of the incidents is less of a concern with reportable incidents remaining constant.

The improved reporting in both detail and frequency has enabled the College to consider how improvements in H&S can be made across all areas and at all levels. One immediate change was the H&S Committee has been renamed the Health, Safety and Wellbeing Committee in order that issues relating to wellbeing such as stress can be considered and mitigated.

Staff absence has improved upon its position from last year which was already better than the public sector benchmark. When taken against the general drop in staff turnover and the IIP Gold result, this may well indicate an engaged and increasingly satisfied workforce. Appropriate and comprehensive training and CPD is often a driver behind staff satisfaction and we are now in a position that 99% of all permanent academic staff hold a recognised teaching qualification.

PI Theme	Performance Area	Key Performance Indicator	Actual 2013/14	Actual 2014/15	Actual 2015/16	Actual 2016/17	RAG status
1	Resourcing	% Turnover of staff	10%	10.4%	14.43 %	11.92%	
2	Health & Wellbeing	% Days sickness	3.2%	2.7%	2.995 %	1.79%	
3	Health & Wellbeing	Number of reported accidents	Staff 10 Students 28	Staff 19 Students 50 Visitors 1 Children 1	Staff 23 Students 76 Visitors - 2	Staff 49 Student 118 Visitors 5 Other 3	
4	Professional Development	% of permanent full-time teachers holding recognised teacher qualification or studying towards TQFE / PDA	90.5%	92.6%	96.9 %	99%	

Conclusion

Student enrollments at both FE and HE are meeting and exceeding target. Whilst overall student success is improving, close attention must be paid to individual curriculum areas as must the levels of student satisfaction and experience as measured by the NSS and SSES.

It is to this end that a revised and more targeted approach to student partnership and course monitoring will be introduced.

Staff turnover is healthy and, as per last year, when adjustments are made to remove the impact of fixed term contracts, it remains low and consistent.

The College is performing well with motivated and engaged staff. But, we must address the shortcomings in some of the curriculum areas and deliver growth in HE to address the financial impact of the national pay bargaining agreement and further cement our position.

Professor Chris O'Neil
Principal and Chief Executive

Board of Management

Subject/Title:	Student Performance Indicators 2016-17		
Meeting and date:	Board of Management, 26 October 2017		
Author:	Roddy Henry, Depute Principal		
Link to Strategic Plan:	Yes		
Cost implications:	No <i>(delete as applicable)</i> If yes, please specify:		
Risk assessment:	No <i>(delete as applicable)</i> If yes, please specify: Financial: Operational: Organisational:		
Status – Confidential/Non confidential	Non-confidential		
Freedom of Information Can this paper be included in “open” business	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)

The Committee is asked to *discuss* this report.

Purpose of report

This report provides the committee with a summary of high-level performance indicators (PI) relating to student outcomes for the academic year 2016-17. It also includes student satisfaction PIs.

Background

The calculations used in the attached *PI Report 2016-17* for student retention and attainment PIs are those used by the Scottish Funding Council (SFC) and by Education Scotland for all colleges in Scotland, enabling national benchmarking and the tracking of trends over time:

PI	Calculation
Early withdrawal	% of enrolled students leaving before 25% of course has elapsed
Further withdrawal	% of enrolled students leaving between the 25% point and the end of course
Completed: partial success	% of enrolled students completing the course but not achieving the award or course success criteria or progressing
Completed: successful	% of enrolled students completing the course and achieving the award or success criteria or progressing
The sum of all four PIs above = 100% (taking account of the rounding-up to whole numbers)	

It should be noted that the above PIs are used across colleges and not universities. Therefore, the national data set for HE relates largely to HN awards and not degrees.

Student satisfaction rates are collated annually through a variety of mechanisms, including the Student Representative Council (SRC), focus groups and student surveys. The annual measures of student satisfaction are drawn from the college's pre-exit student survey for all students (results disaggregated to FE and HE levels) and the National Student Survey (NSS). The NSS is a UK-wide survey of all final year university students.

Main body of information

1. Student Outcomes

The attached PI Report 2016-17 provides a summary of the outcomes, in terms of retention, attainment and progression, for all FE and all taught undergraduate HE students studying at the college in 2016-17. The report represents a new format of report that is being trialled, with the aim of establishing a comprehensive and accessible summary of student outcomes for an academic year. The format was endorsed by the college's Academic Standards and Quality Committee on 11 October.

A summary of the strengths and areas for development can be found on page 2 of the report.

The annual Further Education Statistics (FES) return was brought forward by several weeks in 2017, enabling an earlier and more accurate summary to be presented this year.

2. Student Satisfaction

Survey/level	Overall student satisfaction rate			
	2014-15	2015-16	2016-17	Sector 2016-17
Pre-exit: FE	95%	89%	87%	tbc ¹
Pre-exit: HE	89%	87%	88%	tbc ²
NSS	74%	82%	75%	84% ³

Student satisfaction rates remain high overall. In terms of the college's pre-exit survey results, satisfaction rates for FE have fallen compared to the very high level recorded in 2014-15. The response rate has increased by 23% since 2014-15.

Following the significant increase in the college's NSS results in 2015-16, the overall satisfaction rates has fallen back to near the previous level. Overall, the university's results fell by 2 points to 79%.

The findings from the NSS and the pre-exit survey have been incorporated into the college's improvement planning.

Roddy Henry
Depute Principal

¹ SFC Student Satisfaction and Engagement Survey (SSES), national result pending

² Ibid: for college sector HE only

³ National Student Survey (NSS), UK national result

Student Outcome and Performance Indicator (PI) Report 2016-17

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Summary

Strengths

- Success rates on full-time FE programmes have improved overall year-on-year for the last four years, and are now 2 percentage points above the latest published sector levels.
- In the majority of subject areas, success rates on full-time FE programmes are above sector subject levels, and significantly so in some areas.
- In six out of 12 subject areas, success rates on full-time HN programmes are above sector levels, and significantly so in a few areas.
- Success rates on other HE undergraduate programmes improved in two curriculum areas.
- Success rates for learners on part-time FE programmes are high and have been well above sector levels for the last three years.
- The pass rate for Highers is above the sector level in 11 of the 20 awards for which the college presented candidates. The Highers pass rate for learners at the college overall was the same as for the rest of the college sector at 66%.
- The pass rate for National 5 awards is above the sector level for eight out the 12 awards for which the college presented candidates. The National 5 pass rate for learners at the college overall was 6 points above the rest of the college sector at 76%.
- Credits delivered to learners from the 10% most deprived postcode areas reflects well the combined Highland and Inverness population statistics.
- Disclosure by care experienced learners is high, based on overall numbers of care experienced young people in the Highland Council area.
- Success rates for learners with a disability on FE programmes have improved and are now the same as the success rates for learners with no disability.
- Success rates for care experienced learners on FE programmes have improved are now above sector levels for this learner group.
- Success rates on FE programmes continue to improve across the age groups. Success rates for learners aged under 18 years are high and within 1 point of the combined success rates for other age groups.
- Success rates on FE programmes improved overall by 2 points for male and for female learners.
- Almost all FE and HE learners, whose destinations are known, progress to work or further study.

Areas for Development

- Learner success rates are low on a few full-time programmes.
- Success rates on full-time HE programmes fell overall by 4 points in 2016-17.
- Overall full-time HN success rates are below latest published sector levels. Success rates in several subject areas are well below sector levels.
- Success rates for other undergraduate programmes fell by 8 points in 2016-17.
- Pass rates on some Higher and National 5 awards are low.
- Success rates on FE programmes for learners from the 10% most deprived postcodes fell slightly in 2016-17 and are below sector levels for this learner group.

Table 1: Pls for all levels and modes of study 2016-17

LEVEL_OF_STUDY	ENRs	EARLY WD %	FURTHER WD %	PARTIAL SUCCESS %	SUCCESS %
FEFT	1314	8.69%	13.41%	9.91%	67.99%
FEPT	3134	1.94%	5.69%	7.20%	80.95%
HEFT ¹	1335	4.50%	5.93%	12.38%	74.42%
HEPT	969	3.12%	4.89%	14.97%	75.26%
Grand Total	6752	4.04%	7.21%	10.01%	76.07%

Table 2: Pls for all levels and modes of study over time

LEVEL_OF_STUDY	AC_YEAR	ENRs	EARLY WD %	FURTHER WD %	PARTIAL SUCCESS %	SUCCESS %
FEFT	2014/15	1226	10.13%	17.24%	8.99%	63.64%
	2015/16	1366	8.71%	15.45%	9.15%	66.62%
	2016/17	1314	8.69%	13.41%	9.91%	67.99%
FEPT	2014/15	3650	2.64%	4.33%	8.43%	80.51%
	2015/16	3370	2.93%	6.34%	9.36%	78.97%
	2016/17	3134	1.94%	5.69%	7.20%	80.95%
HEFT	2014/15	1287	4.20%	8.24%	8.78%	75.68%
	2015/16	1330	4.66%	8.95%	8.35%	78.72%
	2016/17	1335	4.50%	5.93%	12.38%	74.42%
HEPT	2014/15	690	2.90%	3.19%	28.84%	59.13%
	2015/16	805	1.62%	4.85%	3.61%	85.20%
	2016/17	969	3.12%	4.89%	14.97%	75.26%

¹ HE in this report refers to students on taught undergraduate programmes only

Table 3: Full-time FE success rates over time by Curriculum Area, with college sector benchmarks

Full-time FE					Diff (4 Yrs)
AREA	2013-14 SUCCESS %	2014-15 SUCCESS %	2015-16 SUCCESS %	2016-17 SUCCESS %	
Business & Computing	56.82%	63.44%	40.24%	57.95%	1.14
Care Practice	57.69%	44.78%	41.18%	62.93%	5.24
Construction Craft	56.96%	51.92%	77.05%	78.57%	21.61
Cultural & Creative Industries	61.99%	65.20%	77.51%	74.11%	12.12
Engineering and Building Technology	79.53%	80.74%	74.31%	78.10%	-1.43
Engineering Craft	74.56%	78.18%	72.17%	67.54%	-7.02
Forestry, Science, Maths and Aquaculture	48.31%	45.38%	50.43%	47.20%	-1.11
Hairdressing, Beauty and Sport	56.76%	65.00%	68.29%	69.47%	12.71
Hospitality	60.53%	60.00%	67.80%	58.82%	-1.70
Education	62.37%	63.64%	100.00%	81.08%	18.71
All (college data)	62.37%	63.64%	66.69%	67.90%	5.53
College: post-SFC audit	60.40%	63.10%	65.80%	67.60%	7.20
Sector	65.90%	64.00%	65.50%	tbc	

Table 4: Full-time HE success rates over time by Curriculum Area

Full-time HE					Diff (4 Yrs)
AREA	2013-14 SUCCESS %	2014-15 SUCCESS %	2015-16 SUCCESS %	2016-17 SUCCESS %	
Business & Computing	68.95%	73.31%	78.55%	74.05%	5.09
Care Practice	74.06%	75.40%	78.38%	69.68%	-4.37
Cultural & Creative Industries	78.19%	77.44%	84.04%	80.26%	2.07
Engineering and Building Technology	72.63%	81.17%	77.27%	83.04%	10.42
Engineering Craft	50.00%	60.00%	50.00%	50.00%	0.00
Forestry, Science, Maths and Aquaculture	64.93%	72.57%	75.41%	70.86%	5.94
Hairdressing, Beauty and Sport	73.50%	74.07%	79.71%	73.33%	-0.17
Hospitality	67.65%	75.68%	63.33%	41.18%	-26.47
College	71.84%	75.68%	78.72%	74.42%	2.58

Table 5: Full-time Higher National (HN) success rates (with college sector benchmarks) and enrolments over time

AREA	2013-14 SUCCESS %	2014-15 SUCCESS %	2015-16 SUCCESS %	2016-17 SUCCESS %	Diff (4 Yrs)	2013-14 ENRs	2014-15 ENRs	2015-16 ENRs	2016-17 ENRs	Diff (4 Yrs)
Business & Computing	71.43%	68.42%	71.60%	71.00%	-0.43	154	171	169	156	2
Care Practice	60.71%	58.62%	53.85%	58.00%	-2.71	56	58	65	52	-4
Cultural & Creative Industries	83.91%	79.80%	77.66%	88.00%	4.09	87	99	94	96	9
Engineering and Building Technology	68.70%	79.19%	68.63%	74.00%	5.30	131	173	102	72	-59
Engineering Craft	50.00%	60.00%	50.00%	50.00%	0.00	10	15	12	10	0
Forestry, Science, Maths and Aquaculture	58.95%	70.51%	70.83%	56.00% ²	-2.95	95	78	72	79	-16
Hairdressing, Beauty and Sport	72.45%	72.83%	77.60%	73.00%	0.55	98	92	125	157	59
Hospitality	64.29%	83.33%	63.33%	40.00%	-24.29	28	30	30	25	-3
College	69.35%	73.04%	70.55%	69.86%	0.51	659	716	669	647	-12
Sector	71.40%	71.30%	72.20%	tbc						

Table 6: Full-time undergraduate (UG) success rates and enrolments over time (excluding HN awards)

AREA	2013-14 SUCCESS %	2014-15 SUCCESS %	2015-16 SUCCESS %	2016-17 SUCCESS %	Diff (4 Yrs)	2013-14 ENRs	2014-15 ENRs	2015-16 ENRs	2016-17 ENRs	Diff (4 Yrs)
Business & Computing	64.89%	82.11%	88.33%	78.30%	13.41	94	95	120	107	13
Care Practice	78.85%	80.41%	86.60%	73.37%	-5.47	156	194	194	169	13
Cultural & Creative Industries	73.27%	76.05%	87.23%	76.92%	3.66	101	174	188	209	108
Engineering and Building Technology	83.33%	88.00%	86.46%	89.90%	6.57	48	50	96	99	51
Forestry, Science, Maths and Aquaculture	79.49%	77.14%	82.00%	87.50%	8.01	39	35	50	72	33
Hairdressing, Beauty and Sport	78.95%	81.25%	100.00%	73.91%	-5.03	19	16	13	23	4
Hospitality	83.33%	42.86%		44.44%	-38.89	6	7		9	3
College	75.38%	78.98%	86.99%	78.72%	3.34	463	571	661	688	225
TOTAL (HN + UG):						1122	1287	1330	1335	213

² 13 outcomes tbc @ 6.10.17

Table 7: Part-time FE success rates over time by Curriculum Area

AREA	2013-14 SUCCESS %	2014-15 SUCCESS %	2015-16 SUCCESS %	2016-17 SUCCESS %	Diff (4 Yrs)
Business & Computing	74.88%	76.79%	77.18%	80.95%	6.07
Business Solutions	94.48%	95.48%	92.00%	93.54%	-0.94
Care Practice	72.46%	73.27%	60.00%	73.86%	1.40
Construction Craft	87.72%	84.55%	95.00%	92.97%	5.25
Cultural & Creative Industries	64.71%	72.41%	71.00%	75.37%	10.66
Engineering and Building Technology	83.68%	82.03%	93.05%	91.11%	7.43
Engineering Craft	84.64%	92.28%	85.00%	77.52%	-7.12
Forestry, Science, Maths and Aquaculture	70.79%	61.30%	54.00%	53.33%	-17.45
Hairdressing, Beauty and Sport	71.97%	78.88%	76.00%	81.71%	9.74
Hospitality	77.50%	93.94%	90.00%	83.97%	6.47
Education	83.06%	69.02%	67.00%	67.10%	-15.96
College	80.29%	80.49%	78.00%	80.95%	0.66
College: post-SFC audit	79%	82%	79%	81%	2
Sector	78%	77%	74%	tbc	

Table 8: Part-time HE success rates over time by Curriculum Area

AREA	2013-14 SUCCESS %	2014-15 SUCCESS %	2015-16 SUCCESS %	2016-17 SUCCESS %	Diff (4 Yrs)
Business & Computing	30.63%	60.66%	71.05%	65.85%	35.22
Care Practice	53.41%	48.50%	84.73%	73.49%	20.08
Construction Craft	96.67%	90.32%	87.50%	94.12%	-2.55
Cultural & Creative Industries	66.67%	68.89%	74.58%	66.67%	0.00
Engineering and Building Technology	69.48%	72.90%	97.04%	84.43%	14.95
Engineering Craft	*	83.33%	*	66.67%	
Forestry, Science, Maths and Aquaculture	47.67%	46.48%	86.52%	77.48%	29.80
Hairdressing, Beauty and Sport	75.00%	88.24%	76.47%	*	
Hospitality	*	*	*	*	
Education		34.78%	93.33%	75.00%	75.00
College	55.67%	58.86%	85.20%	75.18%	19.51

Table 9: Full-time FE PIs by Education Scotland subject area, with RAG system based on trend over time and comparison to college sector levels

EDUCATION_SCOTLAND_SUBJECT	LEVEL_OF_STUDY	Year	ENRs	EW	EARLY_WD_PERCENT	FW	FURTHER_WD_PERCENT	C:PS	PARTIAL_SUCCESS_PERCENT	C:S	SUCCESS_PERCENT	College Sector	RAG
Art and design	FEFT	2016-17	65	5	7.7%	9.0	13.8%	3.0	4.6%	48.0	73.8%	67.7%	
Business, management and administration	FEFT	2016-17	33	5	15.2%	2	6.1%	1	3.0%	25	75.8%	65.2%	
Care	FEFT	2016-17	116	7	6.0%	23.0	19.8%	13.0	11.2%	73.0	62.9%	63.1%	
Computing and ICT	FEFT	2016-17	55	8	14.5%	10.0	18.2%	11.0	20.0%	26.0	47.3%	60.1%	
Construction	FEFT	2016-17	141	3	2.1%	14.0	9.9%	10.0	7.1%	114.0	80.9%	66.9%	
Engineering	FEFT	2016-17	299	28	9.4%	37.0	12.4%	27.0	9.0%	206.0	68.9%	69.3%	
Hairdressing, beauty and comp therapies	FEFT	2016-17	179	13	7.3%	25.0	14.0%	10.0	5.6%	130.0	72.6%	64.0%	
Hospitality and tourism	FEFT	2016-17	51	7	13.7%	12.0	23.5%	2.0	3.9%	30.0	58.8%	62.5%	
Land-based industries	FEFT	2016-17	52	6	11.5%	7.0	13.5%	9.0	17.3%	30.0	57.7%	72.7%	
Languages and ESOL	FEFT	2016-17	61	2	3.3%	2.0	3.3%	0.0	0.0%	57.0	93.4%	79.1%	
Media	FEFT	2016-17	16	2	12.5%	3	18.8%	1	6.3%	9	56.3%	63.3%	
Performing Arts	FEFT	2016-17											
Science	FEFT	2016-17	29	2	6.9%	8.0	27.6%	11.0	37.9%	8.0	27.6%	59.2%	
Science Highers	FEFT	2016-17	43	3	6.8%	3.0	6.8%	17.0	38.6%	20.0	46.5%	59.2%	
Social subjects	FEFT	2016-17	55	11	20.0%	6.0	10.9%	6.0	10.9%	32.0	58.2%	55.0%	
Special Programmes	FEFT	2016-17	37	0	0.0%	3.0	8.1%	4.0	10.8%	30.0	81.1%	76.6%	
Sport and leisure	FEFT	2016-17	83	13	15.7%	9	10.8%	8	9.6%	53	63.9%	59.9%	

Table 10: Full-time HN PIs by Education Scotland subject area, with RAG system based on trend over time and comparison to college sector levels

EDUCATION_SCOTLAND_SUBJECT	LEVEL_OF_STUDY	Year	ENRs	EW	EARLY_WD_PERCENT	FW	FURTHER_WD_PERCENT	C:PS	PARTIAL_SUCCESS_PERCENT	C:S	SUCCESS_PERCENT	College Sector	RAG
Art and design	FTHN	2016-17	96	5	5.2%	5.0	5.2%	2.0	2.1%	84.0	87.5%	76.8%	
Business, management and administration	FTHN	2016-17	106	4	3.8%	6	5.7%	8	7.5%	86	81.1%	70.9%	
Care	FTHN	2016-17	52	3	5.8%	11.0	21.2%	7.0	13.5%	30.0	57.7%	73.5%	
Computing and ICT	FTHN	2016-17	50	1	2.0%	6.0	12.0%	18.0	36.0%	25.0	50.0%	68.0%	
Construction	FTHN	2016-17	12	1	8.3%	0.0	0.0%	0.0	0.0%	11.0	91.7%	72.5%	
Engineering	FTHN	2016-17	82	9	11.0%	10.0	12.2%	4.0	4.9%	58.0	70.7%	66.5%	
Hairdressing, beauty and comp therapies	FTHN	2016-17	58	2	3.4%	4.0	6.9%	3.0	5.2%	48.0	82.8%	75.1%	
Hospitality and tourism	FTHN	2016-17	25	5	20.0%	6.0	24.0%	4.0	16.0%	10.0	40.0%	65.3%	
Land-based industries	FTHN	2016-17	61	2	3.3%	11.0	18.0%	3.0	4.9%	32.0	52.5%	72.1%	
Performing Arts	FTHN	2016-17	39	3	7.7%	1.0	2.6%	1.0	2.6%	34.0	87.2%	79.1%	
Science	FTHN	2016-17	18	1	5.6%	0.0	0.0%	5.0	27.8%	12.0	66.7%	67.7%	
Sport and leisure	FTHN	2016-17	99	6	6.1%	6	6.1%	15	15.2%	67	67.7%	72.2%	
Overall	FTHN	2016-17	647	38	5.9%	65	10.0%	69	10.7%	452	69.9%	72.1%	

Higher and National 5 Awards 2016-17

Figure 1: Higher passes 2016-17

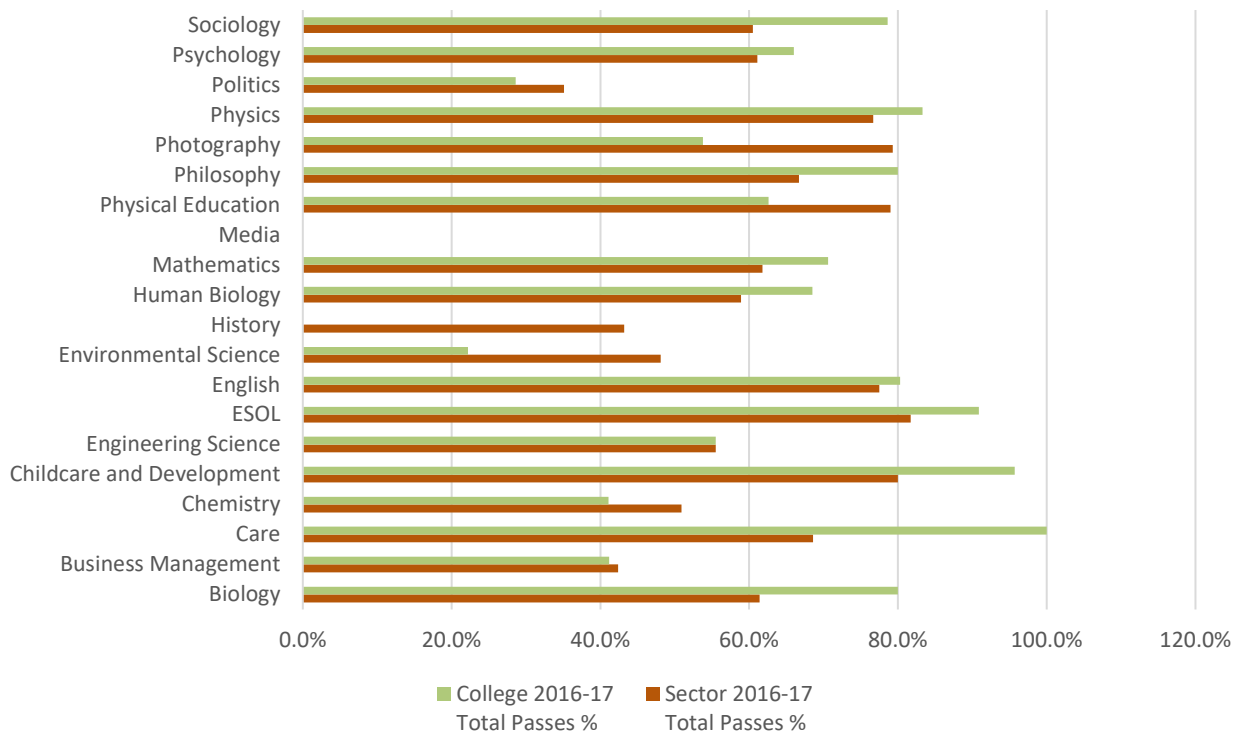
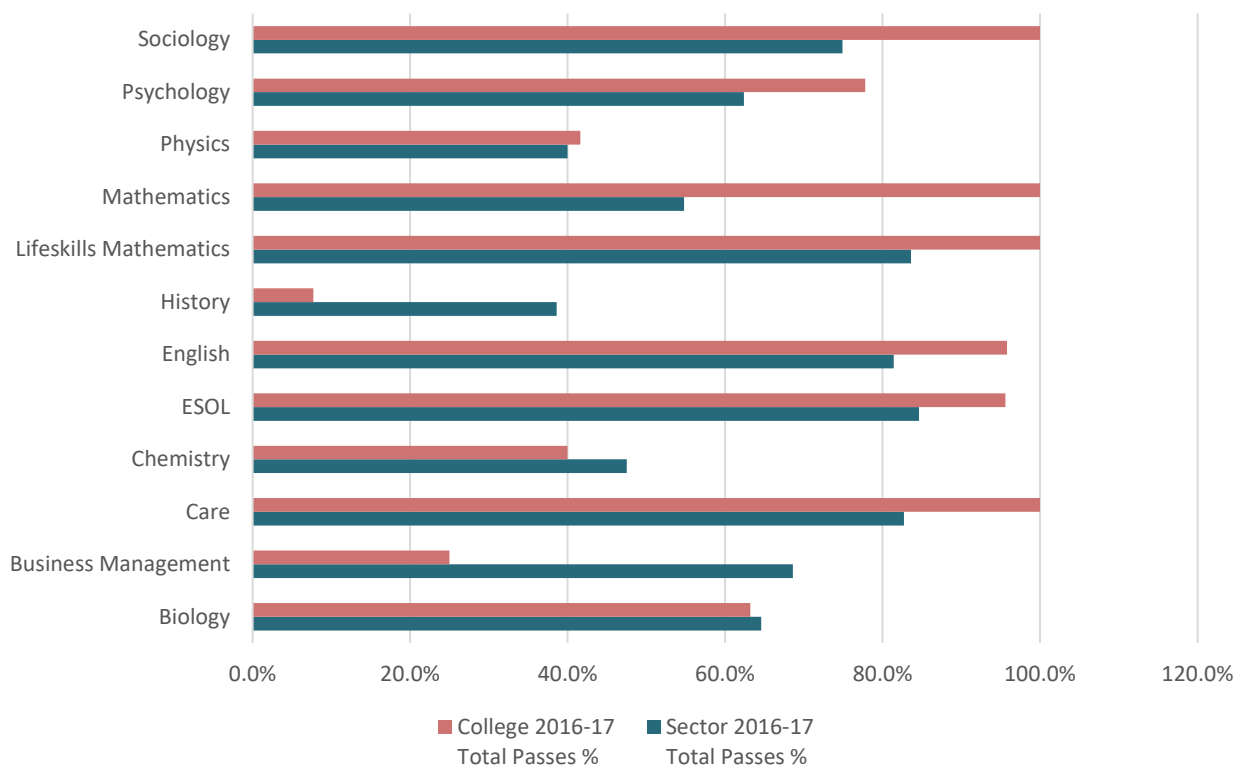


Figure 2: National 5 passes 2016-17



Access and Inclusion Strategy PIs: credits and success rates

Table 11: all FE: targets for credits delivered by learner group

Learner Group	Actual		Targets		
	% Credits 2015-16	% Credits 2016-17	% Credits 2017-18	% Credits 2018-19	% Credits 2019-20
SIMD 10	6%	6%	7%	7%	7%
Care experienced	3%	3%	3%	3%	3%

Table 12: all FE: targets for successful completions by learner group

Learner Group	Actual		Targets		
	% Success 2015-16	% Success 2016-17	% Success 2017-18	% Success 2018-19	% Success 2019-20
Disability	68%	68%	71%	72%	73%
SIMD 10	62%	58%	67%	68%	69%
Carers	75%	68%	78%	79%	80%
Care experienced	56%	58%	57%	58%	60%
Price Group 5	73%	79%	77%	78%	79%
All learners	73%	75%	78%	79%	80%

Table 13: all FE: targets for learners on FE programmes in 2015-16 by type of disability

DISABILITY TYPE	Actual		Targets		
	% Success 2015-16	% Success 2016-17	% Success 2017-18	% Success 2018-19	% Success 2019-20
No known disability	75%	76%	n/a		
A specific learning difficulty such as dyslexia, dyspraxia or AD(H)D	69%	74%	71%	72%	73%
You are deaf or have a serious hearing impairment	80%	76%	Maintain at level of learners with no known disability, as minimum		
You are blind or have a serious visual impairment	n/a ³	n/a ⁴			
You have a mental health condition	57%	63%	59%	60%	61%
You have a social/communication impairment	88%	84%	Maintain at level of learners with no known disability, as minimum		

³ Less than 10 enrolments

⁴ Less than 10 enrolments

Leaver Destinations

Figure 3: College Leaver Destination Survey results

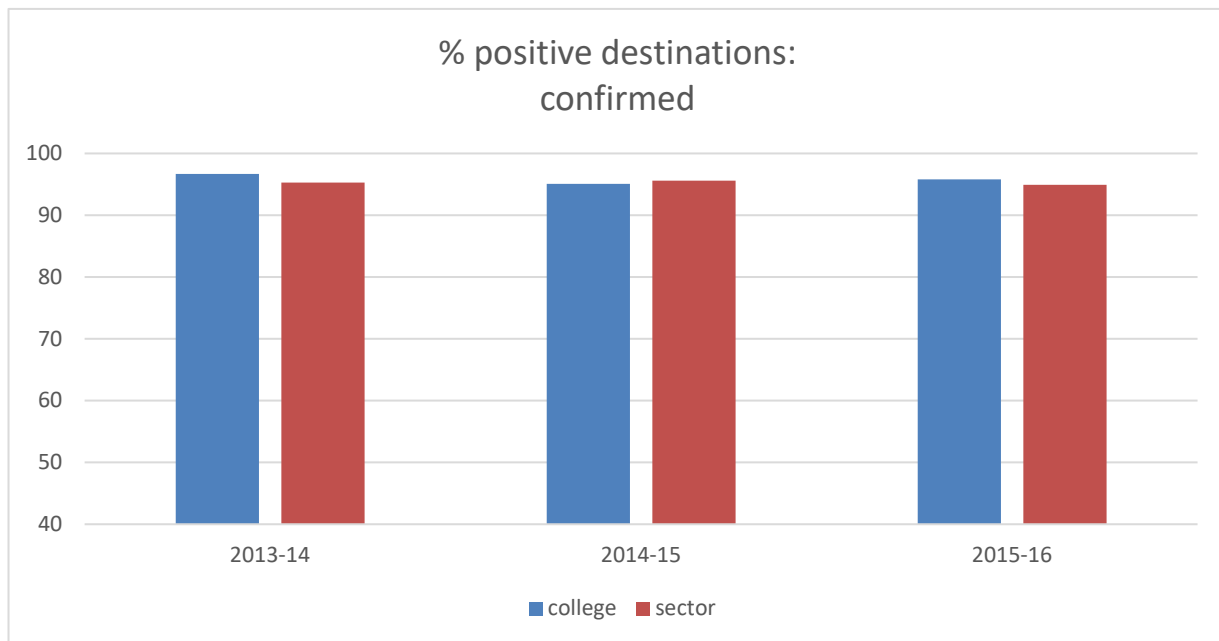
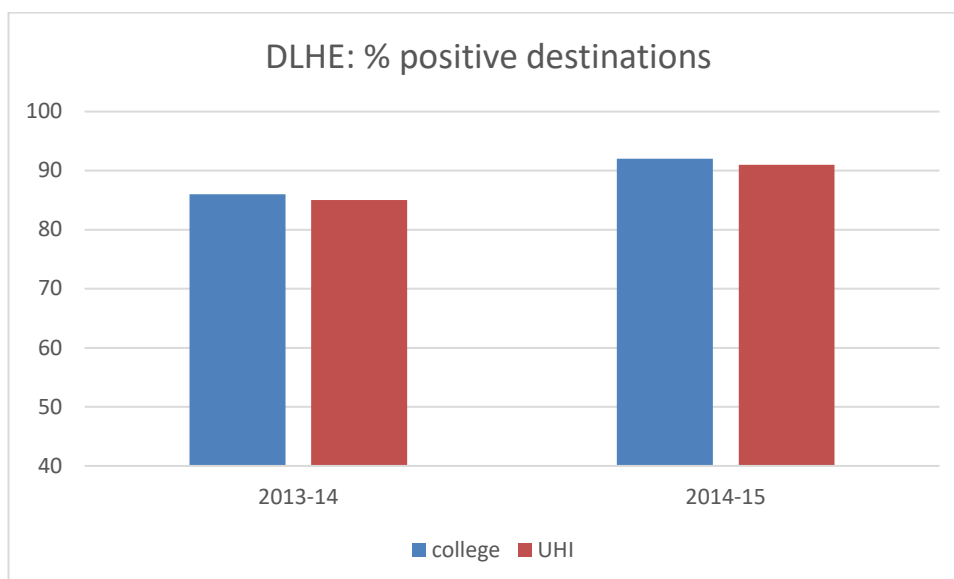


Figure 4: Destination of Leavers from Higher Education



Board of Management

Subject/Title:	Student Recruitment 2017-18		
Meeting and date:	Board of Management, 26 th October 2017		
Author:	Roddy Henry, Depute Principal		
Link to Strategic Plan:	Yes		
Cost implications:	No		
Risk assessment:	Yes If yes, please specify:		
Status – Confidential/Non confidential	Non confidential		
Freedom of Information Can this paper be included in “open” business	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:

The committee is asked to *discuss* this report.

Purpose of report / Summary

To provide the committee with an update on student recruitment so far in 2017-18.

Main body of information

The student recruitment targets for 2017-18 are:

- FE: 29,366 credits

- HE: 1,595.4 FTE

The table below details the enrolments and credits generated for FE students as at 17 October 2017:

LEVEL_OF_STUDY	DEPT NAME (COLLEGE)	ENRs	CREDITS
FEFT	Business & Computing	78	1364
	Care Practice	135	2268
	Construction Craft	78	1584
	Cultural & Creative Industries	197	3472
	Engineering and Building Technology	67	1206
	Engineering Craft	133	2356
	Forestry, Science, Maths and Aquaculture	119	1318
	Hairdressing, Beauty and Sport	218	3512
	Hospitality	51	788
	Education	41	597
FEPT	Business & Computing	69	138
	Care Practice	240	655
	Construction Craft	197	1149
	Cultural & Creative Industries	72	172
	Engineering and Building Technology	128	439
	Engineering Craft	143	357
	Forestry, Science, Maths and Aquaculture	111	134
	Hairdressing, Beauty and Sport	127	682
	Hospitality	54	239
	Education	165	302
	Business Solutions	52	13
Grand Total		2475	22742

Current enrolments total 2,475 FE, which are currently generating 22,742 credits.

Enrolments for HE total 1,923 which equates to 1,586 FTE based on mode of attendance. Future reports will detail FTE by module attachment.

Part-time FE and HE students will continue to enrol throughout the year: many part-time FE students are on rolling on Modern Apprenticeships or SVQ/work-based programmes.

In summary, FE and HE enrolments are ahead of the totals reported to the Board on 6th October 2016, based on these figures and previous trends, both look likely to hit target:

	27 Sept 2016	17 Oct 2017
FE	2,177 (21,190 credits)	2,475 (22,742 credits)
HE	1,598 (1,418 FTE)	1,923 (1,586 FTE)

Roddy Henry
Depute principal

Board of Management

Subject/Title:	Health and Safety Annual Report		
Meeting and date:	Board of Management – Thursday 26 October 2017		
Author:	Lindsay Ferries, Director of Organisational Development		
Link to Strategic Plan:			
Cost implications:	No		
Risk assessment:	Yes If yes, please specify: Financial: Operational: Organisational: required for the proper Governance of the College		
Status – Confidential/Non confidential	Non Confidential		
Freedom of Information Can this paper be included in “open” business	Open		
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)	
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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

To provide the Audit Committee with an annual report on matters pertaining to health and safety.

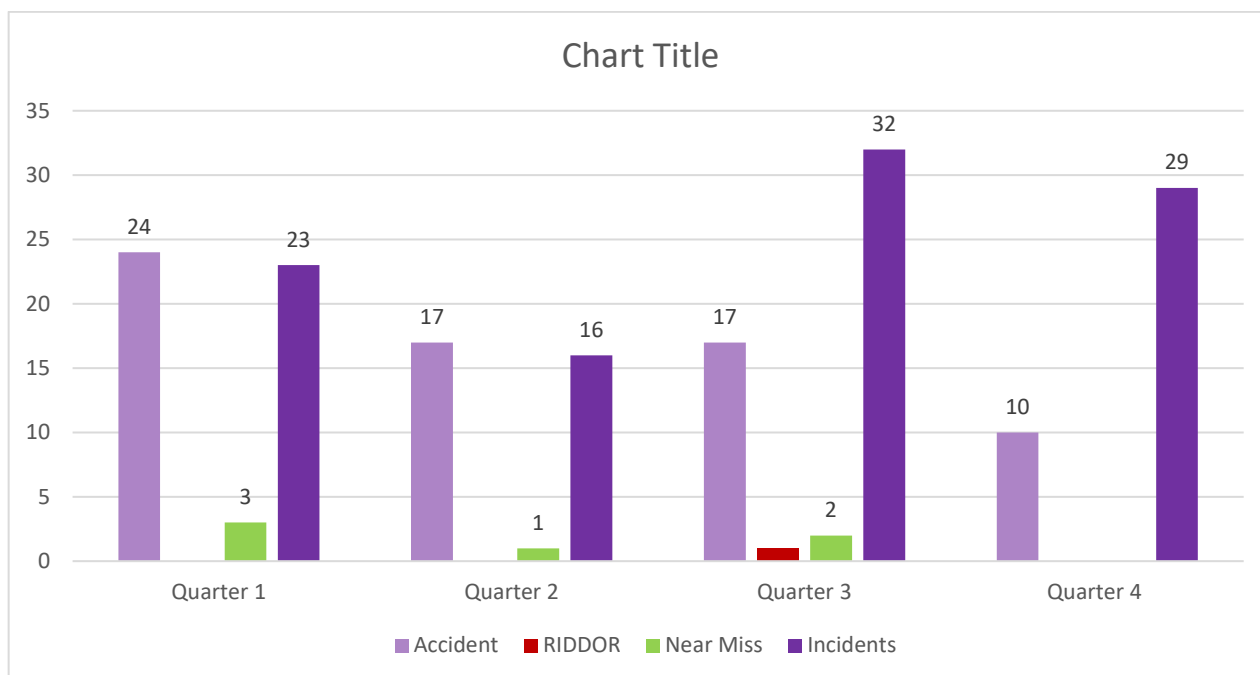
RIDDOR

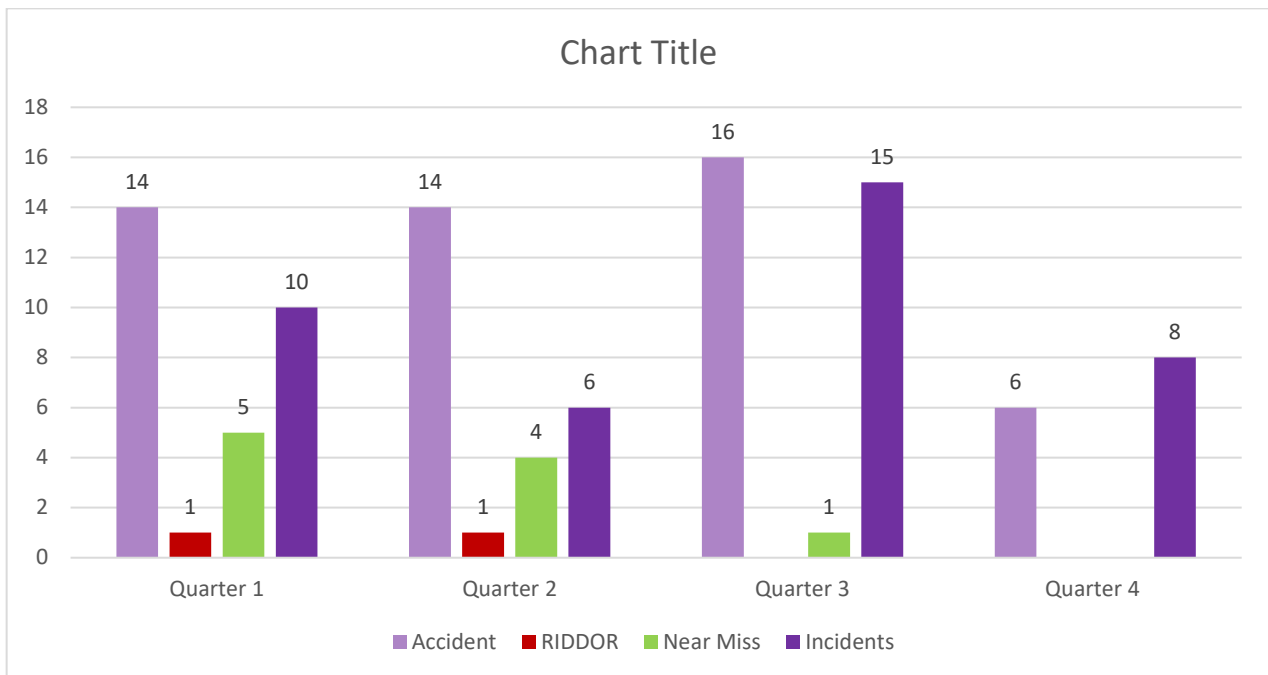
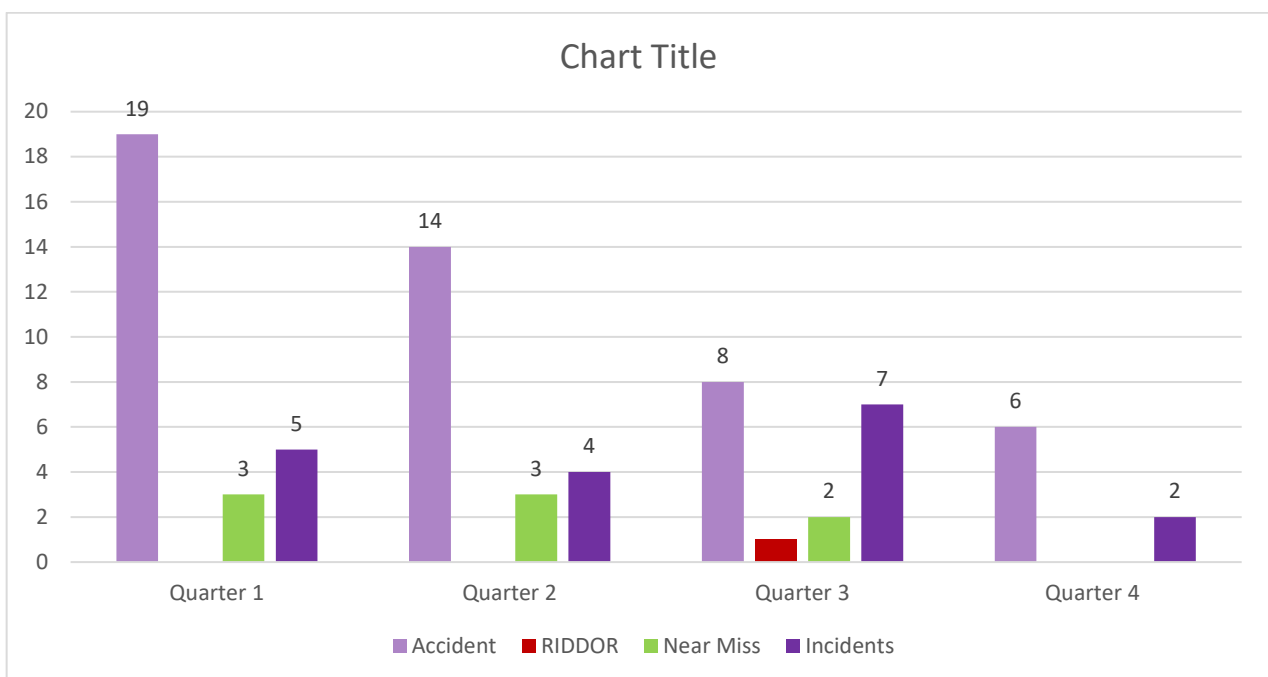
There has been 1 Reported RIDDOR incident during the reporting year.

RIDDOR 1**RIDDOR Notification No 64D361E53D**

Student was carrying out tree felling activities in Culloden woods approximately 1 mile from the School of Forestry. On his way back to the minibus to go for lunch he stood on a small piece of log which was embedded into the side of a small embankment he was walking up. The log was completely hidden from view. It was covered in grass and moss and was not visible. As he stood on this, the log displaced causing his left leg to come away from under him. His left knee took the full force of his weight as he fell down. The student suspected he had broken his leg. An ambulance was called and directed to the scene where the student was taken to Raigmore, where he was examined and it was discovered he had dislocated his knee.

Note: This was reportable under RIDDOR as the student suffered an injury in connection with their work activity in which they were taken directly to hospital from the scene of the accident

Reports received August 2016 – July 2017 (175 reported)

Reports received August 2015 – July 2016 (101 reported)**Reports received August 2016 – July 2017 associated to college activities (74)**

ACCIDENT/INCIDENT/NEAR MISS REPORTING

There has been a further increase in the number of reports relating to accidents/incidents and near misses in comparison to the previous year.

August 2016 –July 2017 No. of reports received 175

August 2015 - July 2016 No. of reports received 101

August 2014 - July 2015 No. of reports received 78

August 2013 - July 2014 No. of reports received 43

- Of the 175 reports received, 74 were related directly to college activities
- The remaining 101 were attributed to students/staff feeling ill, fainting, seizures, falls etc.

As you can see from the figures above, there has been a year on year increase in the amount of reports received. This was anticipated and is due to several factors including;

- Increase in student numbers
- Staff training and awareness raising
- The online system that was put in place (wufoo) making reporting easier for staff.

Moving from the wufoo online reporting form to the new SHE software will allow us to further improve on the collection of incident data within the College and the follow through required to evidence actions taken and continuous improvement. Under the new system, departments now have greater insight into incidents within their area and PDM's are now receiving notifications immediately on any incident reported through the system that is attributed to their department. They will assign actions and track these actions through to completion. The Health and Safety Manager will thereafter oversee and ensure that actions are progressed and will report across the college on these.

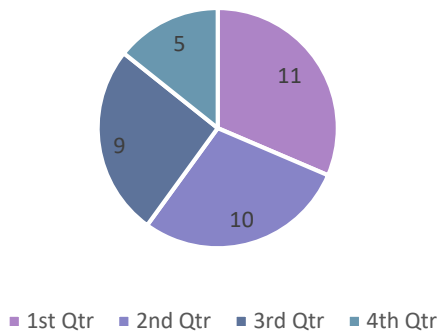
HAND & FINGER INJURIES

The start of 2016 academic year saw an increased campaign of awareness regarding hand and finger injuries this included induction leaflets, and hand safety presentations for staff to progress with their students. This has not had the intended impact, however what it may indicate in relation to the increased incidents is a raised awareness to report incidents. This continues to be an area of focus for improvement.

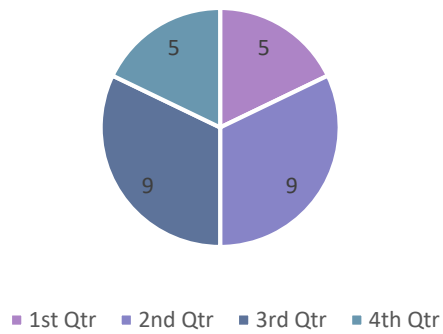
Between August 2016 and July 2017 hand and finger injuries accounted for 48.6% of the colleges recorded accidents and incidents. There were a total 35 hand injuries with just over 90% of these being classed as minor first aid cases.

In comparison to the August 2015-2016 academic year this was an increase of 15%. It needs to be considered alongside an overall increase in incident reporting of 73% over the same period. The biggest increase in incidents is in the first quarter. Student induction in the following areas, hair dressing, catering, construction and engineering is a focus.

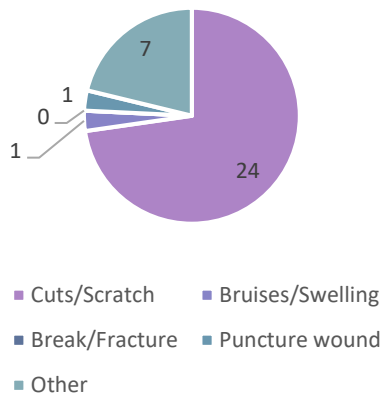
Hand Injuries 2016-2017



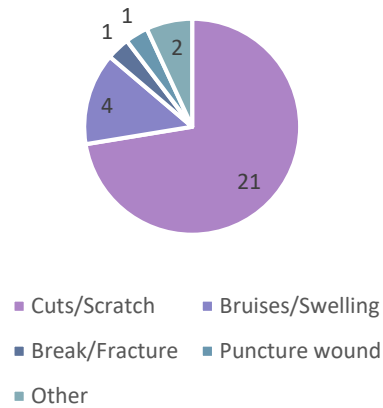
Hand Injuries 2015-2016



Hand Injury Type 2016-2017



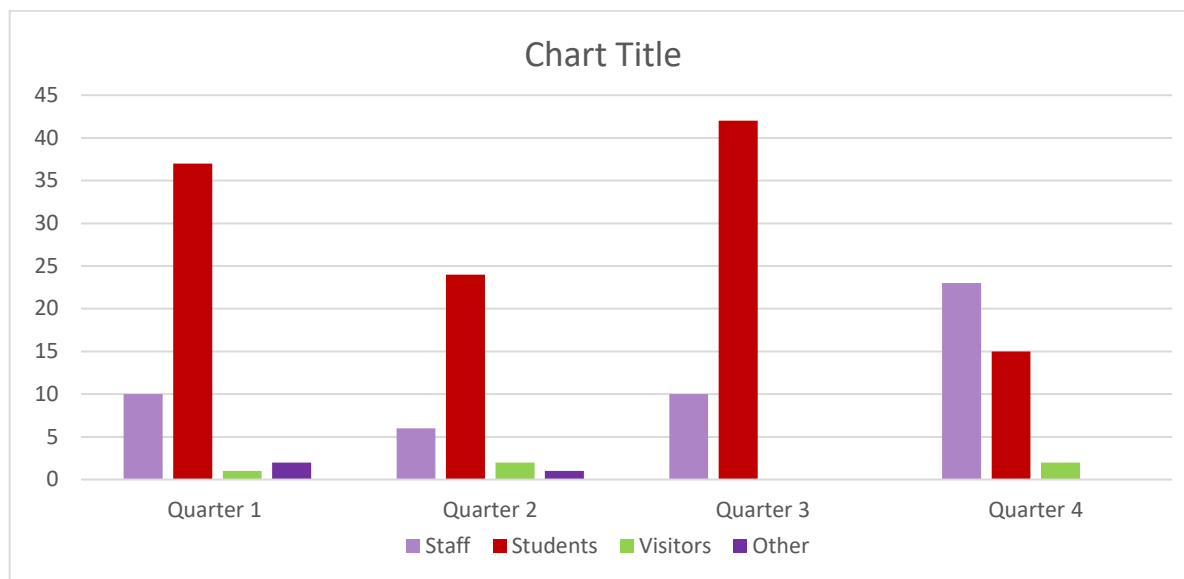
Hand Injury Type 2015-2016



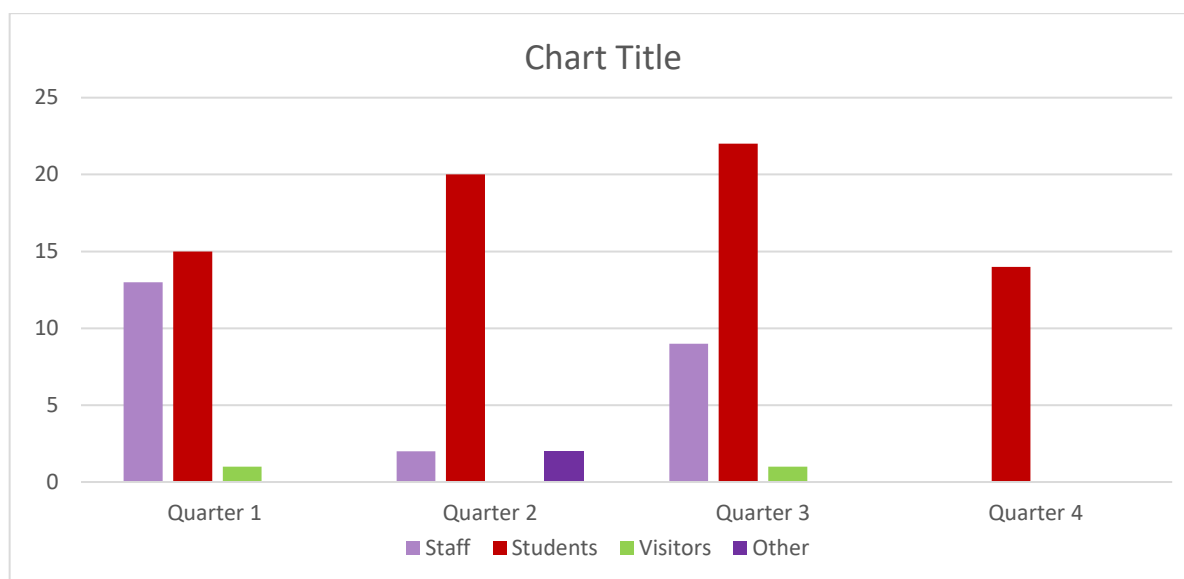
Accident Reporting Charts

Below are the charts showing comparisons between 2015-2016 reporting year and the previous year

People Affected August 2016 –July 2017



People Affected August 2015 –July 2016



PEOPLE AFFECTED COMPARISON

August 2016 - July 2017

- Percentage of students affected was 67%
- Percentage of staff affected was 28%
- Percentage of others was 4.5%

August 2015 - July 2016

- Percentage of students affected was 71%
- Percentage of staff affected was 24%
- Percentage of others was 5%

In relation to the turnover of student's staff and visitors throughout the academic year, and the incidents reported, the incident rate is around 1% . Whilst this is clearly very positive, there were still some incidents of high potential which could have resulted in a much more serious injury. For example:

Significant incidents

- Student exiting tractor twisted his knee trying to get past the gear levers.
- Goods lift had a fire system cable hanging out between the Lift Inner doors and the 2nd Floor Outer doors.
- 2nd floor barrier safety glass shattered. CCTV did not identify any malicious or human factors.
- Catering student suffered deep laceration whilst chopping vegetables, to his finger which required stitches.
- Stanley blade placed on CO2 fire extinguisher bracket in such a way that if a person had to remove the extinguisher they could have sustained a nasty cut.
- Northern recycling skip reversing into goods yard, made contact with a lamppost causing significant damage to the post
- A student was using the pillar drill as an operational element of manufacturing a screw vice. After he had secured the drill bit in the chuck, the chuck key was left in the chuck of the pillar drill. The student turned the drill on, ejecting the chuck key at speed approximately 2.5-3 metres behind and to the left of the student's standing position in front of the Pillar Drill. The chuck key hit a cupboard door on the workbench immediately behind the student, and dropped to the floor. It did not hit any person or equipment at any stage
- The Logbus forwarding trailer tipped on to its side whilst the student was operating the crane. This is because after re-positioning the tractor/trailer combination, the student forgot to deploy the stabilizer legs. Only the trailer tipped, not the tractor, due to the type of hitch on the trailer. Other students were out with the risk zone.

The Audit Committee at its meeting on 19th September asked for some information on the types of incidents involving visitors. All five incidents were of a minor nature:-

- A small piece of cardboard, thought to have come from a milk carton found its way into a gentleman's coffee purchased from the café in the An Lochran building.
- a lady had some sun cream in her eye
- the three other incidents related to a visitor feeling faint, one feeling sick and another needing a plaster replaced.

The only incident which required action was in relation to the coffee. An action plan, overseen by the Food and Beverage Team Leader was implemented for prevention of such incidents and for some other on-going concerns with the café.

H&S Management System – Update



Implementation of the SHE software is in the completion stage. The system is live and system testing will be complete by end of September. Testing is using live data and staff have been trained.

Feedback from members of staff who have used the system thus far for creating risk assessments and for reporting has been extremely positive. Final review by the College partners implementing the system including, Moray College, North Highland, West Highland, Argyll and UHI Executive Office took place on 7th of September. All partners are implementing the system and are working together sharing their policies procedures with the view of agreeing/adopting some standard documentation.

A tile for accessing the SHE portal has been placed on the staff myday page. This information has been cascaded to staff through the recent staff briefings.

Over the coming month the H&S Manager will be working with the technicians that have been assigned user licenses to ensure that all department risk assessments have been uploaded to the new system in the new risk assessment format.

Inverness College UHI SHE Portal

Below is an image of the IC UHI portal, which staff now see upon accessing the SHE tile.

This is where staff are able to create a record such as reporting a hazard, or creating a risk assessment.

Under the records section, staff are able to view any risk assessments, COSHH assessments etc. that have been shared to the portal.

Under the policies and procedures section, staff are able to view H&S procedures, policies and best practice guidance. The new H&S manual is currently undergoing final review before it is uploaded to the SHE portal under policies and procedures. Under this section staff are able to view all H&S information including the IC UHI Health and Safety Policy, and various H&S procedures such as Fire, first aid, risk assessment, work placement, lone working and driving for work purposes. There are also best practice guides such as those from the HSE.

This section of the portal will become a valuable resource for all staff for all matters relating to H&S within the College.



Software System training

Training on the SHE system for licence users took place over the two staff development days at the end of June. Further management training for line manager licence users, using live data is scheduled in October. The Health and Safety manager continues to project manage the full implementation and utilization of the new system and this will continue into the new year.

Health and Safety Training

Inverness College has procured and invested in a new Health & Safety training system called Safetyhub. It was hoped that in line with the SHE Health & Safety Management System that UHI partners would jointly procure this resource. This will be reviewed again next year on the anniversary of the contract.

- Safetyhub is a cross-platform Safety Training Video Streaming with Assessments and Trainee Management
- Staff will be assigned mandatory safety courses along with other courses relevant to their role.
- There are over 80 training videos and assessments.
- Videos can be used as a teaching tool for students



Staff will be able to access the Safetyhub site through the tile on myday.

As mentioned in the point above, staff will be assigned mandatory refresher courses to complete. This will include refreshers on fire awareness, manual handling, display screen equipment etc.

Conclusion

During the last reporting year there have been some significant changes with regards to how health & safety is managed within the college. We will continue to progress throughout the year our HASMAP audits, working with each department to drive continuous improvement. The new H&S software system is in place and ready to use for the new academic year, along with the recently purchased Safetyhub online training and learner management system. Both of these systems represent a significant investment by the college and will provide staff with a valuable resource for H&S

Board of Management

Subject/Title:	Sports Development Project		
Meeting and date:	Board of Management, 26 October 2017		
Author:	Roddy Henry, Depute Principal		
Link to Strategic Plan:	Yes		
Cost implications:	No <i>(delete as applicable)</i> If yes, please specify:		
Risk assessment:	No <i>(delete as applicable)</i> If yes, please specify: Financial: Operational: Organisational:		
Status – Confidential/Non confidential	Non-confidential		
Freedom of Information Can this paper be included in “open” business	Yes		
If a paper should not be included within “open” business, please highlight below the reason.			
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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)

The Board is asked to discuss this report.

Purpose of report / Summary

This report provides an update on the work of the Inverness Campus Sports Development Steering Group. The aim of the group is to identify opportunities for the development of

sports activities and associated infrastructure on the Inverness Campus that align with the objectives of developing education, research and community involvement.

Background

As reported at previous Board meetings, the Steering Group commissioned EKOS to conduct a feasibility study on potential sports facilities on campus. The study was completed and a report produced in July 2017. Further discussions are now taking place on aspects of the study, including the details of a potential operating partnership between Highlife Highland and the college.

Main body of information

The final report is attached for information: an executive summary has also been created. The challenges in terms of securing funding remain. HIE have provisionally proposed to donate the land by way of a grant in aid to UHI, however this would require approval from the HIE Board.

On completion of the study, discussions began with the Highland Council on potential funding. The regional sports facility originally planned for the west of the city is still under review and this will have a bearing on any potential development on the campus. There is the possibility of some future funding from developer contributions associated with the East Inverness development plans, and there may be some funding available that has been set aside from previous developments. However, it is clear that the council is operating in a very challenging environment with regards to investment in infrastructure.

A potential model, that may complement the proposals in the feasibility study, has emerged in the shape of the recently completed canal park facility for Highland Rugby Club. The facility was developed by the council as part of the West Link project, and is managed by Highlife Highland as a community facility. A visit to these newly opened facilities is planned for the near future.

Support for a campus development remains strong from partners, including Highlife Highland, Sportscotland, HIE and HISA. Other funding sources to explore are UHI strategic funds, the college's ALF, SFC strategic funds and Sportscotland.

The Board will be kept updated on developments.

Roddy Henry
Depute Principal



Inverness Campus: Sports Feasibility Study

Final Report for Highlands & Islands Enterprise (on
behalf of the Inverness Campus Sports
Development Steering Group)

July 2017

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Email: Neil@integratisconsulting.com

 As part of our green office policy all EKOS reports are printed double sided on 100% sustainable paper

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Executive Summary

Introduction

1. This Executive Summary presents the main findings from a Feasibility Study that explored the development of new sports facilities on the Inverness Campus site.
2. Inverness Campus is an ambitious multi-partner collaborative development located at Beechwood, East Inverness, and is designed to attract a wide variety of uses and users, and to serve as a business, academic, and community focus for the region.
3. The provision of a diverse range of indoor and outdoor sports facilities has been a core component within the vision for Inverness Campus since the project's outset. Plot 13 which extends to some 8.92 acres (gross) has been allocated by Highlands and Islands Enterprise (HIE) - major landowner and overarching developer of the Campus - for sports development at Inverness Campus.
4. Sport has always been seen as a critically important part of the creation of a successful and vibrant Campus environment – for those studying and working on-site, and for the wider community of East Inverness (and beyond). This ambition for Inverness Campus is a critical part of closing the facility and infrastructure gap which exists between the Highlands and Islands and the Central Belt.
5. This Feasibility Study builds on the various studies that have been undertaken over the last seven years which have considered the development of sport facilities at Inverness Campus.

Key Findings

6. The research needs to be set in the context of proposals to develop a Regional Sports Facility (RSF) at Bught Park sports hub site in West Inverness. sportscotland identified a number of areas in Scotland, including Highland, which could benefit from improved facilities. There is currently no RSF in the Highland region, but investment in provision has been made in many other parts of Scotland, including Edinburgh, Glasgow, Aberdeen, Stirling, and Motherwell (and plans are progressing for a RSF in Dundee).

7. Such a facility would meet the needs of performance sport in the north of Scotland. In particular, previous research undertaken recognised that aspiring athletes face challenges in that they typically have to travel outwith the region to – and eventually leave for - the Central Belt to access much needed specialist facilities and support to continue their training and development.
8. sportscotland has since identified Inverness as a priority for RSF consideration, and has indicated its commitment to provide funding of £7 million towards the total project costs of the Inverness RSF (circa £37 million). A decision on The Highland Council funding will be made in August 2017.
9. Our research has identified a strong need for the development of new sports facilities in East Inverness.
10. There are a number of factors that demonstrate the need for additional sports facilities at Inverness Campus from an Inverness College UHI perspective: limited existing sports facilities at the Inverness College UHI site; a growth in student numbers (overall and on sports courses); the link between quality facilities and attracting more students (enhancing student experience); curriculum developments; postgraduate and research opportunities; and can enhance UHI networks ability to deliver to sports and coaching via remote and distance learning.
11. The population of Inverness has increased significantly over the last decade and is projected to grow further. There been also been considerable housing development in the growth areas of Inverness surrounding the Campus over the period 2001 to 2017 – this equates to around 8,852 new houses. Further, in relation to future housing developments in East Inverness, there is planned to be 9,876 new houses developed over the next 20 years.
12. These developments will likely attract more working age adults (and families) to the city. With the scale of planned developments in mind, there will be a pressing need to provide wider community and leisure facilities, including sports facilities to meet the needs of existing and new communities.

13. The Inverness Sports Pitches Review (2013)¹ concluded that Inverness does not have sufficient quality capacity for pitch sports. This is based on the anticipated growth in club development/participation alongside the projected continuing growth in the city's population.
14. It identified an opportunity to create within the city a set of outstanding pitch sports facilities that will meet the needs of sport in Inverness for years to come. It suggests the need to more than double the capacity for play while also improving significantly the quality of the surfaces on which games and training take place. This is reaffirmed in the East Inverness Development Brief which is currently being prepared.
15. There are also a number of wider existing and planned strategic developments that further demonstrate support for the development of sports facilities:
- that the development will have a disability and inclusive sports focus - developing opportunities and improving performance in disability sport;
 - ongoing development of Inverness Campus site – including plans for a private sector operated hotel which will bring more people onto the Campus for social and leisure purposes. Significant progress is being made with funding for the Centre for Health Science (Phase II), which has the potential to leverage significant engagement between the NHS, academia and the private sector. It is likely that sport will play an important role in helping to shape the proposal, with opportunities created through the connection between health, well-being and exercise, and specifically pre- and post-rehabilitation;
 - there is an opportunity for the Campus development to focus research on the specific and unique challenges around sport and physical activity in the Highlands and Islands – a unique selling point which the Campus could have ownership over; and
 - wider planned developments, including new primary and secondary schools, new housing, and major strategic road improvements.

¹ Porteous Leisure, Final Report to The Highland Council and High Life Highland, Inverness Sports Pitches Review, 3 September 2013.



16. There is a clear and strong policy fit between the proposed development and policy priorities at all levels, including the importance of sport and physical activity on addressing social and geographical inequalities. Part of our analysis highlighted a recent review of literature and research (2017) on sport and physical activity found that they can bring about positive changes across a range of aspects²:

- preventing death and diseases (prevention of premature death and prevention and management of chronic diseases including cardiovascular disease, diabetes, cancer, hypertension, obesity, depression);

² https://sportscotland.org.uk/media/2274/sport-for-change_executive-summary.pdf

- reducing health harming behaviours (drugs, smoking), anxiety, social isolation, depression, suicide, dementia and Alzheimers;
- improving mental health, behaviour at school, and engagement in school learning;
- developing team work, social, and communication skills;
- building social capital, connectedness, and sense of belonging; and
- making savings for the NHS.

17. Further, there is a strong alignment with proposals and Highland Council's Active Highland Strategy³ which aims to reduce inequalities and improve wellbeing, and encourage progression, skills improvement and achievement in physical activity or sport. The role of the natural and built environment, of established and new facilities, and of ensuring access for all are recognised as being critical to the Strategy's success. Inverness Campus and UHI have a strong role to play in supporting the delivery of the Strategy, including at a strategic and operational level through its engagement with the Highland Community Planning Partnership.

The Options

18. The findings of the Feasibility Study should be viewed in the context that the development of any sport facilities at the Inverness Campus site needs to operate in a complementary manner to the mix of facilities in the proposed RSF at the Bught Park sports hub site in West Inverness - while meeting the needs of the east side of the city. While the Feasibility Study for the RSF considered, but did not propose inclusion of football facilities, the development of community football facilities was seen as a useful project to recommend to HIE for consideration for Inverness Campus.
19. Given the mix of proposed facilities that might form part of the RSF in West Inverness, the initial focus for sports development at Inverness Campus is outdoor provision to cater for ball sports (e.g. football, rugby). This type of provision is not part of the proposed mix for the RSF. Further, consideration has also been given to the provision of indoor facilities to meet the needs of Inverness College UHI's growing sports provision and student body, and how a phased approach to development could be considered. The thinking is that any development is designed in such a way as to be scale-able over time in order to make the best use of financial resources.

³ www.highland.gov.uk/download/meetings/id/.../item_12_active_highland_strategy

20. Based on all of the evidence, and in particular the issues and opportunities, a potential mix of facilities that could be accommodated with the sports development project at Inverness Campus were developed and tested with the Inverness Campus Sports Development Steering Group.

Potential Mix of Sports Facilities



Note: Some options e.g. swimming pool were discounted, and could be developed as part of any new school developments

21. Alongside the “uses” scoped out for the project, the study also considered the range of potential “users” (direct beneficiaries) of the sports facilities at Inverness Campus, as illustrated below.

Potential Users








22. The overall project objectives for the development of sports facilities at Inverness Campus are to:

- enhance Campus lifestyle (“personality”);
- contribute to curriculum (secondary to postgraduate) and research growth;
- encourage strong Campus and community use and participation;
- support recreation and performance sport;
- improve the health and well-being of local people;
- complement sports facilities elsewhere in the city;
- align with the development of businesses in the health sector; and
- strengthen the UHI infrastructure and sports education locally throughout the Highlands and Islands.

23. Five options were considered as part of the Options Appraisal:

- Option 1 - Full Size Outdoor 3G Football/Rugby Pitch, Changing Accommodation and Ancillary Accommodation;
- Option 2 - Full Size Outdoor 3G Football/Rugby Pitch, Half Pitch Indoor 3G Football/Rugby Pitch (Lightweight steel), Class Room, Social Space, Changing Accommodation and Ancillary Accommodation;
- Option 3 - Full Size Outdoor 3G Football/Rugby Pitch, Half Pitch Indoor 3G Football/Rugby Pitch (Lightweight steel), Class Room, Changing Accommodation, Social Space, Ancillary Accommodation, Fitness Suite, Strength and Conditioning, Group Fitness- Multi Purpose Room;
- Option 4 - the addition of a 6 court Sportshall plus additional ancillary accommodation; and
- Option 5 - the development of two Sports Science Labs.

Options Summary

Factors for Consideration	Option 1	Option 2	Option 3	Option 4	Option 5
Contribution to Objectives	Limited	Partial	Fully	Fully	Partial
Strategic Fit	Limited	Partial	Fully	Partial	Partial
Scope to Increase Engagement and Participation	Limited	Good	Significant	Significant	Limited
Regional Appeal	No	Good	Good	Good	Good
Level of Benefits Created	Minimal	Good	Significant	Significant	Some
Level of risk	Minimal	Manageable	Manageable	Manageable	Manageable
Capital Cost	£1,479,520	£4,723,186	£8,110,170	£2,933,848	£390,000
Annual Revenue Surplus including Lifecycle Costs	-£33,497	-£101,851	-£123,432	£507	-£1,000
Annual Revenue Surplus excluding Lifecycle Costs	-£9,440	-£26,280	£1,340	£45,643	£5,000
Simple Cost-Benefit Score	5/10	5/10	8/10	8/10	8/10
					

24. There are a number of ways in which Option 3 could be implemented. The project could be split in to three incremental phases;

- Phase 1 – outdoor 3G pitch and ancillary accommodation;
- Phase 2 – indoor 3G half-pitch, class rooms, additional changing accommodation, social space, and reception area; and
- Phase 3 – fitness, strength and conditioning, studio, and additional changing accommodation.

25. The benefits of a phased implementation would be that it may be easier to access capital funds over an extended period. It may also provide a degree of flexibility, allowing facilities to be designed and developed in line with emerging strategy, needs, and demands. It would also provide more time to consider, develop and implement the most suitable model for the longer-term management and operation of the facilities.

26. The down side of a phased implementation would be that it would take longer for the project to deliver on key objectives and may also present some challenges in terms of design and building the structures. This in turn may lead to an increase in the overall capital cost of the project.

27. Alternatively, the project could be implemented as one project within one phase of capital works. If this was the case, the timescales for delivery would be reduced, objectives would be achieved more quickly and benefits realised. The development would also attract a much higher profile and present a more attractive marketing proposition. The drawback would be that sufficient capital funding would be required over a much shorter term, presenting the Inverness Campus Sports Development Steering Group with more significant challenges.

Funding

28. The funding environment for projects is becoming ever more challenging and competitive, as such a phased approach to the development of sports facilities at Inverness Campus is a sensible and pragmatic approach. A cocktail of funding will therefore be required for the development.

29. Potential funders might include: Scottish Government, project partners (i.e. HIE, Highland Council, Inverness College UHI, ICT Football Club, etc), developers' contributions (via Highland Council), NHS Highland, charitable trusts and foundations, European funding, sportscotland, private sector (e.g. sponsorship, etc), loans and borrowing.
30. HIE has mentioned the potential to explore mechanisms by which HIE could transfer the land at market value to the agreed sports developer/owner as HIE's contribution to the overall project funding package. This should be explored further (and the land valued).

Ownership and Management

31. Our view and the view of the Steering Group is that Inverness College UHI should own the asset, which is then managed on a day-to-day basis in partnership with High Life Highland.
32. Among other things, High Life Highland manages leisure centres, community centres and community schools throughout the Highlands, including in Inverness. The organisation has an established track record, and is the largest provider of indoor and outdoor venues for local clubs and groups in the region. It provides a broad range of sports, health and physical activity development programmes.

1. Introduction

This report presents the findings of a Feasibility Study that explored the development of new sports facilities on the Inverness Campus site. The study was commissioned by Highlands & Islands Enterprise (HIE), on behalf of the Inverness Campus Sports Development Steering Group, which includes representation from HIE, The Highland Council, the University of the Highlands and Islands (UHI), Inverness College UHI (Chair), Inverness Caledonian Thistle Football Club, High Life Highland, and sportscotland.

The Feasibility Study, which was undertaken between April and June 2017, was led by EKOS, in partnership with Integratis Consulting.

1.1 Inverness Campus

Inverness Campus is an ambitious multi-partner collaborative development located at Beechwood, East Inverness (four km from the city centre). It is a key transformational project for the Highlands & Islands.



The site, which opened in May 2015, is of significant scale. It extends to some 98 hectares (215 acres), and is a state-of-the-art location/hub for business, health, research, and education.

Inverness Campus has been designed to maximise the benefits to the region from the co-location of education, industry, research, and health.

Developed by HIE, the Inverness Campus site is adjacent to major local employers, including a well-established cluster of healthcare organisations. Nearby organisations include Raigmore Hospital, LifeScan Scotland, Inverness Police Divisional Headquarters, Inshes Retail Park, and the Centre for Health Science on one side, and Inverness Retail and Business Park and Stoneyfield Business Park on the other.

HIE is the major landowner and overarching developer of the Campus.

The Campus Vision is set out as follows:

“an outstanding environment which is a stimulating and enjoyable place to live, learn and work; a place for exchange of knowledge, creativity, and development of new ideas; and a welcoming place, safe, accessible to the wider community as well as Campus users”.

Inverness Campus Development Strategy, November 2013.

Inverness Campus is designed to attract a wide variety of uses and users, and to serve as a business, academic, and community focus for the region. A number of significant “pioneer” developments have been successfully delivered on site as part of the phased masterplanning approach:

- a new 18,500m home for [Inverness College UHI](#), incorporating an indoor sportshall and fitness room;
- a 5,000m² [Enterprise and Research Centre](#), An Lòchran, comprising research and development activities of HIE, UHI, Scotland’s Rural College (SRUC), a UHI “STEM” Hub and a digital excellence centre - [#hellodigital](#);
- a first phase of 150 [student residences](#), with a second phase of 151 to be delivered by September 2017;
- a 1,000m² building for [commercial Life Sciences](#) activity – Aurora House. Inverness Campus has Enterprise Area status for Life Sciences; and
- a 250m² [veterinary referral centre](#) – Scottish Vet Referrals.

A number of “pipeline” project proposals are being advanced for development on Inverness Campus to support further growth opportunities for the region, including:

- a circa 8,000m² combined NHS, UHI, and HIE collaborative healthcare clinical, educational, research and commercial centre – Centre for Health Science, Phase II
- a further commercial building, circa 2,500m², adjacent to Aurora House;
- a hotel with circa 120 bedrooms;
- further infrastructure enhancements, including a new “north bridge” connecting to Inverness Retail & Business Park; and
- [sports facilities](#).

Inverness Campus is viewed as an important long-term driver of the growth of the regional economy, and the development is already delivering significant economic benefits for the region through the creation of a world-class centre for education, research, innovation, recreation, and commercial activity.

By 2020 almost 1,300 full-time jobs are expected on site.

Inverness Campus Brochure, May 2016

Indeed, Inverness Campus has significant potential to create jobs, stimulate private sector investment, and boost economic growth. Independent research estimates that by 2020/21 the Campus has the potential to support up to 1300 jobs and create 940 new jobs across the wider region⁴

1.2 Study Objectives

The overall aim of the Feasibility Study was to identify the optimal mix of sports facilities to be developed at the Inverness Campus site. The detailed study objectives were to:

- review relevant information and reports pertaining to the potential for new sports facilities on Inverness Campus;
- consider what the components of such a facility might be in terms of indoor and outdoor provision, and how the development could be phased;

⁴ S Westbrook, Economist, 2015

- prepare a high-level financial appraisal of the initial capital costs, based on historic information held by partners;
- advise on options for ownership and operation of the facility, and recommendations as appropriate;
- offer comment on operational costs;
- consider a funding model for a recommended phase 1 development including a strategy for successfully leveraging funding from the recommended sources; and
- prepare visual information (plans, sketches) which can be used to inform and enthuse stakeholders and potential funders.

1.3 Study Method

There have been a number of detailed research studies previously undertaken regarding the development of new sports facilities on the Inverness Campus site. As such, the Feasibility Study was primarily a desk-based review of existing information and data. There was, however, further assessment against the growth in student numbers, other Inverness Campus projects, and wider developments elsewhere in the city. This was supplemented with:

- initial telephone consultations with the Inverness Campus Sports Development Steering Group members (and some wider key contacts);
- an initial workshop with the Inverness Campus Sports Development Steering Group and additional stakeholders held on 5th May 2017; and
- an options appraisal workshop with the Inverness Campus Sports Development Steering Group held on 19th May 2017.

The remainder of the report sets out the main findings of the Feasibility Study, with further detail provided in the appendices.

2. Project Background

This Chapter sets the scene for, and provides the background to, the original thinking and rationale for the development of sports facilities on the Inverness Campus site. This sets the context, and was further tested as part of the Feasibility Study. The Chapter presents the main issues, opportunities, and the project objectives based on the desk-based and primary research undertaken.

2.1 Project Origins

Sports Development at Inverness Campus

The provision of a diverse range of indoor and outdoor sports facilities (on a regional scale) has been a core component within the vision for Inverness Campus since the project's outset. Sport has always been seen as a critically important part of the creation of a successful and vibrant Campus environment – for those studying and working on-site, and for the wider community of East Inverness (and beyond).

Figure 2.1: Inverness Campus Layout



Source: Provided by HIE.



Plot 13 (“yellow star” on Figure 2.1) which extends to some 8.92 acres (gross) has been allocated by HIE for sports development at Inverness Campus.

Inverness Campus Development Strategy, November 2013.

This ambition for Inverness Campus is a critical part of closing the facility and infrastructure gap which exists between the Highlands and Islands and the Central Belt.

The aspiration of partners at that time (and still is today) is that the provision of sports facilities on-site would cater not only for Campus users (i.e. students, employees), but also that they would provide a valuable resource for the wider community living and/or working near to Inverness Campus, but more broadly across East Inverness (and beyond).

A key priority of the Inverness Campus site is to “*create an open and welcoming facility which is accessible to all the community*”⁵ – and this principle strongly aligns with partners’ aspirations for the development of sports facilities at Inverness Campus. As such, there is a commitment to developing Campus projects that encourage community use and participation.

⁵ Inverness Campus Strategy, November 2013.

A number of detailed studies have been undertaken over the last seven years which have considered the development of sport facilities at Inverness Campus, **Table 2.1**.

Table 2.1: Previous Research - Sports Development at Inverness Campus

Report	Who By	Date
Inverness Campus Project – Phase 1 Sports Centre Study	7N Architects	June 2010
Demand and Supply Assessment for Sports Facility Provision in Inverness	Kit Campbell Associates	April 2013
Inverness Sports Pitches Review	Porteous Leisure	September 2013
Inverness Campus Sports Facilities – Preliminary OBC	Porteous Leisure	August 2014
Inverness Campus Sports Centre Feasibility Study Summary	Faulkner Browns, Porteous Leisure, Turnberry Consulting	November 2014

Note: Copies of all reports provided by HIE and partners.

Issues and opportunities raised within these documents (and wider information provided by project partners) has directly fed into the Issues and Opportunities section (**Section 2.2**).

Regional Sports Facility in the Highland Region

In summary, some of the early research (listed above) was undertaken with a view to exploring the potential to develop a Regional Sports Facility (RSF) at Inverness Campus in East Inverness.

sportscotland identified a number of areas in Scotland, including Highland, which could benefit from improved facilities, and made a commitment to working in partnership with local authorities and Scottish Governing Bodies of Sport to help deliver new projects. A National and Regional Facilities Investment Fund was subsequently created to support the development of new facilities that were to be available for communities to use and performance athletes.

sportscotland has identified Inverness as a priority for RSF consideration.

There is currently no RSF in the Highland region⁶. Such a facility would meet the needs of performance sport in the north of Scotland.

⁶ RSFs exist in many other parts of Scotland, including Edinburgh, Glasgow, Aberdeen, Stirling, and Motherwell (and plans are progressing for a RSF in Dundee).

In particular, the previous research undertaken recognised that aspiring athletes face challenges in that they typically have to travel outwith the region to – and eventually leave for - the Central Belt to access much needed specialist facilities and support to continue their training and development.

The landscape has, however, since changed, and it is important that this Feasibility Study is set within the context of proposals now being progressed by The Highland Council to develop a [RSF on the existing Bught Park sports hub site in West Inverness](#). It is our understanding that the proposed development might include:

- indoor provision for athletics, gymnastics, judo and tennis, together with strength and conditioning facilities for multi-sport use; and
- there is an aspiration for a new velodrome to offer a unique sporting proposition for the Highlands.

sportscotland has indicated its commitment to provide funding of £7 million towards the total project costs of the Inverness RSF (circa £37 million). A decision on The Highland Council funding will be made in August 2017.

The development of any sport facilities at the Inverness Campus site needs to operate in a complementary manner to the mix of facilities in the proposed RSF, while meeting the needs of the east side of the city. While the Feasibility Study for the RSF considered, but did not propose inclusion of football facilities, the development of community football facilities was seen as a useful project to recommend to HIE for consideration for Inverness Campus.

Given the mix of proposed facilities that might form part of the RSF in West Inverness, the initial focus for sports development at Inverness Campus is outdoor provision to cater for ball sports (e.g. football, rugby). This type of provision is not part of the proposed mix for the RSF. Further, consideration has also been given to the provision of indoor facilities to meet the needs of Inverness College UHI's growing sports provision and student body, and how a phased approach to development could be considered. The thinking is that any development is designed in such a way as to be scale-able over time in order to make the best use of financial resources.

Wider Sports Development in West Inverness

Work is currently underway on the Canal Parks Rugby Project - this is part of plans for enhanced sports facilities in the city, made possible with the building of the Inverness West Link. Works include demolition of the existing clubhouse of Highland Rugby Club and the building of a new clubhouse, installation of a 3G pitch, regrading work to two grass pitches, and relocation of existing training area.

Highland Rugby Club is recognised as having one of the strongest junior sections of clubs across the country, and through consultation with key stakeholders it was felt that any development of sport pitches at the Inverness Campus should make provision for rugby to further grow and enhance participation opportunities on the East Side of Inverness. The SFA 3G football pitch specification is also consistent with the requirements for rugby which ensures pitch usage can be optimised.

It is therefore within this changing context that the Feasibility Study was undertaken.

2.2 Issues and Opportunities

Desk-based and primary research was undertaken to:

- better understand the range of issues and constraints facing those living and/or working in Inverness (and more specifically in East Inverness); and
- explore in more detail potential opportunities which the development of sports facilities at Inverness Campus could help take advantage of, for the benefit of East Inverness (and Inverness more widely).



2.2.1 Inverness College UHI Constraints and Opportunities

Inverness College UHI has been located at Inverness Campus since September 2015 when it moved to its brand new state-of-the-art campus to support new ways of working and learning.

Inverness College UHI is one of the largest partners that make up the University of the Highlands and Islands (UHI)⁷. It attracts around 6,500 students each year (over 2,600 attend on a full-time basis) from the local area and further afield. The college is the main provider of education and skills development in the Highland region, and its Higher Education (HE) provision has grown significantly over the last few years.

There are 150 student residences at Inverness Campus, and another 151 will come on stream later this year.

Two of the Institution's Key Objectives

To make Inverness College UHI a study destination of choice, providing an excellent student experience across every aspect of the student journey and maintaining high rates of student satisfaction, achievement and positive outcomes.

To create a lively community for staff and student and develop further student participation in clubs, societies and other activities, and engagement with the wider community.

Inverness College UHI Strategic Plan 2017-2020, Opportunity and Growth

There are a number of factors that demonstrate the need for additional sports facilities at Inverness Campus from an Inverness College UHI perspective:

- limited existing sports facilities at the Inverness College UHI site;
- a growth in student numbers (overall and on sports courses);
- the link between quality facilities and attracting more students (enhancing student experience);
- curriculum developments;
- postgraduate and research opportunities; and

⁷ UHI comprises 13 colleges and research institutions across Scotland.

- the Campus can enhance UHI networks ability to deliver to sports and coaching via remote and distance learning.

Existing Sports Facility Provision

There are some, but limited, sports facilities at the Inverness College UHI campus, including:

- a multi-purpose sportshall (four court size sportshall which accommodates a broad range of sports and physical activities); and
- a small gym (110 sq m).

Sports facilities on-site are well used by students involved in sports and fitness courses, but more widely in terms of all students' extra-curricular activities.

The current sport facilities provision is limiting the further development and diversity of the Inverness College UHI curriculum, and presents wider challenges given the growth experienced in student numbers in recent years (with the latter resulting in greater demand for, and use of, existing sports facilities).

There are currently no other sports facilities available at Inverness Campus. Other organisations have enquired about use of the sports facilities, such as a gym membership, but the college is unable to meet this demand fully due to pressure on the facilities. Local sports clubs and sportscotland use the facilities for training and development, however, this valuable engagement is limited to the extent of the facilities themselves.

Quality of Facilities and Attracting Students (Student Experience)

The quality of facilities at colleges/universities is becoming a more significant factor when prospective students choose which institution to attend. Key findings from a survey of 2,000 students at UK institutions are detailed below, and provide some evidence on the link between a university's facilities and the desirability of that institution to potential students⁸.

⁸ <http://www.bbc.co.uk/news/education-26850641>

Key Findings

More than three-quarters reported that the facilities at their prospective university influenced their decision.

After the library and IT provision, the most used facilities at universities were the sports provision, followed by the students' union.

There is therefore some evidence that having modern, fit-for-purpose, and state-of-the-art sporting facilities is key to attracting students.

Further, a recent article in University Business (2016)⁹ emphasised that in an increasingly competitive job market, it is no longer enough for graduates to have a good degree. Graduates need to be better able to differentiate themselves when applying for jobs, and have wider experience, transferable skills, and for example, have participated in various extra-curricular activities while at university.

The wider university “offer” is therefore considered to be increasingly more important to prospective students – the importance of having a good quality degree and a well-rounded and varied life on campus. Having access to facilities, activities, and opportunities to develop the necessary transferable skills to improve employability prospects is considered crucial.

One of the ways that universities do this is by having a wide range of extra-curricular activities. The provision of excellent sports facilities is seen as one of the main ways a university can increase its attractiveness to potential students (and meet the needs of existing students). The rationale is that sport has the potential to enhance students' overall experience and journey at university, and provide life skills (e.g. teamwork, communication, resilience) and opportunities to make new friendships (social connections and networks).

Of importance is considered to be the potential to both nurture sporting talent and encourage mass participation in sport (including among those who have not previously shown any interest in sport).

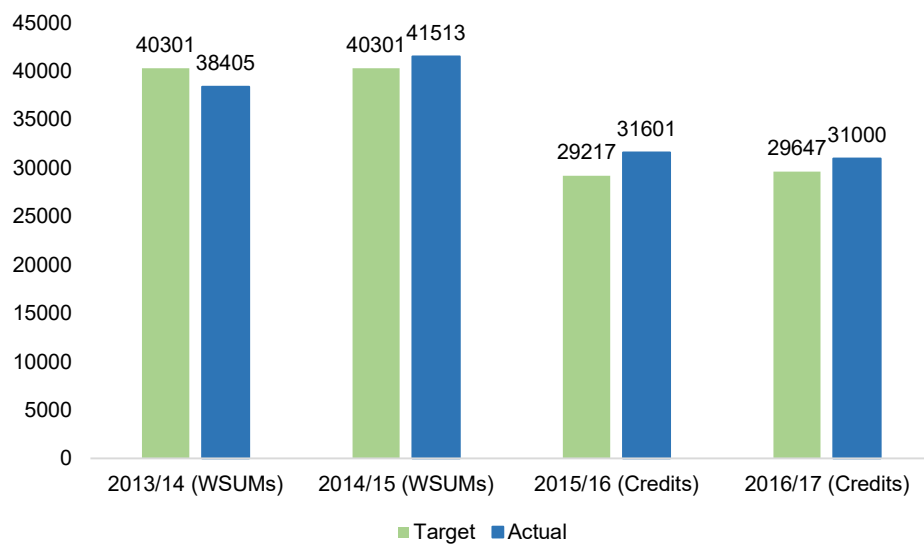
Growing Student Numbers

Inverness College UHI has experienced significant growth in student activity over the last few academic years. The level of FE student activity has been above the funded ‘target’ (or regional allocation) for the last three years, including 2016-17. The college has been given a small amount of growth in FE activity for 2017-18, although still within the actual activity levels of the last two years.

⁹ <http://universitybusiness.co.uk/Article/a-sporting-chance-1473088664>

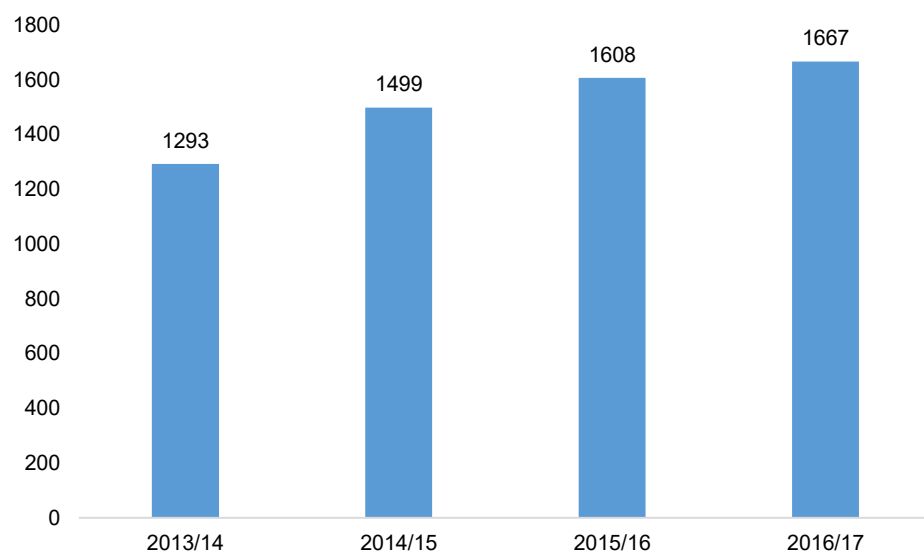
HE activity has grown by 29% since 2013-14. This is in line with the college strategy to grow and develop its HE activity, while maintaining FE activity levels, and has been enabled by the remaining headroom in the university's overall funded student numbers. **Figures 2.2 and 2.3** provide further detail.

Figure 2.2: FE WSUMs/Credits



Source: Provided by Inverness College UHI.
Data for 2016/17 actual is an estimate.

Figure 2.3: HE Full-time Equivalent (FTE)



Source: Provided by Inverness College UHI.

At college level, activity is counted by the respective funding methodologies for FE and HE. FE activity is funded by 'credits' (1 credit = 40 hours of learning) and HE is funded by FTE. This provides a more accurate picture of student activity than simply counting course enrolments or students 'heads', as, particularly at FE, the number of hours of learning associated with courses ranges from 10 to 720.

With regard to **Figure 2.2**, the FE funding methodology changed from weighted Student Unit of Measurement (WSUMs) to credits in 2015-16. The significant differences between WSUMs and credits make an approximation of FTE at FE level across the methodologies very difficult.

Growing Sports Provision and Student Numbers

Among other things, Inverness College UHI has a well-established sport curriculum. Academic provision is up to Honours degree level (details of 2016/17 courses are listed in **Table 2.2**). This provision ranges from Sport and Fitness to Outdoor Pursuits, and from Coaching and Developing Sport to Sports Management.

Table 2.2: Inverness College UHI – Existing Sports Curriculum (2016-17)

Award	FE/HE	SCQF	Course
NATIONAL 4 / Skills for Work National 4	FE	4	Introduction to Sport Fitness and Outdoor Studies
National Certificate	FE	4	Preparation for Uniformed and Emergency Services
National Certificate	FE	5	NC Outdoor Pursuits
National Certificate	FE	5	Sport & Fitness
National Progression Award	FE	6	NPA Sports Development (school link)
Higher (Group Award)	FE	6	Sports Studies
Higher National Certificate/Diploma	HE	7/8	HNC/D Coaching and Developing Sport
Higher National Certificate/Diploma	HE	7/8	HNC/D Fitness Health and Exercise
Bachelor of Science (Honours)	HE	7-10	BSc (Hons) Sport and Fitness
Bachelor of Arts (Honours)	HE	8-10	BA (Hons) Sports Management

Note: SCQF – Scottish Credit and Qualification Framework levels.

Source: Inverness College UHI Positioning Paper

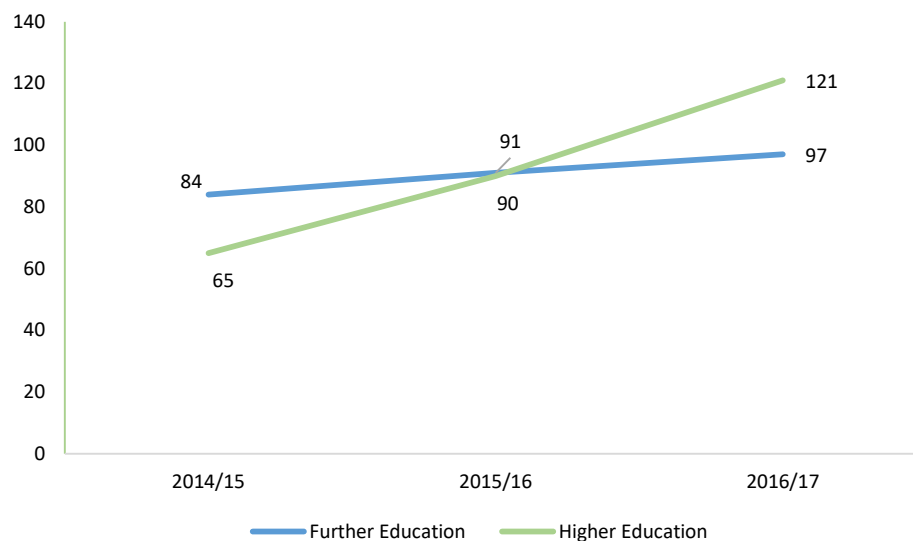
The curriculum is tertiary in nature, providing a range of access points and enabling progression between all levels and to any course within the next level of study, as well as into employment.

Within the overall growth in student numbers, Inverness College UHI has experienced considerable growth in student numbers on sports programmes over the last three years. This demonstrates a continuing growing interest in, and demand for, the institution's well-established (and indeed growing) sports curriculum, and related sports career opportunities.

Key points to note from **Figure 2.4** are that:

- the growth in HE student numbers on sports programmes is significant (from 65 to 121, +86%), and is in line with the institution's strategic priority to grow its university level provision; and
- the growth in FE student numbers on sports-related programmes has been more limited (from 84 to 97, +15%) – and is in line with the cap on growth at FE level.

Figure 2.4: Inverness College UHI – Student Numbers on Sports Programmes



Source: Inverness College UHI Positioning Paper
Note – 2016/17 FE figures do not include January starts.

Given Inverness College UHI's growing track record in the delivery of sports courses, there are plans to introduce further provision aligned to the health and well-being agenda. Key developments include:

- a new pathway in 2017/18 - the HNC Soft Tissue Therapy award which is an industry-recognised qualification endorsed by the Sports Massage Association¹⁰. It focuses on the assessment and treatment of musculoskeletal conditions arising from sporting activity.

During the course, there is an opportunity to further develop and deliver exercise rehabilitation programmes and enhance essential industry experience by running college-based sports injury clinics, developing skills in clinical assessment, devising treatment plans and providing physical therapies. There is the potential for students to be involved in pre- and post-match and touchline support for local sporting events and/or work with local professional and amateur sports teams. Students successfully completing the award will have the opportunity to progress to the BSc (Hons) Sport and Fitness/Sport Rehabilitation pathway;

- the pathway will be extended in 2018/19 with the introduction of the HND Sports Therapy award;
- the BSc (Hons) Sport and Fitness degree will be further developed to provide a BSc (Hons) Sports Rehabilitation option as a progression pathway from the HNC/D Soft Tissue Therapy/Sports Therapy awards;
- other potential developments include offering a suite of degrees including Nutrition, Dietetics, and Sports Science; and
- ability to bring in industry expertise to complement learning in the sports coaching and support areas throughout the UHI network.

Postgraduate and Research

Inverness College UHI's research strategy aims to build research capacity across appropriate curriculum areas. Current areas in which this has been successfully achieved include Forestry, Environmental Science and Literature.

¹⁰ The professional association for soft tissue therapists, and focuses on the area of sports massage

The institution's growing sport and health-related curriculum (plus its involvement as a key partner in the proposed Centre for Health Science Phase II – **Section 2.2.4**) means that Sport has been identified as a priority area for the development of research in Inverness College UHI's new strategic planning period (2017/20).

Some activity is already being progressed, including staff involved in an internally funded research project into the effects of Post Activation Potentiation (PAP) on countermovement jump in developmental swimming athletes.

The institution will seek funding, potentially alongside the Inverness Campus sports development project, to recruit staff with an appropriate research profile to take forward further research, including the development of a Masters by Research that may include a taught postgraduate component.

Building on Current Work between the College and sportscotland's Institute of Sport

sportscotland's Institute of Sport was developed to provide a world-class environment for Scottish athletes – providing high performance expertise to sport and athletes in Scotland with the ultimate goal of seeing more Scottish teams and athletes winning on the world stage.

Inverness College is a regional partner of the Institute of Sport, and the development of new, high quality sports facilities at Inverness Campus will provide more opportunities to build on the current work between the two organisations.

2.2.2 A Growing Population

Inverness has experienced considerable population growth over the last decade. Key points to note from **Table 2.3** are that:

- the total population of Inverness has increased from 63,901 (2003) to 74,857 (2013). This represents a +17% change (circa +11,000 people); and
- this growth has been driven by increases in the child, working age, and pensionable age populations (most notably among those of pensionable age).

Table 2.3: Inverness Population Change (2003 and 2013)

	Population in 2003	Population in 2013	Population change (no.)	Population change (%)
Children	12,090	13,601	+1,511	+12%
Working age	41,429	48,780	+6,851	+16%
Pensionable age	9,882	12,476	+2,594	+26%
Total	63,901	74,857	10,956	17%

Source: SNS

Sustained population growth in Inverness is projected to continue for some time to come. Key points for Inverness are that (**Table 2.4**)¹¹:

- the population of the city is expected to increase from 74,265 (2010) to 96,060 (2035). This represents a projected increase of +29% (circa +21,800 people) – by far the largest projected growth across all of the Highland region; and
- the projected growth will be primarily driven by an increase in the pensionable age population – continuing the general trend towards an increasingly ageing population.

Table 2.4: Inverness Population Projections (2010 and 2035)

	Population in 2010	Population in 2035	Population change (no.)	Population change (%)
Children	13,368	16,330	+2,962	+22%
Working age	49,015	54,754	+5,739	+12%
Pensionable age	11,882	24,976	+13,094	+110%
Total	74,265	96,060	+21,795	+29%

Source: Highland Council Population Projections Report, 2012

¹¹ http://www.highland.gov.uk/download/downloads/id/11051/council_area_population_projections_2010

The population of Inverness has increased significantly over the last decade and is projected to grow further. This places increasing pressure on the demand for, and use of, existing facilities (including sports facilities).

With an increasing ageing population, there will also be increased demand for health and care services in particular. Therefore, among other things, there are opportunities for the sports facilities at Inverness Campus to support older people to be more active into later life.

2.2.3 Sports Facilities in Inverness

Existing and Planned Provision

There is a mixed picture regarding sports facility provision in Inverness.

West Inverness is well catered for¹², and there are a number of other proposals to enhance provision further, including:

- proposals for the development of a RSF;
- works are underway on the Canal Parks Rugby Project; and
- the new Inverness Royal Academy will provide a further two synthetic pitches. Our understanding is that the pitches will be compliant for both rugby and football training (but not IRB compliant for official rugby matches).

There is much less provision in East Inverness. The main sports facility provision in East Inverness are listed in **Table 2.5** (there are also a few private sector personal trainers).

¹² The most important facilities are Inverness Leisure Centre, with the adjacent Queen's Park athletics stadium, the Bught Park grass pitches and artificial turf pitch, together with further pitches in Canal Park and the Northern Meeting Park. Plus Inverness Ice Centre.

Table 2.5: Sports Facilities in East Inverness

Facility	Operator	Facilities	Distance from Inverness Campus
Culloden Leisure Centre (part of Culloden Academy)	Public sector	<ul style="list-style-type: none"> • Four-court multi-purpose games hall • Gymnasium hall • Fitness suite • 20 metre swimming pool with viewing area 	4.6 miles
Grass Pitches at Culloden	Public sector	<ul style="list-style-type: none"> • Grass pitches • Changing rooms 	2.9 miles
DW Sports Fitness	Private sector	<ul style="list-style-type: none"> • Gym/fitness suite • Swimming pool • Spa facilities • Studios (group fitness) • Cafe 	2.6 miles
Bannatyne Health Club And Spa	Private sector	<ul style="list-style-type: none"> • Gym/fitness suite • Swimming pool • Spa facilities • Studios (group fitness) • Café 	1.2 miles
Jury's Inn, Inverness	Private sector	<ul style="list-style-type: none"> • Juvenate Health and Leisure Club • Swimming pool • Gym • Studios (group fitness) • Spa 	2 miles

Source: EKOS web search

An additional synthetic pitch is proposed at Culloden Academy.

With the exception of the sports facilities within the Inverness College UHI campus, there is no other sports provision at Inverness Campus.

This might, however, change in the short-medium term. Plots 11 and 12 have been allocated by HIE for a hotel development at Inverness Campus (next to the allocated plot for sports development). It is likely that the hotel might have some, but limited sports facilities (e.g. small pool, gym) – however, these facilities are likely to be for customer use only. There is therefore the potential for hotel customers to make use of any new sports facilities developed at Inverness Campus.

Inverness' population has grown fast. Of note, is considerable new housing developments (and new schools) planned for East Inverness over the next 10 to 15 years. These developments will likely attract more working age adults (and families) to the city. With the scale of planned developments in mind, there will be a pressing need to provide wider community and leisure facilities, including sports facilities to meet the needs of existing and new communities.

Inverness Sports Pitches Review

The Inverness Sports Pitches Review (2013)¹³, which examined the current and future supply and demand for sports pitches in the city, identified the following points which support the case for the development of additional pitches in Inverness:

- the severity of the winter season in Inverness and the darker nights means that there is far less winter match play in football than elsewhere in Scotland;
- there are also severe limitations on access to appropriate indoor and outdoor training facilities for all sports (football, rugby, hockey, shinty, etc);
- there has been a shift elsewhere in Scotland away from grass pitches towards modern appropriate synthetic provision that supports much higher levels of quality play and training (year round);
- in Inverness there is clear evidence of play simply stopping or being greatly constrained in winter – more synthetic provision (floodlit) is identified as an absolute priority as it:
 - supports match play and training all year round
 - supports more play – grass pitches can only sustain around three matches per week in the winter, while synthetic pitches can cater for 30+ matches per week
 - generates higher income than grass pitches (£1,000 per week compared to £100); and
- the majority of clubs in all sports¹⁴ indicated that they are committed to club development and, if more (and better quality) pitches were available then significant growth in participation is anticipated.

¹³ Porteous Leisure, Final Report to The Highland Council and High Life Highland, Inverness Sports Pitches Review, 3 September 2013.

¹⁴ Feedback was gathered from interviews and an online survey.

The Inverness Sports Pitches Review concluded that Inverness does not have sufficient quality capacity for pitch sports, and that there is a strong case for significantly expanding the provision and quality of pitches for all sports in the city. This is based on the anticipated growth in club development/participation alongside the projected continuing growth in the city's population.

It identified an opportunity to create within the city a set of outstanding pitch sports facilities that will meet the needs of sport in Inverness for years to come. It suggests the need to more than double the capacity for play while also improving significantly the quality of the surfaces on which games and training take place.

2.2.4 Key Existing and Planned Strategic Developments

Ongoing Development of Inverness Campus Site

The Inverness Campus site currently provides employment for approximately 650 people, most of whom are likely to live in Inverness and the surrounding area. It is therefore a significant local employer. When significant neighbouring local employers (e.g. Raigmore Hospital, LifeScan Scotland, Centre for Health Science) are taken into account, this figure rises to approximately 4,600.

As highlighted in **Chapter 1**, there are a number of “pipeline” projects that, should they come to fruition, will continue to add to the mix of uses, users, and [vibrancy of the Inverness Campus community](#) (“Campus personality”). Importantly, new projects will also create more jobs in the local economy.

Location is critical when commercial propositions are being thought through, and access to amenities, including sports facilities on-site, will be an added attraction for potential investors (and for attracting workforce).

One such “pipeline” development at Inverness Campus is an opportunity for a private sector operated [hotel](#), which will bring more people onto the Campus for social and leisure purposes. HIE plans to market the opportunity in summer 2017.

Campus students and employees (current and future) – and hotel guests - are therefore key user groups for the development of sports facilities at Inverness Campus.

Another significant planned development at Inverness Campus includes proposals for a [Centre for Health Science \(Phase II\)](#). Significant progress is being made with funding, and the project is on target for an anticipated launch date in 2019/2020. The Centre for Health Science Phase II is a collaborative proposal between NHS Highland, UHI and HIE (Campus Plots 3, 4 and 5). Key components of the major, multi-functional health proposal include¹⁵:

- NHS Highland plan to establish a new elective care centre, specialising in orthopaedics and ophthalmology on Inverness campus – a 32 bedded unit, with three surgical operating theatres, day case and outpatient facilities. This facility will provide services to those living in the North of Scotland. Discussions are progressing around the potential to co-locate primary care and associated research facilities on the Campus (although nothing has yet been agreed);
- UHI plan to create space for research, development and commercialisation, including a pre-incubator. The aspiration is to establish a centre of excellence in innovation and commercialisation in health and life sciences, to support emerging Highland businesses and attract new businesses. It will provide: a state of the art research, development and commercialisation centre (including product development small manufacturing capability), a space for clinical research directly linked to applied health, and life science; a professional commercialisation resource; product development technical support; and a development pipeline for the new products and services, spin-outs and technology; and
- HIE will create dedicated space for commercial use by life science companies that are incubating or in their early stages of growth.

There is an opportunity for the Campus development to focus research on the specific and unique challenges around sport and physical activity in the Highlands and Islands – a unique selling point which the Campus could have ownership over.

¹⁵ Centre for Health Science Phase II, Outline Project Brief, Draft Version, 3-30 March 2017.

The co-location of partners and activities within the Centre for Health Science Phase II (either a single dedicated purpose-built building, or a number of co-located, linked buildings) has the potential to leverage significant engagement between the NHS, academia and the private sector. It will embrace clinical, research, education and commercial healthcare activity. It is likely that sport will play an important role in helping to shape the proposal, with opportunities created through the connection between health, well-being and exercise, and specifically pre- and post-rehabilitation.

East Inverness Developments

The Highland Council is preparing the East Inverness Development Brief¹⁶ (available in draft form by summer/autumn 2017) which sets out what types of development would be appropriate (i.e. green spaces, education provision, paths, roads and other facilities) within the area over the next 10 to 20 years as the population grows. This will inform the basis of future planning decisions. The East Inverness Development Brief confirms support for the delivery of sports facility in the east of the city¹⁷. This is in light of the current lack of provision in East Inverness and the findings of the Inverness Sports Pitches Review (2013) which concluded that it would be reasonable to double the sports pitch capacity in the city over the next 10 to 20 years. The Highland Council consider there to be short and medium/long term opportunities around sports development in East Inverness.

Table 2.6: East Inverness Sports Development Opportunities

East Inverness Sports Development Opportunities	
Short-term	<ul style="list-style-type: none"> That the Inverness Campus planning permission already includes an available and serviced site for sports pitches adjoining the East Link route and this offers potential for short term provision to support existing and new communities including Inverness College UHI students and their agenda to support student health and wellbeing. This would serve the existing residential neighbourhoods at Westhill, Cradlehall and Inshes and the Campus area itself. Proposals are also progressing to deliver a synthetic pitch at Culloden Academy, which would enhance the range of all year round, useable facilities.
Medium-term	<ul style="list-style-type: none"> To deliver sports facilities in an optimum location at or close to the Hub (potentially at Ashton Farm (north of Inverness Campus site). This would offer potential for shared community and school uses and would be in a central location for existing and new communities.

Source: The Highland Council, Inverness East Development Brief – Update, City of Inverness Area Committee – 23 February 2017.

¹⁶ The Highland Council, Inverness East Development Brief – Update, City of Inverness Area Committee – 23 February 2017.

¹⁷ www.highland.gov.uk/directory_record/712056/inverness_east_development_brief

The Highland Council will ask developers to make a financial contribution to offset the impacts of their proposals. This will include for community facilities, including sports facilities (including towards any developments at Culloden Academy and Inverness Campus). Some committed developer contributions may also be available.

Housing Developments

Data provided by The Highland Council shows that there has been considerable housing development in the growth areas of Inverness surrounding the Campus over the period 2001 to 2017 – this equates to around [8,852 new houses](#)¹⁸.

The Inner Moray Firth Local Development Plan (2015)¹⁹ sets out the policies and land allocations to guide development in the Inner Moray Firth area over the next 20 years. In relation to future housing developments in East Inverness, the following is noted (see **Table 2.7** on next page).

¹⁸ http://www.highland.gov.uk/downloads/file/11468/monthly_housing_completions

¹⁹ http://www.highland.gov.uk/info/178/local_and_statutory_development_plans/202/inner_moray_firth_local_development_plan

Table 2.7: Future Housing Developments Planned in East Inverness

Site in East Inverness	Housing Capacity
Tornagrain	4,960
Croy	150
Ashton Farm and Adjoining Land	1,300
Stratton	2,475
Milton of Culloden	375
West of Castlehill Road	17
Inshes Small Holdings	100
West Inshes Farm (north)	109
West Inshes Farm (south)	95
Land at Housing Expo Site	40
East of Milton of Leys Primary School	16
Bogbain West	75
Easterfield Farm	21
Caulfield Road	4
Resaurie	64
Stratton Lodge	25
Former Forestry Commission Depot, Smithton	23
Land east of Smithton Free Church	15
Upper Cullernie Farm	12
Total	9,876

Source: The Highland Council, Inner Moray Firth Local Development Plan, July 2015

As highlighted earlier, the recent and planned housing developments in East Inverness point to the need for additional community and leisure facilities, including sport provision.

School Developments

The latest update on the East Inverness Development Brief identifies growing pressure in terms of primary and secondary education provision across East Inverness. Any new school provision is likely to include some indoor and outdoor sports facilities provision which will add to the mix of sports provision in East Inverness.

Road Infrastructure Developments and Improved Connectivity

Major strategic road improvements will be made to enhance links between Inverness and other parts of Scotland, including the Inverness to Perth A9 (which will reduce journey times between the Highlands and the Central Belt) and Inverness to Aberdeen A96 truck roads (creating dual carriageway). In addition, the planned A9/A96 link road – better known as the “East Link”²⁰ - is a key project within the Inverness and Highland City-Region Deal, and will improve connectivity within Inverness, providing significantly improved access to and from the Campus and unlock new areas for economic development. A large proportion of the city’s future employment, housing and infrastructure growth will be in this area, and the East Link will help facilitate this expansion. These projects, together with the “West Link” road, are of critical importance to enabling Inverness to grow and act as an economic catalyst for the region.

2.2.5 Highland Football Academy

The Highland Football Academy, was established in April 2002 as a Company Limited by Guarantee and a registered charity. It is a partnership between The Highland Council, Inverness Caledonian Thistle Football Club and Ross County Football Club. The Academy was established in two phases:

- phase 1 saw the construction of a floodlit grass pitch, outdoor training area and indoor arena at Victoria Park in Dingwall a fitness suite, a sports injury clinic, meeting rooms, offices and a learning suite; and
- phase 2, which was completed in January 2006, involved the building of two high quality grass pitches, a grass training area and a floodlit new generation artificial pitch within the grounds of Charleston Academy in Inverness.

The Highland Football Academy’s principal funders have been the sportscotland Lottery Fund, the Scottish Football Partnership, HIE, The Highland Council, Highland 2007, Inverness Common Good Fund, The Robertson Trust and Futurebuilders Scotland.

²⁰ A key project within the Inverness and Highland City-regional Deal.

The Academy provides the infrastructure and creates a hub of football development across the Highlands and aims to identify and develop young talent as well as promote health and fitness to the whole community.

The development of football facilities as part of the Inverness Campus will further enhance the work of the Academy and provide access to high quality indoor and outdoor training and match play facilities, educational resources to support not only player pathways but coach and club development. The project also provides a unique opportunity to combine a range of academic studies with player development programmes.

2.3 Project Objectives

A good starting point for any project is to have a clear set of objectives. This ensures clarity of purpose from the outset, clarity on what the project aims to achieve, and a common and shared understanding among partners. Taking all of the issues and potential opportunities outlined in some detail on the previous pages into consideration, a set of project objectives for the development of sports facilities at Inverness Campus have been developed:

1. To enhance Campus lifestyle (“personality”).
2. To contribute to curriculum (secondary to postgraduate) and research growth.
3. To encourage strong Campus and community use and participation.
4. To support recreation and performance sport.
5. To improve the health and well-being of local people.
6. To complement sports facilities elsewhere in the city.
7. To align with the development of businesses in the health sector.
8. To strengthen the UHI infrastructure and sports education locally throughout the Highlands and Islands.

It is important to recognise that a phased approach to the development of sports facilities at Inverness Campus will have implications for the timing of when all of the project objectives will be achieved.

3. Strategic Appraisal

This Chapter sets out the Inverness Campus sports facilities development's fit with, and contribution towards, policy priorities and objectives. The key message is that there is a clear and strong policy fit at all levels, as is considered below.

Firstly, it is worth highlighting a recent review of literature and research (2017) around sport and physical activity which found that they can bring about positive changes across a range of aspects²¹:

- preventing death and diseases (prevention of premature death and prevention and management of chronic diseases including cardiovascular disease, diabetes, cancer, hypertension, obesity, depression and osteoporosis);
- reducing health harming behaviours (drugs, smoking), anxiety, social isolation, depression, suicide, dementia and Alzheimers;
- improving mental health, behaviour at school, and engagement in school learning;
- developing team work, social, and communication skills;
- building social capital, connectedness, and sense of belonging; and
- making savings for the NHS.

3.1 National Sports Governing Bodies Strategies

The strategies/plans of the National Governing Bodies of Sport are of particular relevance, as Sports Facilities Strategy documents (where available) in particular identify the need for indoor and outdoor facilities to support the continued development of sport.

²¹ https://sportscotland.org.uk/media/2274/sport-for-change_executive-summary.pdf

3.1.1 Scottish Football Association

Scotland United: A 2020 Vision (2015 - 2020)

A 2020 Vision²² sets out the SFA's aim to steer football towards a more prosperous future at all levels, including a productive pathway from a grassroots level. A 2020 Vision seeks to “*raise standards in the national game at all levels*” - to promote, foster, and develop football in Scotland - underpinned by four pillars, two of which are of particular relevance:

- **perform and win** - make Scotland a world-class football nation, qualifying for major tournament finals, founded on a successful performance culture (e.g. improving performance, elite player development, and developing high-quality coaches); and
- **strong quality growth** - providing the opportunities and facilities to make the national sport accessible to all, through encouraging greater participation, providing better year round facilities, and developing the football pathway.

The Big Pitch: Where the Game is Played (2013)

The Big Pitch²³ is the SFA's first Facilities Strategy and aims to improve the quality, quantity, access to and availability of, facilities for all non-professional football. It identifies the many problems that continue to have an impact on playing football:

- quality and maintenance of natural grass pitches²⁴;
- quality and availability of changing facilities - poor condition, with many too small for today's larger playing squads and the increase in participation, and are also often isolated and vandalised;
- lack of sufficient 3G standard provision;
- lack of floodlit training areas;
- lack of dedicated indoor provision; and

²² <http://www.scottishfa.co.uk/resources/documents/SFAPublications/ScottishFAPublications2015-16/Scotland%20United%20II.pdf>

²³ <http://scottishfa.co.uk/resources/documents/Facilities/4000-SFA%20Big%20Pitch%20FINAL.pdf>

²⁴ Many are 'not fit for purpose': poor drainage, uneven and/or muddy goalmouths, unevenness of surface, and poor/inadequate maintenance. The Scottish climate and the amount of football that takes place on natural grass pitches are incompatible/unsustainable, and will not support growth in participation.

- closures of facilities during holiday periods – especially school provision.

The Big Pitch identifies the need for a mix of high quality natural grass and STPs across Scotland, with the latter being a minimum of 3G standard – for training and match activity. Synthetic pitches are considered to have the added benefit of being able to support continuous play for up to 12 hours every day, 7 days a week (grass pitches cannot support that level of training and match activity), as such the Strategy confirms its support for the wider development of a network of synthetic pitches.

It points to the flexibility offered by the STP surface in terms of game size (4s, 7s, 11s), and the capacity for repeat play without detrimental effect to the playing surface (so long as an appropriate pitch maintenance programme is in place). One synthetic pitch can support the activity on four grass pitches in terms of weekend playing capacity.

“By 2020, the key end date of Scotland United, half of all recreational football will be played by teams from well-run community clubs. These clubs will cater for players of all ages and both sexes on quality natural grass or high capacity synthetic turf pitches, complemented by appropriate changing facilities.”

The Big Pitch specifies the potential for a stronger alliance between football, rugby and hockey (the exception being at performance/elite level). There have been advances which see football moving closer to both rugby and hockey which traditionally have been at opposite ends of the spectrum in regard to synthetic turf pile height. For example: there have been advances in ‘hybrid’ synthetic turf that can support football and hockey at a development level; and 5mm reduction in minimum pile height for IRB Regulation 22 compliance (from 65mm to 60mm) means that synthetic surfaces can cater for dual use in terms of rugby/football.

The Strategy sets out a number of goals for developing football in Scotland – the development at Inverness Campus will contribute to promoting the building of new, high quality, football facilities, and better connected - working in partnership to address facility related challenges.

3.1.2 Scottish Rugby Union

The Scottish Rugby Union (SRU) do not have a Facilities Strategy, however, the SRU [website](#) sets out guidance that sports clubs should operate in the most appropriate places within the local community - *“facilities should be accessible, affordable, fit for purpose, and enjoyable for members and future members with varied needs”*.

Inspiring Scotland Through Rugby: The Journey to 2016 (2012)

The SRU's Strategic Plan to 2016 "*Inspiring Scotland Through Rugby*"²⁵ reports that increasing both male and female participation in rugby can only be achieved through greater partnership working with sub-national clubs/organisations. The Plan sets out five key aims, of which two have relevance for Inverness Campus:

- **winning teams** - at both club and national levels, to be achieved through developing coaching and scouting networks, establishing professional pathways to develop coaches and players; and
- **thriving club game at all levels** - adult rugby, club and school rugby, and age grade rugby. Increasing the number and quality of all teams playing rugby, supporting the delivery of rugby locally, improving the quality of players and coaches, and developing both male and female talent on a regional basis through developing local partnerships.

The cornerstone of the Plan is to increase participation of rugby among both male and female participants, and to develop a thriving club game. The development at Inverness Campus would provide an all-weather 3G pitch, allowing for year-round training and match play. Indoor 3G provision would also support rugby training – easing the pressure on grass pitches. Increased partnership working and targeted interventions (e.g. Active Schools, clubs) would attract more people to participate in the sport – developing pathways and club development.

More generally, National Governing Bodies of Sport strategies all place particular emphasis on:

- Widening participation in sport and physical activity – from grassroots to elite, from an early age to later life, and for under-represented groups.
- Ensuring that facilities are accessible and affordable for all.
- Improving the quality and quantity of facilities to support the continued development of sport.
- Providing better year round facilities.
- Ensuring a mix of grass and STPs (minimum 3G) that can cater for match play and training.
- Ancillary facilities to support coach, club, athlete development.

²⁵ <http://www.scottishrugby.org/sites/default/files/editor/docs/book.swf>

3.2 National Strategies

Sporting Future: A New Strategy for an Active Nation (2015)

The UK Government's Strategy for increasing physical activity - [Sporting Future](#)²⁶ - aims to ensure that everyone can benefit from the power of sport, to increase participation, and use sport to help change lives for the better.

This requires an increased focus on five outcomes: physical wellbeing; mental wellbeing; individual development; social and community development; and economic development.

[There is a particular focus on increasing engagement with those who typically undertake little or no activity](#) - including women and girls, disabled people, those in lower socio-economic groups, and older people. The Strategy highlights the importance that [early years' participation in sport and physical activity can have on encouraging long-lasting participation](#). It suggests that engagement in sport and physical activity should be considered as a journey - the importance of being active from an early age will encourage lifelong participation.

The Strategy emphasises the importance of broader engagement with sport – volunteering is recognised (for the first time) as a specific form of engagement to be encouraged for its own sake, rather than simply to enable others to participate e.g. benefits include building social inclusion and community cohesion, skills development (technical and other skills), and enhancing employment prospects.

[The importance of facilities in encouraging participation in sport and physical activity is also recognised](#), with the quality, suitability and type of infrastructure likely to have an impact on encouraging “returners” to physical activity. [Multi-sport facilities catering to a range of sports and interests are encouraged, in order to provide service users with the broadest choice of activities](#). The Strategy also recognises (and encourages) the growing trend towards use of artificial surfaces and outdoor facilities which help facilitate year-round participation.

²⁶ <https://www.gov.uk/government/publications/sporting-future-a-new-strategy-for-an-active-nation>

The proposals for Inverness Campus include the development of high quality, accessible and affordable multi-sports and physical activity provision catering for year round participation (indoors/outdoors). Catering for a range of sports and physical activity would provide people living in East Inverness (and beyond) with a broad choice of activities, and will open up the various sports and physical activities to more people (all ages, abilities and circumstances) – including those who typically undertake little or no activity.

Active Scotland Outcomes Framework (2014)

The Active Scotland Outcomes Framework (2014)²⁷ describes Scotland’s ambitions for sport and physical activity. The vision is for “*A More Active Scotland’, where more people are more active, more often*”. It is recognised that increased physical activity contributes to personal, community, and national wellbeing. The framework sets outcomes for sport and physical activity in Scotland over the next 10 years:

- encourage and enable the inactive to be more active;
- encourage and enable the active to stay active throughout life;
- develop physical confidence and competence from the earliest age;
- improve our active infrastructure – people and places;
- support wellbeing and resilience in communities; and
- improve opportunities to participate, progress, and achieve in sport.

The outcomes contribute towards the Scottish Government’s National Indicator of *Increasing Physical Activity* (proportion of adults meeting physical activity recommendations), and the National Outcome - “*we live longer, healthier lives*”. Increasing physical activity is an important indicator for a number of reasons:

- it is a key legacy aspiration for the Commonwealth Games 2014;
- there are many health benefits - reducing the impact on sedentary lifestyles and reducing the risk of health issues (e.g. type 2 diabetes, heart disease, blood pressure); and
- emerging evidence that physical activity delivers better outcomes for mild depression than prescribed medication.

²⁷ <http://www.gov.scot/About/Performance/scotPerforms/partnerstories/Outcomes-Framework>

The Inverness Campus project will provide users of all ages and abilities with more and varied opportunities to participate in sport and physical activity – for recreation and pathways for progression. Partnerships and connections will be developed to ensure that, for example children and young people can access the facilities (e.g. via Active Schools) and they would have a broad choice of sports and physical activity to try. It would also cater for those who are currently active to sustain their activity levels, and at the same time provide opportunities and targeted interventions to support the inactive to be more active, and remove barriers to participation. The current Campus layout already encourages a level participation in informal physical activities e.g. walking, cycling and jogging.

National Physical Activity Implementation Plan – A More Active Scotland (2014)

Scotland's first ever [National Physical Activity Implementation Plan](#)²⁸ seeks to capitalise on the Government's legacy ambitions following the 2014 Commonwealth Games. The Plan has the overarching vision that "[the people of Scotland enjoy more active and healthier lives](#)", and sets out five delivery themes to help achieve this vision, two are of relevance to Inverness Campus:

- [environment](#) - Scotland's natural and built environments promote increased levels of physical activity:
 - by 2019, more people will know about and use local opportunities to be more active, and urban and rural environments will be designed to increase physical activity
 - by 2024, better designed environments will encourage greater physical activity and more people will be active; and
- [sport and active recreation](#) - everyone in Scotland will be more active in their leisure time:
 - by 2019, more children will have opportunities for active and outdoor play, there will be an increase in grass-roots participation among people of all ages, and the coaching and volunteer workforce will have the knowledge and skills to promote increased physical activity
 - by 2024, more children and adults will routinely take part in sport or other forms of active recreation.

²⁸ <http://www.gov.scot/Topics/ArtsCultureSport/Sport/MajorEvents/Glasgow-2014/Commonwealth-games/Indicators/PAIP>

The existing parkland at Inverness Campus and proposals for new sports facilities include a mix of indoor and outdoor provision that caters for active sports (football, rugby, hockey), and active travel and active recreation (cycling, walking, running). Therefore, it would provide people of all ages and abilities with a broader choice and offer, and would encourage more people to be more active – in a way that suits their needs, abilities, and varied interests. The proposals also include ancillary provision, including class-room type space – this would be used for club, coach, and individual development – with relevant connections made with local schools, sports clubs, and the SFA, SRU, etc.

Scottish Disability Sport Strategy Plan 2017/2021

Scottish Disability Sports' Strategy Plan – Inspiring Through Inclusion (2017/2021)²⁹ sets out the organisation's aspirations for leading and developing inclusive opportunities and improving performance. This is with a view to ensuring that anyone with a disability can participate in sport and physical activity.

Three key areas of focus are of relevance for the development of sports facilities at Inverness Campus:

- **engage and participate** - including through the provision of increased quality sporting opportunities, and building capacity to support clubs and sessions to become inclusive;
- **progress and perform** – including through supporting athletes to progress along a sporting pathway to achieve their full potential; and
- **coaching, education and learning** – including ensuring that disability inclusion is embedded in education, development. and delivery.

The development at Inverness Campus will have a disability and inclusive sports focus - developing opportunities and improving performance in disability sport for people with a disability.

²⁹ <http://www.scottishdisabilitysport.com/wp-content/uploads/2016/07/SDS-Strategy-Plan-2017-HD-Final.pdf>

sportscotland Corporate Plan 2015/2019

sportscotland's Corporate Plan 2015/2019 - Raising the Bar³⁰ - recognises that sport makes a positive and valuable contribution to personal, community and national wellbeing in Scotland, and has an overarching vision of: *"a Scotland where sport is a way of life, where sport is at the heart of Scottish society and has a positive impact on people and communities"*, with a mission to *"build a world class sporting system for everyone in Scotland"*.

The Plan sets out three priorities for improvement by 2019:

- **equalities and inclusion** - ensuring sport is accessible to all, recognising that inequality and discrimination exist in sport, and the importance of widening access;
- **people development** - developing capability and leadership within sport by providing high-quality learning and development opportunities for participants and athletes, but also for those leading and delivering sporting activity (including a focus on developing young people as leaders in sport); and
- **collaboration and impact** - working in partnership to continue improving how to use collective resources, strengthening collaboration, linkages and connections, and measuring the impact of sport.

³⁰ <https://sportscotland.org.uk/media-imported/1568147/raising-the-bar-corporate-plan-2015-19-lweb.pdf>

Investment in sporting infrastructure and encouraging people to develop the skills, motivation and confidence to participate in sport or physical activity will contribute to two Outcomes of the Active Scotland Framework:

- [participation](#) - everyone will have the opportunity to get involved and participate in sport and stay involved throughout their life; and
- [progression](#) - everyone will have the opportunity to develop, progress and achieve success at their chosen level in sport.

sportscotland also identify the importance of local sports clubs and communities in the provision of sport, describing these as an “essential part” of the sporting system. Raising the Bar specifies that improving the quality of local facilities helps integrate sports clubs within local communities, and encourages formal links and connections to encourage young people to develop pathways into sport at a higher level.

It prioritises activities that develop the capability and leadership within sport through the provision of high-quality learning and development opportunities that meet the needs of the sport workforce and those participating in sport. This activity develops technical and non-technical skills (e.g. confidence, leadership, motivation) which will benefit education/employment prospects of those involved.

sportscotland operates three national centres, one of which is in the Highlands & Islands: [Glenmore Lodge](#) is Scotland’s National Outdoor Training Centre - it offers world class training in outdoor adventure sports (personal skills training, qualifications), including in kayaking and canoeing, mountaineering, ski touring and off piste, and mountain biking.

sportscotland supports Community Sports Hubs within the Highlands, including one in Inverness. The aims of the Community Sport Hubs in the Highlands are to:

- encourage a more coordinated approach to the development of sport and physical activity within Highland Communities;
- investigate if the sport and physical activity opportunities are meeting the local need;
- provide a forum for all local sports clubs and partners to meet, share good practice, information and exchange ideas;
- support local Community Clubs to deliver quality sports provision;

- collectively increase the quality and amount of sporting and physical activity opportunities within our local communities and increase participation levels; and
- create a package of quality sport and physical activity opportunities that is well promoted, easily accessible and caters for all within the community.

[Inverness Royal Academy Community Sports Hub](#) was established in late 2015 and was developed in partnership with the school, High Life Highland, community clubs and national governing body staff, to provide:

- a vibrant facility that meets the needs of its users and promotes local sporting opportunities.
- effective pathways between schools and clubs, allowing young people to reach their potential; and
- a home for sport in the local area where clubs can meet to share ideas, resources and promote their sport to the local community.

A community engagement meeting was then held in early 2016 and there was clear buy in to the project from a range of clubs & stakeholders: Sports: Tennis, badminton, football, basketball, gymnastics.

sportscotland is supportive of the development of “hubs” that cater for a range of sports and physical activity – these offer more potential to increase participation, provide opportunities for progression in sport, and support club/coach/volunteer development. The Inverness Campus project complements existing sporting provision/infrastructure in the city, and will connect, as appropriate, with other local providers and facilities.

A key component of the Inverness Campus project will be ensuring connections with the Active Schools Coordinator in Highland – to ensure access to the facilities for primary and secondary school pupils, make better links with sports clubs, and to strengthen links with IC UHI.

3.3 Regional Strategies

Active Highland Strategy

Highland Council's Active Highland Strategy³¹ has a strong focus on reducing inequalities and improving wellbeing, and encouraging progression, skills improvement and achievement in physical activity or sport. The role of the natural and built environment, of established and new facilities, and of ensuring access for all are recognised as being critical to the Strategy's success.

The development of sports facilities has a strong fit with all six outcomes:

1. We encourage and enable the inactive to be more active.
2. We encourage and enable the active to stay active throughout life.
3. We develop physical and mental confidence and competence, and personal wellbeing, from the earliest age and throughout the life course.
4. We maintain and improve our active infrastructure – people and places, including the natural environment.
5. We support resilience and wellbeing in communities through physical activity and sport.
6. We improve opportunities to participate, progress and achieve in sport.

The Strategy further highlights areas for the Strategy to develop

- strengthen the awareness of the importance of regular physical activity and the impact it can have across sectors;
- seek to maximise health and inclusion through access to opportunities at all levels; and
- highlight and facilitate role of all professional contact staff and volunteers (NHS, Highland Council, Third Sector, High Life Highland, private partners) to engage in conversations about physical activity and support people to become more active, and signpost to opportunities as appropriate.

³¹ www.highland.gov.uk/download/meetings/id/.../item_12_active_highland_strategy

The development at Inverness Campus will provide new sports facilities for use by those on and off-Campus.

Importantly, it will provide opportunities for students to participate in sport, including those who have not previously shown any interest in sport. Further, it will provide high quality facilities for students (plus ICT Football Club Academy) involved in sports teams/clubs to undertake training and match-play to support progression.

Workplace interventions can have a positive effect on, for example physical activity behaviour, overall fitness, work attendance and job stress. People working on and near the Campus will be able to access the facilities before and after work (and during their lunch breaks). There is some evidence that physical activity programmes at work have been found to reduce absenteeism, and that physically active workers take fewer sick days³². Encouraging employees, in particular older employees to adopt a healthier lifestyle may help to reduce the impact of age-related chronic disease.

Highland Single Outcome Agreement

The Highland Community Planning Partnership's (CPP) Single Outcome Agreement (SOA) 2013/14 to 2018/19³³ has identified intermediate and long-term outcomes to help reduce inequalities and reduce future demand for public services in the future. The focus is on improving people's life chances, for education, for employment and for taking part in community life. The CPP has expressed a commitment to a number of outcomes, including those which aim to:

- widen participation in the labour market across all client groups and across all Highland geographies;
- improve access to services for hard to reach and disadvantaged groups;
- for older people to be geographically and socially connected and for them not to become isolated; and
- reduce health inequalities between targeted areas and the four least deprived areas in Highland.

Inverness Campus is explicitly referenced in the SOA – it is one of a number of key large scale employment growth sites that provide an opportunity to support economic recovery and growth.

³² ERS Research & Consultancy, Health at Work: Economic Evidence Report 2016.

³³ http://www.highland.gov.uk/downloads/file/4613/single_outcome_agreement_3

It makes reference to sustained population growth over the next ten years, and that the expansion of further and higher education provision across the region has an important part to play in mitigating the historic loss of young people.

Developing the Highlands as an international study destination is crucial, as is creating jobs in new, growing sectors of the economy (including life sciences) that will attract and retain talented workers.

Improving access to the environment will help increase physical activity levels for all age groups. Targets for physical activity include increasing the level of physical activity to 50% adults and for 10% journeys made by bike by 2020.

The sports facilities at Inverness Campus will be high quality and accessible to all. This will open up participation in sport and physical activity in its broadest sense to more people (all ages and abilities), including those who typically undertake little or no activity. It will support participation recreationally and pathways for progression. It will also cater for those who are currently active to sustain their activity levels, and at the same time provide opportunities and targeted interventions to support the inactive to be more active, and remove barriers to participation.

The development of sports facilities also sits within the wider Campus environment that supports active travel/recreation – the parkland is designed to support walking, running, and cycling. Taken together, the development of sports facilities will provide a broader choice and offer, and would encourage more people to be more active – in a way that suits their needs, abilities, and varied interests.

The proposals also include ancillary provision, including class-room and office type space – this would be used for club, coach, and individual development – with relevant connections made with local schools, Inverness College UHI, sports clubs, and the SFA, SRU, etc.

The development will also provide opportunities for Inverness College UHI students involved in sports-related courses to gain valuable work experience e.g. delivering fitness classes, etc. Alongside taught classes this type of practical experience is crucial as graduates seek to move into employment upon completion of their course (developing skills for life, learning or work).

Further, it will provide opportunities for ICT Football Club Academy players, in particular those who might not progress further with the Club, to engage in education and training opportunities – to help them secure employment once their football career has come to an end.

With the sports facilities open and accessible to the public, increased footfall on the Campus might encourage more people to consider and take up formal learning opportunities – increasing skills and employability prospects.

NHS Highland

NHS Highland aims to:

- provide safe, sustainable, compassionate, effective, affordable and efficient delivery of health and social care;
- improve population health; and
- reduce health inequalities.

The Highland Care Strategy (2014) outlines NHS Highland's vision for the future delivery of health and social care services for the people of Highland over the next ten years. Key principles of the Strategy include person-centred care and rebalancing services to prevention and early intervention.

Among other things, the Strategy points to changing demography and increasing complexity of illness in an increasingly elderly population as key drivers for the required change in health service provision for the Highlands (and Scotland). It goes on to report that over time health care delivery will be more reliant on in the home and local community settings (than, for example, hospitals). Hence, the continuing focus on:

- prevention and early intervention to maintain and improve people's health and independence;
- on responding to a patient's needs as identified in self-management plans; and
- supporting people to manage their own health and prevent crises.

The Strategy therefore highlights a growing emphasis on, for example: health improvement and lifestyle interventions, encouraging people to take some responsibility for their own health and well-being, provision of preventative services, and partnership working to maximise use of community resources and assets, including other public sector bodies, the voluntary sector, volunteers and local community facilities.

The development of sports facilities at Inverness Campus will provide young children and older people alike with opportunities to adopt a healthier lifestyle – getting people more active and healthier. This will have immediate and long-term positive health benefits and effects for those involved.

It will also provide a valuable resource for local NHS services based in and around the Raigmore campus to deliver partnership activities and programmes with IC UHI and High Life Highland focused on prevention and management of acute and chronic medical conditions.

4. Options Development and Appraisal

This Chapter presents the detail of the options development and appraisal, identification of the preferred option, and its associated benefits and impacts. The information presented on the following pages draws on the wider evidence base outlined in the previous Chapters, and from our stakeholder engagement.

4.1 Developing the Options

Mix of Uses

Based on all of the evidence, and in particular the issues and opportunities outlined in **Chapter 2**, a potential mix of facilities that could be accommodated with the sports development project at Inverness Campus were developed and tested with the Inverness Campus Sports Development Steering Group, **Figure 4.1**.

Figure 4.1: Potential Mix of Sports Facilities



Note: The following points are worthy of further comment:

- [indoor and outdoor 3G pitches](#) – consideration was given to pitch provision that is football and rugby compliant (indoor provision may also be appropriate for some early hockey development programmes);
- [lightweight steel structures](#) were considered for the indoor 3G facility (**Appendix A**):
 - have the added advantages over Airdomes of being more robust and less vulnerable structures
 - the lifespan of both the lightweight steel and Airdome structures are 20-25 years, assuming appropriate maintenance is carried out;
- [a half-size rather than full-size indoor 3G facility](#) was considered because there would be limited demand for match play, and some concerns about the scale of a full-size facility;
- [swimming pool](#) – there was recognition that “wet” facilities would complement the “dry” sports facilities, and that there was a need for new swimming pool provision in East Inverness (i.e. a growing population, swimming pool at Culloden Leisure Centre is 20 metres and is not competition standard). However, this type of provision was rejected for Inverness Campus, as it was felt that this could perhaps feature, for example, as part of a new school development in the future. It was also rejected to keep the capital costs for the project within a realistic cost envelope;
- [sports rehab clinics](#) – this was recognised as an important use, with huge potential for synergies with the sports facilities (i.e. pre- and post-rehabilitation). There is, however, potential for this type of provision to be catered for elsewhere at Inverness Campus. If this proceeds, appropriate links should be made with the sports facilities developed; and
- [revenue surplus/deficit](#) – we have presented two sets of figures for each option - including and excluding lifecycle costs. With any purchase of equipment there is the initial capital outlay cost, however, this is only a portion of the costs over an asset’s life cycle that needs to be considered. The figures presented that have lifecycle costs included cover all of the costs involved over the life of the asset.

Key User Groups

Alongside the “uses” scoped out for the project, the study also considered the range of potential “users” (direct beneficiaries) of the sports facilities at Inverness Campus, as illustrated below.

Figure 4.2: Potential Users




4.2 Options Analysis

The following pages presents the detail of the five options considered as part of the Feasibility Study. Each option is considered in turn, and a summary table is presented at the end of the section, which includes specification details. Consideration is then given to a phased approach to project delivery.


Note: Further detail on the capital and revenue costs, and the revenue surplus (and assumptions) associated with all options is provided separately in Microsoft Excel format. All reference to capital costs, includes an assumed amount for professional fees, contingency budget, and some car-parking space. It, however, excludes costs associated with fixtures, fittings and equipment and VAT.

Option 1		
Description and Facilities	Full Size Outdoor 3G Football/Rugby Pitch, Changing Accommodation and Ancillary Accommodation	
SWOT	<p><u>Strengths</u></p> <ul style="list-style-type: none"> • This is the cheapest option in capital and net revenue cost terms, taking into account lifecycle replacement costs. • The development continues the momentum in developing the overall campus • The development of STP's is seen as a strategic priority. • This option will meet some of the needs of the range of stakeholder e.g. Community, clubs, UHI, NHS. • Compliments existing campus provision • Can accommodate a range of formal and informal sports and physical activities. • All weather facilities can provide opportunities for participation during periods of poor weather. • Develops some much needed sports facility capacity on the East Side of Inverness. • May be possible to access sources of funding more easily due to limited investment required 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Limited impact of project objectives • Accommodates only a limited number of activities and sports. • Only meets limited needs of key stakeholders. • Is not a significant attraction in terms of UHI, Campus Residents and wider community • No new sport and physical activity facilities provided – no improvement in footfall/use. • Does not meet strategic needs in a significant way. • Does not develop UHI facilities in a way that would attract new students to come to UHI Inverness. • Does not support wider ambition of linking sport, physical activity with education, health and commercial sectors. • Offers limited opportunities for employment.
	<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • To show quick, positive development of site and maintain momentum and quick wins. • To access existing sources of funding. • Could be operated during off-peak period by University who would be the predominant day time user. • Could form the first phase of a larger more ambitious project e.g. Option 3. 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Seen as being of limited appeal and use to student and community. • May limit future development of site if constructed in wrong location. • Does not address latent and future demand identified in Sports Pitch Assessment (e.g. football). • Extremely limited improvement in increasing levels of physical activity and sports participation, development of pathways, and engaging priority groups (i.e. those at greater risk of inactivity). • Limited improvement in improving health and wellbeing outcomes.

Capital Costs	£1,479,520 – cheapest option in terms of capital investment requirements.	
Revenue Surplus	<p>-£44,552 including lifecycle maintenance costs. -£20,495 excluding lifecycle maintenance costs.</p> <p>Some operational costs would be required for staffing utilities and maintenance of grass pitches and ancillary accommodation, etc.</p>	
Risks	<ul style="list-style-type: none"> • Makes no significant contribution to project objectives. • May fail to engage the interest and commitment of stakeholder and community. • Limited ambition of option may damage the reputation of Campus which has “World Class” ambitions. • Does not act as an attraction for new students. 	
Benefits	Low capital investment may make the option easier to implement relative to other options.	
Cost-Benefit Result and Score	<p>If done in isolation, the development of Option 1 would have limited impact on project objectives and the overall vision for the Campus. Option 1 is affordable in the short term.</p> <p>However, it is recognised that Option 1 (and Option 2) may form part of a wider phased approach (i.e. early phases of Option 3).</p> <p>It is recommended that Option 1 could be considered as part of a phased approach to delivering Option 3 – Score 5/10.</p>	

Option 2		
Description and Facilities	Full Size Outdoor 3G Football/Rugby Pitch, Half Pitch Indoor 3G Football/Rugby Pitch (Lightweight steel), Class Room, Social Space, Office Space, Changing Accommodation and Ancillary Accommodation	
SWOT	Strengths	Weaknesses
	<ul style="list-style-type: none"> • The development of STP's is seen as a strategic priority. • The development of indoor 3G capacity is also recognised as a strategic priority • This option will meet many of the needs identified by stakeholders e.g. Community, clubs, UHI, NHS. • Compliments existing campus provision • Can accommodate a range of formal and informal sports and physical activities. • Provides opportunities to link to educational programmes and pathways with addition of on-site class facilities. • All weather facilities can provide opportunities for participation during periods of poor weather. • Develops some much needed sports facility capacity on the East Side of Inverness. • New, high quality indoor and outdoor sporting facilities and ancillary accommodation. • Lightweight steel structure is a more robust and less vulnerable structure than Airdome. • Creation of a multi-sports hub - football, rugby, hockey. • Hockey – new facilities could accommodate training and club development to take place locally • New 3G provision ensures a more consistent playing surface year round – and will service demand for both training and fixtures. Such provision is identified within the Sports Pitch Assessment (will also alleviate pressure on grass pitches). • New indoor provision would be able to cater for priority target groups (children, older people, disabled people, etc), for events (regional appeal), and for 	<ul style="list-style-type: none"> • Limited impact of project objectives • Accommodates only a limited number of activities and sports. • Only meets limited needs of key stakeholders. • Caters primarily for active sports – competitive or team based activities. • While a multi-sports hub would be created, it does not deliver on identified need, and strong support, for a hub that provides a broader range of physical activities (active travel/recreation opportunities) – activities that would engage a wider audience, and priority target groups.


	<p>club/coach/player development (education).</p> <ul style="list-style-type: none"> • Increased opportunities to participate in sport, including further development of pathways. • Improved health and wellbeing outcomes. • Provides a social space for students and customers to interact. • Indoor facilities could be used to accommodate large sporting and non-sporting events and festivals 	
	<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Club and team development – and pathways for sport participation and progression - • Increased ability to host and attract local, regional, and national events with creation of large indoor area. • Opportunities to develop new (and/or deepen existing) partnerships between stakeholders • Some opportunities to deliver activities that cater for target/priority groups, including those living in disadvantaged areas. • Does partially support wider ambition of linking sport, physical activity with education, health, Research and commercial sectors. 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Could be seen as having limited appeal and use to student and community as mainly catering for ball sports and activities. • Limited improvement in improving health and wellbeing outcomes for most vulnerable groups. • Indoor 3G facility cannot accommodate match play/fixtures.
Capital Cost	£4,723,186	
Revenue Surplus	<p>-£67,605 including lifecycle maintenance costs</p> <p>+£7,966 excluding lifecycle maintenance costs</p>	
Risks	<ul style="list-style-type: none"> • May fail to engage the interest and commitment of stakeholder and community. • Limited ambition of option may damage the reputation of Campus which has “World Class” ambitions. • Does not act as an attraction for new students. • More difficult than Option 1 in securing planning consent for an indoor structure of this scale. Potential strong community resistance to development of half sized indoor 3G pitch structure and associated ancillary provision. 	
Benefits	<ul style="list-style-type: none"> • Meets Strategic needs and priorities • Provides and caters for both UHI, Community and regional programmes and activities. 	

	<ul style="list-style-type: none"> • Provision of high quality indoor and outdoor sports facilities. Complements wider local sports pitch provision including the new regional centre on the west side of Inverness. • Increased engagement and participation – sports focus only. • Will contribute to improving health outcomes to some extent. • Contributes significantly to the overall development of the campus site. 	
Cost-Benefit Result and Score	<p>This option is significantly more expensive than Option 1 but increases the contribution towards achieving project objectives. The development would address some of the community, UHI and Regional requirements and needs and provide a hub for multiple activities and sports which would develop a range of health and other beneficial outcomes. The provision of indoor facilities would encourage and facilitate participation by priority target groups (e.g. older people, disabled people, etc).</p> <p>It is recommended that Option 2 could be considered as part of a phased approach to delivering Option 3 – Score 5/10.</p>	


Option 3

Description and Facilities	Full Size Outdoor 3G Football/Rugby Pitch, Half Pitch Indoor 3G Football/Rugby Pitch (Lightweight steel), Class Room, Office Space, Changing Accommodation, Social Space, Ancillary Accommodation, Fitness Suite, Strength and Conditioning, Group Fitness- Multi Purpose Room	
SWOT	<p style="text-align: center;"><u>Strengths</u></p> <ul style="list-style-type: none"> • Fully achieves project objectives • Strong Strategic Fit • This option will meet significant needs of the range of stakeholder e.g. Community, clubs, UHI, NHS. • Compliments existing campus provision. • High quality facilities will act as an attraction to recruit new students • Can accommodate a broad range of formal and informal sports and physical activities. • Provides significant opportunity to link to educational programmes and pathways with addition of on-site class facilities • Develops some much needed sports facility capacity on the East Side of Inverness. • Robust and Sustainable revenue model. • New, high quality indoor and outdoor sporting facilities and ancillary accommodation • New indoor provision would be able to cater for priority target groups (children, older people, disabled people, etc), for events (regional appeal), and for club/coach/player development (education). • Improved health and wellbeing outcomes. • Increased opportunities to participate in sport, including further development of pathways. • The development of STP's is seen as a strategic priority. • The development of indoor 3G capacity is also recognised as a strategic priority • All weather facilities can provide opportunities for participation during periods of poor weather. • Creation of a multi-sports hub 	<p style="text-align: center;"><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Most expensive option in terms of capital investment requirements. • Indoor 3G facility cannot accommodate match play/fixtures.


	<ul style="list-style-type: none"> • New 3G provision ensures a more consistent playing surface year round – and will service demand for both training and fixtures. Such provision is identified within the Sports Pitch Assessment (will also alleviate pressure on grass pitches). • Provides a social space for students and customers to interact. • Indoor facilities could be used to accommodate large sporting and non-sporting events and festivals. 	
	<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • High Quality facilities will support increased student numbers. • High quality campus facilities will increase the attractiveness of the campus as a place to invest and work. • Increased ability to host and attract local, regional, and national events, sporting and non-sporting. • Opportunities to develop new (and/or deepen existing) partnerships between a broad range of stakeholders. • Supports wider ambition of linking sport, physical activity with education, health, Research and commercial sectors. 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Higher level of competition from private sector facilities, will drive price model down. • High capital cost may be prohibitive to development.
Capital £	£8,110,170	
Revenue £ p.a.	+£20,016 including lifecycle maintenance costs +£144,788 excluding lifecycle maintenance costs	
Risks	<ul style="list-style-type: none"> • Level of Investment is high and will be challenging to deliver. • Complex financial and operating model need to be developed. • Challenge of developing a design that satisfies the requirements of the Campus Design Guidelines. 	
Benefits	<ul style="list-style-type: none"> • Meets Strategic needs and priorities • Provides and caters for both UHI, Community and regional programmes and activities. • Integral to supporting the one of the strategic theme of “Wellbeing” • Compliments planned strategic development of Campus e.g. Centre for Health Science 2, Hotel, Additional Student Accommodation • Provision of high quality indoor and outdoor sports facilities. Complements wider local sports pitch provision including the new regional centre on the west side of Inverness. • Increased engagement and participation. 	

	<ul style="list-style-type: none"> • Will contribute positively to improving health, social, educational outcomes. • Contributes significantly to the overall development of the campus site. 	
Cost-Benefit Result and Score	<p>Despite the higher level of investment required, Option 3 represents the best fit in terms of the project objectives and strategic fit. It also provides a more robust and sustainable revenue financial model. It also benefits from being able to be implemented on a phased basis as and when funds become available.</p> <p>It is recommended that Option 3 is the preferred option. Score 8/10.</p>	

Option 4		
Description and Facilities	The addition of a 6 court Sportshall plus additional ancillary accommodation	
SWOT	<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Further supports and enhances the achievement of project objectives • Strong Strategic Fit • Core facility requirement for UHI • This option will meet significant needs of the range of stakeholder e.g. Community, clubs, UHI, NHS. • Compliments existing campus provision. • High Quality facilities will act as an attraction to recruit new students • Can accommodate a broad range of formal and informal sports and physical activities. • Provides significant opportunity to link to educational programmes and pathways with addition of on-site class facilities • Develops additional sports facility capacity on the East Side of Inverness. • Robust and Sustainable revenue model. • New indoor provision would be able to cater for priority target groups (children, older people, disabled people, etc), for events (regional appeal), and for club/coach/player development (education). • Improved health and wellbeing outcomes • Increased opportunities to participate in sport, including further development of pathways • Support the creation of a multi-sports hub. • Indoor facilities could be used to accommodate large sporting and non-sporting events and festivals 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Not identified as a strategic priority with provision in other community and school facilities • High Capital costs
	<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • High Quality facilities will support increased student numbers. • Allows UHI to repurpose existing Sportshall. 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • High capital cost may be prohibitive to development • May be seen by funders as duplication of provision.

	<ul style="list-style-type: none"> • High quality campus facilities will increase the attractiveness of the campus as a place to invest and work. • Increased ability to host and attract local, regional, and national events, sporting and non-sporting. • Opportunities to develop new (and/or deepen existing) partnerships between a broad range of stakeholders. • Supports wider ambition of linking sport, physical activity with education, health, Research and commercial sectors. • Increased range of activities and programmes will create higher footfall and enhance sustainability of development 	
Capital	£2,933,848	
Revenue £ p.a.	+£507 including lifecycle maintenance costs +£45,643 excluding lifecycle maintenance costs	
Risks	<ul style="list-style-type: none"> • Increases the capital cost of the project significantly and • Over extends the scope of the project and its ability to attract funding • Current provision is insufficient to accommodate future UHI and community use. 	
Benefits	<ul style="list-style-type: none"> • Meets future UHI and Community needs • Allows a broader range of activity, programmes, customers • More robust pathways • Capacity to host events • Complements Other option 3 facilities 	
Cost-Benefit Result and Score	<p>Notwithstanding the capital cost of this facility, the fit with project objectives is high. It is a core element of any significant sports infrastructure and is necessary to support UHI sports curriculum development. It would also serve as capacity to support increased population on the East Side of Inverness and help fill current gaps in provision. It would also allow UHI to repurpose existing Sportshall and house all sports provision within single facility.</p> <p>It is recommended that Option 4 is implemented subject to availability of funding: Score – 8/10.</p>	






Option 5		
Description and Facilities	This option would involve the development of 2 Sports Science Labs	
SWOT	<u>Strengths</u> <ul style="list-style-type: none"> • Core to UHI Curriculum Development • Supports and enhances sports and physical activity pathways • Further supports and enhances the achievement of project objectives • Strong Strategic Fit • This option will meet significant needs of the range of stakeholders e.g. clubs, UHI, NHS. • Compliments existing campus provision. • High Quality facilities will act as an attraction to recruit new students • Provides significant opportunity to link to educational programmes and pathways with addition of on-site class facilities • Improved health and wellbeing outcomes 	<u>Weaknesses</u> <ul style="list-style-type: none"> • Capital cost of investment • Weak Revenue Model
	<u>Opportunities</u> <ul style="list-style-type: none"> • Opportunities to develop new (and/or deepen existing) partnerships between a broad range of stakeholders. • Supports wider ambition of linking sport, physical activity with education, health, Research and commercial sectors. • Increased range of activities and programmes will create higher footfall and enhance overall sustainability of development • Complements and supports provision at new RSF. 	<u>Threats</u> <ul style="list-style-type: none"> • High capital costs may make development prohibitive.
Capital	£390,000	
Revenue Surplus	-£1,000 including lifecycle maintenance costs +£5,000 excluding lifecycle maintenance costs	
Risks	If not delivered, future development of UHI curriculum may be compromised.	

Benefits	<ul style="list-style-type: none"> • Meets future UHI curriculum needs • Supports and enhances the development of more sustainable sporting and physical activity pathways • Presents considerable opportunities for stakeholder collaboration • Delivery of broader outcomes • Complements Other option 3 facilities 	
Cost-Benefit Result and Score	<p>Notwithstanding the capital cost of this facility, the fit with project objectives is high. It is a core element of any significant sports infrastructure and is necessary to support UHI sports curriculum development.</p> <p>It is recommended that Option 5 is implemented subject to availability of funding: Score – 8/10.</p>	

4.3 Options Summary

Table 4.1 on the next page provides a summary of the options analysis.

Table 4.1: Options Summary

Factors for Consideration	Option 1	Option 2	Option 3	Option 4	Option 5
Contribution to Objectives	Limited	Partial	Fully	Fully	Partial
Strategic Fit	Limited	Partial	Fully	Partial	Partial
Scope to Increase Engagement and Participation	Limited	Good	Significant	Significant	Limited
Regional Appeal	No	Good	Good	Good	Good
Level of Benefits Created	Minimal	Good	Significant	Significant	Some
Level of risk	Minimal	Manageable	Manageable	Manageable	Manageable
Capital Cost	£1,479,520	£4,723,186	£8,110,170	£2,933,848	£390,000
Annual Revenue Surplus including Lifecycle Costs	-£44,552	-£67,605	+£20,016	+£507	-£1,000
Annual Revenue Surplus excluding Lifecycle Costs	-£20,495	+£7,966	+£144,788	+£45,643	+£5,000
Simple Cost-Benefit Score	5/10	5/10	8/10	8/10	8/10
					

4.4 The Preferred Option

Option 3 is the preferred option for the development of sports facilities at Inverness Campus.

The optimal mix of sports and physical activities that would be accommodated as part of the development are described below.

Table 4.2: Description of Sports and Physical Activities Facilities – Option 3

Facilities	Description
Outdoor 3G Pitch	<ul style="list-style-type: none">• Full Size - 106 x 66m (inclusive of 3m run off all round so based on 100 x 60m principal playing area).• Rugby compliant - so 100x60m playing surface with 5m in goal area and 3m runoffs.• Flood lit and fenced.
Indoor 3G Pitch	<ul style="list-style-type: none">• Half Pitch (lightweight steel) – 67 x 59m (inclusive of 3m run off all round so based on 60 x 50m principal playing area).• The half pitch would give 2 x 7-side pitches.• Rugby compliant playing surface.
Social Space	<ul style="list-style-type: none">• Area for students and customers to integrate and socialise. An important factor in terms of developing campus and community cohesion.
Gym	<ul style="list-style-type: none">• 500m2 gym facility incorporating cardiovascular and resistance weight training equipment.
Strength and Conditioning Area	<ul style="list-style-type: none">• 200m2 incorporating strength and conditioning equipment and functional training space. To maximise benefits, it should be combined with gym space.
Group Fitness/General Purpose Studio	<ul style="list-style-type: none">• 250m2 studio that can incorporate a broad mixture of uses including group fitness classes, martial arts, meetings and educational programmes.
Class Rooms	<ul style="list-style-type: none">• Two class rooms to support Inverness College UHI curriculum delivery, club, player and coach development and community use.
Ancillary Accommodation	<ul style="list-style-type: none">• This includes appropriate number of changing rooms, toilets, storage, reception and foyer, circulation space, plant rooms and car parking.

Initial designs are attached separately.

A set of design guidelines are in place for any development at Inverness Campus. HIE will require to progress appropriate conversations internally to consider the design/visual impact of the proposed facilities, in particular the indoor structure.

The combination of the facilities in Option 3 creates a truly multi-sports and physical activity hub which would cater for the needs of all key stakeholders. Alongside the existing 30+ acres of parkland at Inverness Campus (plus the bridge which provides a pedestrian and cycle link to the neighbouring Life Sciences district and the city), the creation of new sports facilities will create a high quality hub for [active sports](#), [active recreation](#), [active travel](#), and [active health](#) related activities.

There are several reasons for the selection of Option 3 as the preferred option. Key to this is that it delivers on all of the project objectives:

- [to enhance campus lifestyle \(“personality”\)](#) - access to high quality sports and leisure facilities will help to create a real community feel to the Campus where students, employees, NHS service users, businesses, and the wider community can come together, participate in sport and physical activity, socialise, integrate, and collaborate;
- [to contribute to curriculum \(secondary to postgraduate\) and research growth](#) - the proposed facilities are necessary to support existing curriculum needs and accommodate future growth in student numbers associated with Sports, Fitness and Health related courses. It also creates a high-quality learning resource that supports education programmes that relate to club, coach, volunteer, and athlete development. The Campus is also becoming a hub where organisations are involved in research across a range of health and well-being issues. The facilities will provide resources where collaborative research can be undertaken by a range of stakeholders. This supports the aim of the Campus to be at the leading edge of Research in the Health Sector with [active health](#) emerging as a theme;
- [to encourage strong campus and community use and participation](#) - the existing sports and fitness provision on the Campus site are limited and almost exclusively used by Inverness College UHI students, with only limited use by other groups and the wider community. East Inverness lacks provision of high quality sports and leisure facilities. Option 3 will help to address this deficiency in provision.

The scale of the development will provide a considerable increase in capacity and provide a significant programme of activities and services which will have broad appeal to not only Inverness College UHI students but also for the wider community;

- [to support recreation and performance sport](#) - the facilities proposed within Option 3 are comprehensive and support sport and physical activity at all stages and ages and all levels of ability, participation and competition. This will provide an opportunity for integrating pathways for different sports and activities, and maximising opportunities to encourage and maintain participation;
- [to improve the health and well-being of local people](#) - there are proven links between participation in physical activity and sport and improvement in levels of physical and mental health and wellbeing. Option 3 creates a significant resource in East Inverness which improves access to facilities for local communities (existing and new), and can support improvements in health outcomes;
- [to complement sports facilities elsewhere in the city](#) - Option 3 provides a range of sports and leisure facilities at the Inverness Campus site which would complement existing facilities elsewhere in the city, filling a number of gaps and reflecting the needs of key campus stakeholders and surrounding communities. The development of the RSF on the west side of Inverness will then ensure that Inverness becomes a real sporting city with sports facilities and services which reflect its city status and ambitions; and
- [to align with the development of businesses in the health sector](#) - the facilities proposed in Option 3 will act as an attraction for businesses who are considering locating to Inverness Campus. They will also assist in creating a high quality environment for existing Campus employees making it a fantastic location in which to work. The focus on health and well-being will support those businesses who are operating in the health sector through providing opportunities for collaboration on research programmes and activities, and access to potential employees through Inverness College UHI.

4.5 Project Implementation

There are a number of ways in which Option 3 could be implemented. The project could be split in to three incremental phases;

- **Phase 1** – outdoor 3G pitch and ancillary accommodation - £1,479,520;
- **Phase 2** – indoor 3G half-pitch, class rooms, additional changing accommodation, social space, and reception area – £3,243,666; and
- **Phase 3** – fitness, strength and conditioning, studio, and additional changing accommodation - £3,386,984

A total cost of £8,110,170.

The benefits of a phased implementation would be that it may be easier to access capital funds over an extended period. It may also provide a degree of flexibility, allowing facilities to be designed and developed in line with emerging strategy, needs, and demands. It would also provide more time to consider, develop and implement the most suitable model for the longer-term management and operation of the facilities.

The down side of a phased implementation would be that it would take longer for the project to deliver on key objectives and may also present some challenges in terms of design and building the structures. This in turn may lead to an increase in the overall capital cost of the project.

Alternatively, the project could be implemented as one project within one phase of capital works.

If this was the case, the timescales for delivery would be reduced, objectives would be achieved more quickly and benefits realised. The development would also attract a much higher profile and present a more attractive marketing proposition. The drawback would be that sufficient capital funding would be required over a much shorter term, presenting the Inverness Campus Sports Development Steering Group with more significant challenges.

4.6 Other Options for Consideration

Several other facility requirements were identified through the desk based research and engagement with key stakeholders, as detailed below.

Table 4.3: Potential Additional Facilities

Provision	Description
Sportshall	<ul style="list-style-type: none">• Six court size sportshall, to accommodate a broad range of sports and physical activities.
Sports Science Labs	<ul style="list-style-type: none">• Two sports science labs that support curriculum development, sports pathways and wider opportunities for collaboration between partners.
Rehabilitation	<ul style="list-style-type: none">• Space for enhancing recovery post injury or treatment
5-Aside Football	<ul style="list-style-type: none">• 4x5 a-side pitches used for recreational and training purposes

Sportshall

The need for a sportshall has two key elements. The first is to accommodate the growth in sports curriculum based students who require sportshall facilities to deliver core aspects of their programme of study. It is also required to accommodate participation in a broad range of sports and physical activities by the increasing student numbers within Inverness College UHI as a whole. The second element is to provide for broader community access as population in East Inverness grows over the coming years. This would have the added benefit of allowing Inverness College UHI to repurpose its existing sportshall in line with its asset development plan. The addition of a sportshall comes at a considerable cost and the phasing of any development would be dependent on the availability of funding.

Sport Science Labs

These are crucial to support sports curriculum development and can also be used to support the development of more comprehensive sporting and physical activity pathways for individuals, athletes, clubs, and other organisations. It is likely that these facilities could also support the ambition to develop health related research in collaboration with other partners. Through discussion with the Steering Group, it was identified that these facilities may be accommodated elsewhere within existing Campus facilities in the short to medium term.

Rehabilitation

Rehabilitation facilities can be utilised by a variety of users e.g. athletes, clubs, Inverness College UHI students, NHS service users, etc. It is possible that areas within Option 3's facilities could be used for rehabilitation activities e.g. gym, strength and conditioning/functional training area, and studio areas. It would also be possible to utilise some of the office space allocation for treatment rooms.

5-A-side Pitches

Through discussion with the Inverness Campus Sports Development Steering Group it was identified that there may be a commercial opportunity through the development of a small number of 5-a-side football pitches. Indeed, HIE has already received a handful of enquires from the commercial sector.

It was felt that there was no significant existing provision in the Inverness area and that such a development may create a valuable income stream for the development. This could be as a result of operating these facilities directly as part of the overall project or simply leasing the facilities to a third party to operate as a separate entity. These facilities have not been explored within the scope of this work but are shown on the ground plan to illustrate how these facilities could be accommodated within the site as part of a phased development.

4.7 Summary

Overall Option 3 serves the needs of Inverness College UHI and the core curriculum requirements whilst supporting growth in general student numbers. The facilities can be used by businesses located within and near to Inverness Campus. The NHS will have access to state of the art facilities for the purposes of supporting and improving the health and well-being of individuals, families, and those most vulnerable within the community. The facilities, if programmed and managed appropriately, will provide a space for collaboration between, Health, Education, Business, and between NHS and other public bodies that is unique and capable of delivering outcomes that improve real value in terms of health improvement and economic growth for the region.

Crucially, it would also provide much needed sports and leisure facilities in East Inverness and provide capacity in line with the projected growth in population numbers over the coming years. The facilities would provide new high quality, accessible and affordable facilities for local people, and for priority groups – typically identified as being of greater risk of inactivity (e.g. children, teenage girls, people with long-term conditions, disabled people, older adults, and individuals of lower socio-economic status).

It would provide an increased range and mix of sports and physical activities available within Inverness - it would provide a greater choice for people, and promote increased physical activity across any of the activity types (active sports, active recreation, active travel). Importantly, the offer caters for those who want to engage in physical activity recreationally, and for those who wish to compete and/or progress in their sport of choice.

Providing opportunities that caters for such a diverse mix of activities would appeal more strongly to people of all ages and abilities - a broader choice would encourage more people to be more active – in a way that suits their needs, abilities, and varied interests.

The development will also have a disability and inclusive sports focus - developing opportunities and improving performance in disability sport.

Option 3 would also offer a strong regional attraction – and help to support and grow all sporting pathways from recreational to community participation through to elite competition.

5. Financial Appraisal

This Chapter provides a high-level financial appraisal of the initial capital costs and revenue operating budget for the proposed development. The financial analysis is at a relatively high level, and more detail will be required as the project moves to Outline/Full Business Case/Plan.

Further detail on the capital and revenue costs associated with all options considered is provided separately in Microsoft Excel format.

Operating costs have been developed and discussed with High Life Highland prior to reporting.

5.1 Capital Cost Appraisal

The capital costs associated with the recommended preferred [Option 3](#) is presented in **Table 5.1** on the next page. Further detail is provided in Microsoft Excel format submitted separately.

The total capital cost outlay associated with Option 3 is [£8,110 million](#).

The capital costs for Option 3 (and for all of the options) draws on information from a wide range of different sources, including:

- suppliers (for lightweight steel structures);
- SFA (indoor and outdoor pitch costs);
- costs presented in the previous research studies for the development of sports facilities at Inverness Campus; and
- ancillary accommodation benchmarked against recent EKOS and Integratis Consulting projects e.g. Quarry Road in North Ayrshire.

Table 5.1: Capital Cost Breakdown – Option 3

Facilities	Cost
Full Size Outdoor 3G Pitch x1	£650,000
Half Size Indoor 3G Pitch	£300,000
Lightweight Steel and Membrane Roof - Half Pitch	£1,293,610
Social Space, Reception and Foyer	£425,000
Class Room Space	£219,458
Office Space	£112,500
Gym	£1,000,000
Strength and Conditioning Facilities	£302,006
General Purpose Space/Group Fitness	£377,508
Male/Female/Accessible Changing x4	£410,326
Team Rooms x 6	£350,327
Referee Changing x2	£28,187
Toilets x2	£88,589
Storage, Plant, and Circulation Space	£456,081
Car Parking Allowance	£225,000
Professional Fees (15%)	£935,789
Contingency Budget (15%)	£935,789
Total	£8,110,170

Note: Costs exclude FFE and VAT

We also present the capital costs of any subsequent phases (should they proceed) – i.e. [Options 4 and 5](#). **Note** – some additional changing accommodation, car-parking space, etc will be required as additional facilities are added, **Table 5.2**.

The total cost associated with Option 3, 4 and 5 is [£11,434 million](#).

Table 5.2: Capital Cost Breakdown – Any Subsequent Phases

Facilities	Option 4	Option 5
Sportshall	£1,400,000	
Sports Science Labs	-	£300,000
Male/Female/Accessible Changing x4	£410,326	
Toilets x2	£88,589	
Storage, Plant, and Circulation Space	£332,891	
Car Parking Allowance	£25,000	
Professional Fees (15%)	£338,521	£45,000
Contingency Budget (15%)	£338,521	£45,000
Total	£2,933,848	£390,000

Note: Costs exclude FFE and VAT

5.2 Operating Costs and Net Annual Position

Operating costs and net annual position is presented for Option 3, plus Options 4 and 5. Note: staffing costs are based on High Life Highland's suggested structure and the organisation's actual salary scales.

It is projected that Option 3 would generate a net annual surplus of £144,788 (net annual position less lifecycle replacement), with the outdoor/indoor 3G pitch and gym facilities generating much of the annual surplus.

It should, however, be noted that a conservative approach has been adopted in the development of income and cost projections. This includes incorporating High Life Highland prices (where possible), and adoption of a low-cost model to pricing, which in general is consistent with the High Life Highland approach.

Table 5.3: Operating Costs and Net Annual Position

Cost Heading	Option 3	Option 4	Option 5
Staffing	£316,062	£31,857	
Utilities	£35,000	£15,000	
Supplies and Services	£35,000	£2,500	
Repairs and Maintenance	£40,000	£2,000	
Pitch Maintenance	£15,000		
Insurance	£15,000	£2,000	
Lifecycle Capital Replacement	£124,772	£45,136	£6,000
Marketing, IT, Misc	£15,000	£1,000	
Total Expenditure	£595,834	£99,493	£6,000
Total Expenditure Less Lifecycle Replacement	£471,062	£54,357	£0
Total Income	£615,850	£100,000	£5,000
Net Annual Position	£20,016	£507	-£1,000
Net Annual Position Less Lifecycle Replacement	+£144,788	+£45,643	+£5,000

5.3 Funding Strategy

The funding environment for projects is becoming ever more challenging and competitive, as such a phased approach to the development of sports facilities at Inverness Campus is a sensible and pragmatic approach. A cocktail of funding will therefore be required for the development.

A Funding Strategy for the project should be developed, the purpose of which is typically to:

- bring in more funding from existing funders and other sources of income;
- identify potential new funders and new sources of income;
- diversify the funding model for a project – attracting funding from a range of sources increases the security of the project/organisation (not dependent on one or two specific income areas); and
- make best use of limited resources.

A Funding Strategy sets out the direction the project/organisation is heading – and how to make this happen. As such, it is recommended that partners discuss the development of a Funding Strategy to get everyone's input to the process. The Funding Strategy should contain information on:

- current position - refer to the past and present funding situation for any sports related projects. This helps to spot particular trends (e.g. regular project funders, unsuccessful applications);
- future plans:
 - identify opportunities for income generation (e.g. booking out space);
 - think through and identify all funding options and priorities to ensure that a good mix of potential funding sources is created, for example this might include:
 - Scottish Government
 - project partners (i.e. HIE, Highland Council, Inverness College UHI, ICT Football Club, etc)
 - developers' contributions (via Highland Council)
 - NHS Highland
 - charitable trusts and foundations
 - European funding
 - sportscotland
 - private sector (e.g. sponsorship, etc)
 - loans and borrowing; and
 - for each potential funder develop a list of key information, including details of:
 - whether you already have a relationship/contact
 - funding programme(s) available
 - minimum and maximum level(s) of grant award
 - capital and/or revenue funding available

- further detail of what is eligible and ineligible for funding (e.g. staff costs, etc)
- application process
- timescales for applications and decision-making process
- success rate for applications
- do they fund similar work to the Inverness Campus project.

HIE has mentioned the potential to explore mechanisms by which HIE could transfer the land at market value to the agreed sports developer/owner as HIE's contribution to the overall project funding package. This should be explored further (and the land valued).

This process will help project partners to identify a list of priority funders to approach for the sports development project. It is often advisable to contact the funder by phone/email to have an early conversation about the project, and whether it is an area of work that they "in principle" would be supportive of. Following this applications should be prepared and submitted.

The Funding Strategy should be reviewed regularly (every three or four months). This is good practice as new funding sources/programmes might become available.

A list of potential funding sources is listed in **Appendix C**.

6. Ownership and Operation Considerations

Appropriate organisation(s) will require to own and manage the sports facility, and appropriate structures and processes will require to be in place to ensure the project can be managed, delivered, and operated successfully.

6.1 Ownership and Operation

HIE is the land owner of Inverness Campus and project coordinator for the overall Campus project.

As sports facilities are not within the remit of the enterprise agency, it is unlikely that HIE will wish to either own or indeed manage the facility. However, there is merit in the Inverness Campus Sports Development Steering Group exploring further with HIE will explore mechanisms for the potential for the organisation to transfer ownership of the land (Plot 13) at market value to the identified preferred owner of the asset, as its contribution towards the project's development.

[Our view and the view of the Steering Group is that Inverness College UHI should own the asset, which is then managed on a day-to-day basis in partnership with High Life Highland.](#)

High Life Highland is a Scottish charity, formed in October 2011 by The Highland Council to develop and promote opportunities in culture, learning, sport, leisure, health and wellbeing across nine services throughout the whole of the Highlands, for both residents and visitors (i.e. a multi-function arms-length external organisation (ALEO).

Among other things, High Life Highland manages leisure centres, community centres and community schools throughout the Highlands, including in Inverness. The organisation has an established track record, and is the largest provider of indoor and outdoor venues for local clubs and groups in the region. It provides a broad range of sports, health and physical activity development programmes.

High Life Highland's portfolio includes the following centres, as detailed in **Table 6.1**.

Table 6.1: High Life Highland Portfolio

Leisure Centres	Community Centres
<ul style="list-style-type: none"> • Alness Swimming Pool • Averon Leisure Centre • Aviemore Community Centre • Badenoch Centre • Black Isle Leisure Centre • Craig MacLean Leisure Centre • Culloden Academy and Leisure Centre • Dingwall Leisure Centre • Evanton Sports Centre • Arainn Fhinn - The Fingal Centre • Gairloch Leisure Centre • Sutherland Swimming Pool – Golspie • Invergordon Leisure Centre • Inverness Leisure • Inverness Royal Academy Sports Centre • Lochaber Leisure Centre • Lochbroom Leisure Centre • Nairn Leisure Centre • Thurso Leisure Centre • Tain Royal Academy Community Complex • Wick Swimming Pool 	<ul style="list-style-type: none"> • Charleston Academy Community Campus • Cameron Youth Centre • Craigmonie Centre • Hilton Community Centre • James Cameron Community Centre • Merkinch Community Centre • Raigmore Community Centre • Spectrum Centre • Leanaig Centre at Ben Wyvis Primary School • The Leven Centre • The Macphail Centre • The Sunart Centre.

High Life Highland has a voluntary Board of Directors (the majority are independent non-executive directors and the remainder are councillors). Members of the Board contribute knowledge and expertise to the operation of the services, which will allow for future development. Day to day management experience is devolved to an experienced Senior Management Team.

The following merits of seeking to extend High Life Highland's remit to the management and operation of new facilities and services developed at Inverness Campus include:

- High Life Highland has a proven business model with strong and effective processes, data systems, customer information/trend analysis, market knowledge and use of technology/social media. This option would increase the scope for better coordination of approaches to facility availability/demand, pricing and concessions;

- High Life Highland and the Highland Council have robust and well-established governance, scrutiny and monitoring arrangements in place;
- High Life Highland is engaged in mechanisms for setting strategic priorities for area, and it has well established relationships with local community planning partners and national governing bodies;
- High Life Highland has established and tested policies on HR, health and safety and facility operations, and there would be improved accountability from having facility management more centralised e.g. statutory compliance;
- High Life Highland's record of continuous improvement in growing participation, increasing its customer base, maximising community use of assets under its control, achieving high levels of customer/staff satisfaction and driving income generation, would provide an increased likelihood of improvements in key performance and benchmarking indicators; and
- High Life Highland has an established approach to financial and business planning and project management with strong existing links to council financial planning processes and officers. It also has well established internal/external financial auditing processes, and is already subject to best value monitoring.

In working closely with High Life Highland through the project's development, there are further factors to highlight in terms of the anticipated benefits which the project could bring.

Such benefits can be summarised as follows:

- High Life Highland can provide a vehicle for increased levels of collaboration and joint working with Council services and other key partners. This collaboration could lead to greater levels of coordination and improved planning, which will be critical to optimising limited and reducing resources;

- High Life Highland has developed a strong IT and Communication infrastructure, which focuses on the specific needs of customers. Those facilities and services within scope to transfer would become part of High Life Highland's long term information and communication plan, which will focus on maximising the profile of its services, achieving greater integration with other local services, and encouraging greater levels of community engagement and participation;
- a large part of High Life Highland's success is its ability to operate in a less restricted environment and apply more focussed and fluid decision-making processes to increase and develop new areas of business and generate higher levels of participation and income. The organisation can dedicate its focus to delivering physical activity, sport, leisure, and health services for new and existing customers;
- customers and key stakeholders would be more empowered through their ability to have a role in the management and strategic direction of High Life Highland, recognising the need to develop its services commercially, whilst retaining its social objectives;
- High Life Highland has a focus on developing customer service and achieving greater access for the community, therefore providing opportunities for higher levels of participation and income generation. The trust has the ability to raise the profile of the facilities and services within scope and increase publicity and marketing;
- developing the skills of people living and working in the Highland region is a key function within High Life Highland, and for many years it has delivered training and development opportunities to its staff and members of the public. Increasing the scope of facilities and services will provide further opportunities to develop the skills of Inverness' workforce;
- High Life Highland is building partnership working NHS Highland and the local Health and Social Care Partnership, and increasing the number and range of facilities within its remit would provide an excellent opportunity to further extend and improve community access and develop stronger links with schools, health services, etc;

- High Life Highland provides targeted discounts including for those on Income Support, Pension Guarantee Credit, Job Seekers Allowance or Employment Support Allowance, or individuals on War Disability Pension, Disability Living Allowance, Personal Independence Payment, Attendance Allowance or Carer's Allowance. Increased facilities and collaborative working will increase the numbers participating more often in sport/physical activity within these target groups;
- High Life Highland currently works in partnership with the Council to operate the concessionary sport and leisure access scheme. This provides reduced costs and access to a range of activities across the current facilities, which would be rolled out to those facilities and functions in scope for transfer; and
- considering new arrangements for the management and operation of the in scope facilities and functions provides an opportunity to improve the coordination of the development of sport and physical activity in Inverness, reduce duplication, and increase levels of participation.

Broadening the remit of High Life Highland to manage the new sports facilities at Inverness Campus presents an opportunity to extend an organisation with a proven track record of delivering excellent customer service within an environment which concentrates on efficiency, development and growth of services for the community.

High Life Highland would continue to draw on the expertise and knowledge from within the organisation, its Board, employees, partners and wider national and local networks to deliver economies of scale through development of a more efficient and collaborative delivery model across sports, physical activity and leisure facilities/functions. With its unique charitable status, it can deliver financial benefits through tax savings and can attract external funding that is not available to the Council.

Appendix A: Lightweight Steel Structures

Eirias Park, Colwyn Bay, Wales





Shetland





Appendix B: Examples of Facilities

Gym

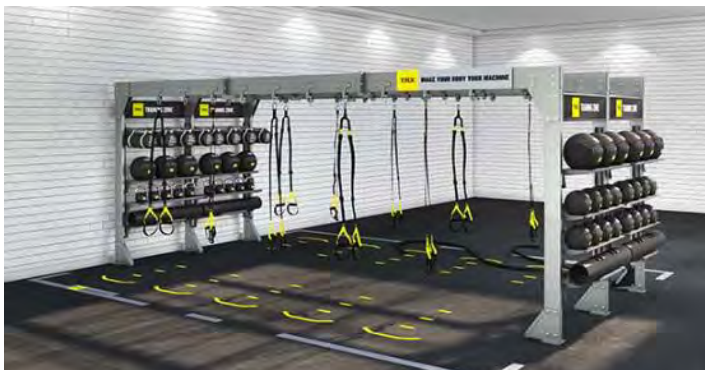


Strength and Conditioning





Functional Training



Group Fitness



Appendix C: Funding Sources

Scottish Government - Regeneration Capital Grant Fund

The Scottish Government's Regeneration Capital Grant Fund (RCGF) has an annual budget of £25m. The capital fund supports projects that engage local communities and have the ability to deliver sustainable regeneration outcomes. It is not open directly to charitable organisations, but it is open to local authorities, Urban Regeneration Companies or Special Purpose Vehicles. As such the funding is open to the Highland Council, and would require to be identified as a regeneration priority for the local authority.

Applications are not restricted in geography, size, or type of project and require to demonstrate:

- a particular focus on areas that suffer from high levels of deprivation and disadvantage;
- clear community involvement;
- large scale transformational change with strong regeneration outcomes; and
- additional investment and address market failure.

The call for project applications that can start in 2017/18 is now closed. Refer to website for further information, including on when a new call for applications is announced.

More information can be found: <http://www.gov.scot/Topics/Built-Environment/regeneration/investment/capitalgrants/rcgf>

Scottish Government - CashBack for Communities

This programme originally supported sporting and recreational activities for children and young people (10 to 24 years). It has since expanded its areas of interest including an employability theme. The CashBack for Communities Phase 4 Fund runs from April 2017 to March 2020 (note: the first deadline for applications has passed).

The Fund is open to organisations with a proven track record of delivering activities and opportunities to disadvantaged young people in Scotland. Criteria includes that projects must:

- focus on children and young people who face disadvantages in terms of deprivation and access to education and employment;
- raise the attainment, ambition and aspirations of young people;
- benefit young people from more than one local authority area; and
- last longer than 12 months.

Projects should fit into one of four themes – diversionary youth work; sport for change; creativity; and journey to employment. Sport for change is centred on using sport as a tool to engage with young people in a youth work setting. Organisations must have a proven track record of delivering activities to disadvantaged young people.

The fund is currently closed.

More information can be found: <http://www.cashbackforcommunities.org/>

sportscotland - Sports Facilities Fund

sportscotland's Sports Facilities Fund supports a wide range of project activity, including provision of new or extension/upgrading of existing playing/training facilities, meeting rooms with a sport related use, and floodlighting to training facilities.

There has to be considerable community access and benefits – the fund supports sporting facilities which focus on: increasing access to, and participation in sport, and/or improving performance in sport. Examples of priority projects include facilities which increase opportunities for or improve the quality of outdoor/adventure sport; sports halls demonstrating good links with other organisations; and projects which clearly demonstrate the community sport hub philosophy.

The fund supports projects between £10,000 and £500,000. Our understanding is that the total budget available will be reduced considerably, and that funding for projects is likely to be at the lower end (in addition demand is very high). Projects should:

- demonstrate that they will make a difference in terms of impact on sports participation and development; and
- focus on formal sports facility projects which will have clear sports development outcomes.

sportscotland is currently in the process of updating Guidelines and Application Forms. From 1 April 2017 there will only two investment rounds each year (March and September).

Current guidance reports that priority will be given to projects that have established/will establish with the sports programmes and/or initiatives operated by the local authority, national governing body for sport and their associates/partners. It is a rolling programme (application deadlines - 1st of each month). Applicants can apply for up to a maximum of 50% funding, and are expected to meet at least 25% of project costs from their own resources. There is reduced contribution for if the applicant can demonstrate that at least 70% of users will be from deprived areas.

Where awards exceed £100,000, the applicant is required to have security of tenure for at least 25 years from the date of completion.

sportscotland has a Gateway meeting every month for outline applications, and applications require to be sent to sportscotland by the last day of the previous month to be looked at in the next meeting.

More information can be found: <https://sportscotland.org.uk/funding/sport-facilities-fund/>

HIE

The potential for HIE to transfer the land to the lead partner for the project should be explored further. The land would need to be valued, and a mechanism for offering a grant award (to the value of the land) awarded to the lead partner put in place.

Highland Council – Capital Programme

The Council's capital programme budget is a potential funder for the development, however, it should be noted that the total capital programme budget is facing a considerable reduction for 2017/18 onwards.

Highland Council – Developer's Contributions

The Highland Council will ask developers to make a financial contribution to offset the impacts of their proposals. This will include for community facilities, including sports facilities (including towards any developments at Culloden Academy and Inverness Campus). Some committed developer contributions may also be available.

Inverness College UHI

Sports facilities has been identified as a high priority for Inverness College UHI, and access to funding from associated Foundations and the Scottish Funding Council should be explored further.

UHI – Strategic Funds

All UHI partners are eligible to submit a case for funding. While this is therefore likely to be highly competitive, the Campus sports development is aligned with the strategic growth and aims of the university.

NHS Highland

Opportunities to support health improvement, including for key target groups should be explored further with NHS Highland, and given strong links with the pre- and post-rehabilitation area of interest for the development at Inverness Campus.

Beatrice Partnership Fund

This is a new fund that will be worth a total of £6 million, split between Highland (£4 million) and Moray (£2 million). These will be split equally between a Partnership fund in each area and a local fund. The Partnership fund for Highland will cover the communities on the east coast of Caithness and Sutherland.

The criteria for the Partnership fund is:

- Creating Opportunities - create or enhance opportunities for education and employment through activities focused on improving an individual's chances of entering the workplace or further professional development;
- Empowering Communities - empower fragile communities to become more resilient and to protect their vulnerable residents through measures which demonstrate long term social, environmental or economic improvements; and
- Sustainable Places - stimulate meaningful regeneration through actions which improve or enhance local infrastructure, landscape, biodiversity, or heritage to make a lasting difference to the places we live, work and visit

The first deadline for application has passed (February 2017). Funding of between £10,000 to a maximum of £50,000 is available. All applications will be assessed by SSE and reviewed by an independent panel who will make the final decision.

More information can be found here:

se.com/beingresponsible/responsiblecommunitymember/localcommunityfunds/beatricepartnershipfund/

Robertson Trust

The Robertson Trust has four outcomes which its investment programmes seeks to achieve: improved confidence and self-esteem, increased inclusion, improved skills and knowledge, and improved health and well-being. Projects should address at least one outcome.

The Robertson Trust has identified three funding strands (and associated themes) for its investment (2016/2019), two of which is of relevance:

- Care and Wellbeing – a focus on improving people’s physical and mental health, addressing health inequalities, and reducing exclusion. Within this, there is a particular focus on:
 - improving the health and wellbeing of children and young people affected by mental and/or physical ill health
 - supporting adults with life limiting, long term health conditions or disability to overcome barriers and remain involved with their communities; and
- Realising Potential – a focus on addressing social and educational inequalities and support for young people to reach positive destinations. Within this, there is a focus on
 - activities that enable young people to realise their potential, including for example, youth work which uses participation in sport, the arts and education to improve wider social outcomes for young people.

The Main Award scheme accepts applications for capital or revenue funding – while there is not set maximum, revenue awards do not usually exceed £20,000 per annum. Capital awards are for a maximum of 10% of the total project costs up to a maximum of £100,000 (e.g. upgrading of buildings, refurbishment costs or equipment). Circa 30% to 40% of match funding needs to have been secured. Funding is open to registered Charities and Community Interest Companies Limited by Guarantee.

The Major Capital scheme is relevant for applications requesting in excess of £100,000 capital funding and where the total project costs are £1 million+. Charities wishing to apply for this funding should email funding@therobertsontrust.org.uk

More information can be found: <http://www.therobertsontrust.org.uk/>

The Henry Smith Charity

The Henry Smith Charity's Main Grant Programme supports projects in the UK. It has identified a number of priorities, two of which are of relevance:

- Community Service – support for services in communities with high deprivation; and
- Young People – projects and services that help maximise the potential of young people that experience disadvantage (educational, social, economic).

Across the Programme, priority is assigned to supporting groups that help those experiencing social and/or economic disadvantage and for work that tackles problems in areas of high deprivation (bottom third of National Indices of Deprivation).

The Main Grant Programme seeks applications for revenue funding (not capital) of £10,000 per annum for up to three years. Funding can be used for running costs, staff costs, and project costs. In 2015 the average grant award was £79,000 (over two or three years). There is an application process (can be submitted any time), and can take six months for a decision to be made.

More information can be found: <http://www.henrysmithcharity.org.uk/>

Prudential Borrowing

Local authorities are eligible to borrow to finance capital expenditure. Scottish Ministers have the statutory power, through the issue of orders or directions, to set maximum capital expenditure limits for capital expenditure of local authorities.

Prudential borrowing regimes for local authorities in England, Scotland and Wales were introduced by the Prudential Code in 2004. More councils are now using borrowing to help provide local services and meet local priorities.

No allowance has been made for prudential borrowing repayments within revenue budget models for the project.

Social Investment Scotland

Social Investment Scotland provides a range of loan funds, two examples are provided below.

The ASDA Community Capital provides loans of £10,000 to £50,000 to third sector organisations for investment in working capital for organisational growth; asset purchases/improvements; or innovation. Priority is given to organisations who wish to take a step change in the delivery of social impact. Organisations are required to demonstrate how the investment will enable them to become more financially sustainable. Awards can be put towards either capital or revenue costs.

Other points about the loan: repayable over a maximum of six years, no interest charged or accrued in Year 1, no repayments in Year 1 (interest and capital repayments start from Year 2), no security required, and no arrangement fee.

The All Purpose Loan provides loans from £10,000 to £1,000,000 which can be used for capital expenditure, revenue funding, marketing, business development or working capital. Repayable up to a maximum of 13 years (fixed interest rate).

More information on SIS can be found: <http://www.socialinvestmentscotland.com/>

Board of Management

MINUTES of the MEETING of the CHAIRS COMMITTEE held in the Board Room, 1 Inverness Campus on Thursday 17 August 2017

PRESENT: Hazel Allen, Sarah Burton, Neil Stewart, Steve Walsh,
John Wilson
CHAIR: Neil Stewart
APOLOGIES: Brian Henderson
OBSERVER: Lindsey Mitchell
ATTENDING: Acting Principal
Secretary to the Board of Management

1. MINUTES

The minutes of the Meeting of the Committee held on 13th June 2017 was **ACCEPTED** as a correct record, was **APPROVED** and signed by the Chair

2. GOVERNANCE – OUTSTANDING ACTIONS

Following the last meeting in June, an action list had been developed which showed the outstanding governance actions and the timelines for taking each forward.

The Board Secretary highlighted the progress which had been made and also the actions which were still outstanding.

It was **AGREED** that the Board Secretary would resend the link to the Governance Hub and the remuneration module.

The Committee considered the requirement for the Chair to evaluate each Board member and agreed that this was a very onerous task. The Committee **AGREED** that in future, the Chair of the Board would evaluate the Committee Chairs and that the Chairs would, in turn, evaluate board members on their committee. Where board members were on more than one committee, the “primary” committee would be identified and the chair of that committee would carry out the evaluation.

3. GOOD GOVERNANCE

A covering report by the Board Secretary referred to a model reporting format for Audit Committee annual reports to the Board of Management which had been suggested by UHI and to two CIPHA best practice guides on Audit and Finance committee self-evaluation.

The Committee **AGREED** that

1. the model reporting format for the Audit Committee annual report be adopted and that it be submitted to the Audit Committee for noting and
2. the two CIPHA best practice guides should be adopted for Audit and Finance Committee evaluations, that they be circulated to both

Committees for noting, and that the first evaluations would take place at the end of this academic year.

4. BOARD OF MANAGEMENT AND COMMITTEES – PROPOSED SCHEDULE OF DOCUMENT SUBMISSIONS

A covering report by the Board Secretary referred to a schedule of document submissions which had been drawn up for each of the committees. The schedule identified standing items for each committee as well as reports which were required to be considered at a particular time each year.

The Committee welcomed the schedule of document submissions, noted that the timings of some reports might be adjusted to better meet the needs of the committees and also that some adjustments would be made after the KPIs had been agreed.

It was **AGREED** that the Board Secretary would forward the schedule to the Acting Principal for circulation to the SMT.

5. CHAIRS COMMITTEE – DISCUSSION ON ROLE

The Chair led a discussion on the role of the Chairs Committee and suggested that it could provide a forum for the better exchange of information between Chairs. Each Chairs Committee could have a standing item to allow each Chair to raise any particular item of business. The Chairs would have a better understanding of the discussions at each committee and this in turn could enhance the business of the Board by presenting a joined up approach and which would allow more discussion on strategic issues, rather than the Board simply approving recommendations from committees.

The Committee **AGREED** that this was a positive proposal and that the Board Secretary should contact each Chair for items of business to be considered at the next Chairs Committee on 14th September.

The Chair asked whether it would be beneficial for each committee to prepare an annual report outlining the business conducted throughout the year.

The Committee **AGREED** that this was not required as it would not add any value.

6. AOCB

a. NATIONAL BARGAINING

The Acting Principal referred to

- a. a paper which had been prepared by the Director of Organisational Development on national bargaining,
- b. to a circular (03/17) which had been issued on 16th August by the National Joint Negotiating Committee setting out interim arrangements for the salary placement for new un-promoted lecturers
- c. and also to a meeting with Colleges Scotland and representatives from UHI on 16th August which had been attended by the Director of Organisational Development and the Director of Finance to discuss the financial impact on UHI colleges.

The report by the Director of Organisational Development highlighted the position with regard to Lecturers, Promoted Lecturers (Programme Development Managers) and to support staff. The report also highlighted the potential risks in job evaluation and harmonisation.

The acting Principal understood that the meeting in Stirling on funding for UHI Colleges had had a positive outcome.

The Committee **NOTED** the position.

b. HIGHER MEDIA STUDIES INVESTIGATION

The Chair referred to the unfortunate situation which had arisen with the Media Studies Higher and assured the Acting Principal and the SMT that they had the full support of the Board. The investigation which was being undertaken would allow the College to learn lessons and act on these appropriately.

The Chair of the Learning and Teaching Committee provided an update on the investigation which had started 8 days ago. A remit for the investigation, which was being led by the Quality Manager, had been agreed. To date 5 interviews had been held, with a further 7 outstanding. Documents would be reviewed from 15/16 and assurance would be sought that the college had delivered against the course specification.

The investigation was complex as the SQA were less than forthcoming with data. The Acting Principal advised that the Association of Media Educators in Scotland (AMES Charity) had issued a questionnaire to schools and colleges asking a number of simple questions. There was not yet a sense of the main issues which had led to the course failure.

Talks had been held with the Head of Qualifications at SQA on why and how the College had missed the standards required as the internal verification had indicated good practice with a positive outcome expected. As much detail as possible was being requested from the SQA.

The Chair of the Learning and Teaching Committee also made reference to the investigation into Higher History to see if there were any systemic issues across both courses.

She advised that a further update meeting had been arranged for the week beginning 28 August.

7. DATE OF NEXT MEETING

Thursday 14th September 2017 at 8.30 a.m.

Signed by the Chair: _____

Date: _____

MINUTES of the INAUGURAL MEETING of the LONGMAN DISPOSAL PROJECT BOARD held in the Board Room, 1 Inverness Campus on Thursday 17th August 2017

PRESENT: Hazel Allen, Brian Henderson (by VC), Neil Stewart, John Wilson
CHAIR: Neil Stewart
APOLOGIES: Fiona Larg, Gabriel Starr
OBSERVER Chris O'Neil, Principal Designate
ATTENDING: Acting Principal
Director of Organisational Development
Kyle Evans, Gardiner & Theobald
Board Secretary

1. TERMS OF REFERENCE AND BOARD MEMBERSHIP

The Board Secretary referred to the last meeting of the Board of Management which had agreed that the draft terms of reference be circulated to all members of the Board for comments. A number of comments had been received and these were shown as tracked changes in the document. The suggestion to add the words "but not limited to" in the section on delegation would cover any issues which might arise thought the period of the project.

The Chair referred to the vacancy in the membership of the Project Board and suggested that Gavin Ross, Vice Chair of the Finance and General Purposes Committee be appointed because of his industry experience.

It was also suggested later in the meeting that Fiona Neilson be appointed as an advisor because of her legal knowledge and experience. As a point of clarification, it was noted that the College had their own legal advisors who would take forward any legal matters pertinent to the project.

The Project Board recommended to the Board of Management

- a) formal ratification of the terms of reference,
- b) that Gavin Ross be appointed as a member and Fiona Neilson as an advisor to the Project Board.

2. GOVERNANCE ARRANGEMENTS AND FUNDING MODEL

A report by Anna Tozer of the Scottish Futures Trust set out the proposed governance and financial arrangements for disposal of the Longman Road Site. The terms of the report had also been reaffirmed formally in writing by Martin Kirkwood of the Scottish Funding Council.

The areas of cost to be covered in relation to the disposal were as follows;

- a. Pre-disposal Technical Work
- b. Project Management and other professional costs associated with demolition
- c. Demolition Contract costs
- d. Holding costs
- e. Marketing agent and legal costs

The Director of Organisation Development confirmed that the Director of Finance would be reporting on these matters at subsequent meetings.

The Project Board discussed the arrangements and confirmed their understanding of the areas of responsibility of the various parties.

3. PROJECT MANAGER'S REPORT

Kyle Evans of Gardiner & Theobald spoke to the Project Managers report which was set out as a high level RAG report.

He referred to the key deliverables, namely procurement, programme, consents, legals/insurances and governance/project roles.

The Project Board discussed the deliverables at some length noting in particular the following key issues

- A dilapidation survey of the Golf Shop was required
- The start of the Justice Centre build was programmed for the same time as the demolition
- The Big Lottery conditions in relation to the LRC building
- The long term lease held by THUS (to be identified as a red risk rather than amber)

The demolition programme would not be progressed until clarification was received on a number of issues. However, STF had indicated that the College would start marketing the building at the beginning of November.

4. LEARNING RESOURCE CENTRE: GRANT OBLIGATION – MILLENNIUM COMMISSION GRANT

A report by the Chief Operating Officer and Secretary (COOS), UHI set out the current position on the grant obligation from the Millennium Commission (responsibility of which now lay with the Big Lottery Fund). The obligations attached to the grant were very onerous and required all grant to be repaid at any stage in the future if a building was sold, disposed of use changed. The Big Lottery Fund had agreed that funds did not need to be repaid as long as these funds were ring fenced for future developments at the Campus.

The Acting Principal referred to the college capital programme for the Sports Hub on the Inverness Campus and suggested that the proceeds from the disposal of the LRC could potentially support this development and at the same time meet the requirements of the Big Lottery fund as set out in the paper.

The Project Board **AGREED**

1. That the Director of Organisational Development should seek to ascertain the routes of the wayleaves.
2. To proceed with the project plan drawn up by Gardiner and Theobald in terms of the asbestos surveys
3. That the Acting Principal should raise with the COOS the proposal in relation to the Sports Hub and if appropriate, with the Deputy First Minister at the next Inverness Campus meeting which was due to be held on 29th August.
4. That the College had to take the issues with the BLF into the political domain.

5. COLLEGE INSURANCE COVER FOR DEMOLITION

A report by the Director of Finance set out the advice which had been received in respect of the appropriate insurance arrangements to protect the College throughout the potential demolition project.

Following discussion, the Project Board **AGREED** that

- The College to seek insurers with expertise in this type of insurance
- Assurance be given regarding the current insurance arrangements, including dilapidation
- That all insurances offered to the college should be accepted to ensure that the College was covered for any eventuality.

6. DATES FOR FUTURE MEETINGS

Thursday 7th September at 4.30 p.m.

Signed by the Chair: _____

Date: _____

Board of Management

MINUTES of the MEETING of the CHAIRS COMMITTEE held in the Board Room, 1 Inverness Campus on Thursday 14 September 2017

PRESENT:	Sarah Burton, Brian Henderson (VC), Neil Stewart, Steve Walsh, John Wilson
CHAIR:	Neil Stewart
APOLOGIES:	Hazel Allen
OBSERVER:	Lindsey Mitchell
ATTENDING:	Principal Director of Organisational Development (item 1) Secretary to the Board of Management

The Chair referred to the extra paper which had been circulated on the procedure for establishing and reviewing the Principal's objectives, performance and salary. It was agreed that this item be taken as item 1.

1. **PROCEDURE FOR ESTABLISHING AND REVIEWING THE PRINCIPAL'S OBJECTIVES, PERFORMANCE AND SALARY**

The Director of Organisational Development introduced the paper and gave some background to the PDR process across the college. There was a discussion on how to include the input of staff and students to the appraisal process, which was a requirement under the Code of Good Governance for Scotland's Colleges. It was suggested that the IIP framework would allow the views of staff and students to be gathered through a random selection of participants from these two groups.

It was **AGREED** that the Chair of the Board, Chair of PR&R and the SIM should meet with the Principal to determine his objectives for the coming year. The Strategic Plan set out the key objectives for the College, and therefore the Principal. Further objectives would be identified through the vision which the new Principal had for the College. E mail approval would be sought from the PR&R Committee in advance of the proposed objectives being submitted to the Board of Management meeting in October

2. **MINUTES**

The minutes of the Meeting of the Committee held on 17th August 2017 was **ACCEPTED** as a correct record, was **APPROVED** and signed by the Chair.

Matters arising

Update – National Bargaining

The Chair advised that National Bargaining had been discussed at FERB on 13th September. By 2021/22 there would be a significant deficit across the partnership and a range of measures would require to be taken forward to deal with this issue. It was imperative that UHI started to start planning now for the projected financial position in 2021/22.

The Chair referred to a presentation which the Director of Finance, Fiona Mustarde had made to the meeting of FERB and asked the Secretary to the Board to circulate this to Board Members.

3. **TERMS OF REFERENCE**

The Secretary to the Board introduced the terms of reference for the Chairs, Search and Nomination and the Performance, Review and Remuneration committees, highlighting a number of suggested changes. The previous review of the terms of reference had taken place in June 2015.

The Committee **RECOMMENDED** to the Board of Management approval of the terms of reference for the Chairs, Search and Nomination and Performance, Review and Remuneration Committee subject to a minor change in the frequency of meetings of the PR&R committee.

4. **GOVERNANCE**

a. **Outstanding actions**

The Committee reviewed the progress on the outstanding governance actions. Good progress was being made with the timelines due to be met for the majority of issues, with actions only outstanding in relation to the completion of the Remuneration Module by members of the PR&R Committee and the appraisal of a further 4 board members by the Chair.

The Committee **NOTED** the position

b. **Board evaluation – combined responses**

All the Board members who had been in post for a period of more than 12 months had completed the board evaluation exercise. The Board Secretary had combined the responses into one document for the consideration of the committee. The next stage would be to develop an action plan to progress the issues which had been raised.

The Committee discussed the combined responses and the SIM offered to produce a summary of the responses to allow the Secretary to the Board to identify actions to be taken forward.

5. **STRATEGIC DIALOGUE MEETING – 8TH NOVEMBER**

The Board Secretary referred to the draft agenda and programme for the Strategic Dialogue meeting with SFC on 8th November. SFC had identified governance and financial sustainability as one of the three topics for discussion. Two further topics would be chosen by the College. The Chair would be part of the discussion.

It was **AGREED** that the Principal would reflect on the two further topics to be suggested by the College and discuss this with the Chair in due course. The involvement of additional board members would be determined once the two topics had been agreed.

6. **STANDING ITEM – ISSUES FROM CHAIRS**

The Chair asked if any of the Chairs wished to raise anything for discussion. There were no items requiring discussion at the present time

7. DATE OF NEXT MEETING

Thursday 23 November 2017- 8.30 a.m.

Signed by the Chair: _____

Date: _____

Board of Management

MINUTES of the MEETING of the AUDIT COMMITTEE held in the Boardroom, 1 Inverness Campus, on Tuesday 19th September 2017

PRESENT:	Hazel Allen, Sarah Burton, Innis Montgomery, Fiona Neilson, Steve Walsh
CHAIR:	Hazel Allen
APOLOGIES:	Jaci Douglas, Lindsey Mitchell
ATTENDING:	Principal Depute Principal Director of Organisational Development Director of Finance Stuart Inglis, Henderson Loggie (by VC items 1 – 7) David Archibald, Henderson Loggie, (by VC items 1 – 7) Claire Robertson, BDO Andrew O'Donnell, BDO Secretary to the Board of Management

The Chair welcomed Claire Robertson and Andrew O'Donnell from BDO, the new Internal Auditors who were attending their first Audit Committee meeting and then introductions were made round the table.

1. MINUTES

The minutes of the Meeting of the Audit Committee held on 29 May 2017 were **AGREED** as a correct record, subject to the correction of a small typographical error and were approved and would be signed.

2. AUDIT COMMITTEE - TERMS OF REFERENCE

The Board Secretary referred to the suggested amendments which had been made to the Audit Committee terms of reference which had last been reviewed in June 2015.

The Committee **RECOMMENDED** to the Board of Management approval of the amended terms of reference subject to the inclusion of paragraph 7 within the remit and to the correction of two small grammatical errors.

3. DATA PROTECTION POLICY

A number of minor revisions had been made to the data protection policy and these had been discussed at Scrutiny Panel (6 June 2017) and SMT (17 August 2017).

The Committee **APPROVED** the revised data protection policy subject to the inclusion at section 3.1, Legislative Framework, of reference to the new General Data Protection Regulations and to the review date being amended to 1 year, as it was probable that changes would be required once the new legislation came into force in May 2018.

4. **AUDIT REPORTS - RECOMMENDATIONS**

a) **Staff Recruitment and Retention – Succession Planning**

Mr Archibald of Henderson Loggie referred to the review of the College's succession planning arrangements as this was an area where risk can arise. The overall level of assurance was Good. A large number of strengths had been identified and no significant weaknesses.

Although the review had the highest level of assurance, reference was made to the difficulties in recruiting to the post of Director of Corporate Services, delays to projects pending the appointment of a new Health and Safety Manager and staffing level issues in procurement / creditors. The Director of Organisational Development provided some context to the vacancies and the Chair confirmed that the Board had been kept aware of the difficulties encountered with recruitment to these posts. The Depute Principal referred to the Management Development Programme as an example of good practice which had been put in place and which gave internal staff the skills to apply for promoted posts.

The Committee **WELCOMED** the level of assurance given in the report and were content that the workforce planning by the College was robust.

b) **New Campus – Maintenance and Unitary Charge Controls**

Mr Archibald of Henderson Loggie referred to the scope of the review which had looked at the arrangements in place to monitor the performance of GT Equitix against the terms of the maintenance and unitary charge contract. The overall level of assurance was Satisfactory. A number of strengths had been identified but there were also a number of weaknesses, most of which related to operational areas where GTFM were responsible for processes and controls.

The Director of Organisational Development welcomed the findings of the review which gave strength to the issues identified by the College.

There was a detailed discussion on the risks to the college, specifically reputational risk.

The Committee **AGREED** that a meeting be held with SFT to discuss the risk and damage to the core business of the College and to set a clear roadmap for the future. A report would be submitted to the Audit Committee meeting in November setting out the next steps.

5. **FOLLOW UP REVIEWS**

Stuart Inglis of Henderson Loggie advised that they had carried out a follow-up review of the recommendations made in internal audit reports issued during 2015-16 where actions were still outstanding.

Overall, it was found that the College had made good progress in implementing the recommendations followed-up as part of the review and only two recommendations were assessed as showing "little or no progress". These recommendations had been made in the Budgetary Control/General Ledger and in the Risk Management and Business Continuity / Disaster recovery audits.

The Committee discussed the outstanding recommendations and were assured that these would be taken forward now that the new Principal and the Director of Finance were in post.

It was **AGREED** that the outstanding recommendations should be submitted to the appropriate standing committee for noting.

6. INTERNAL AUDIT ANNUAL REPORT FOR 2016/17

A report by Henderson Loggie summarised the internal audit work carried out in 2016/17. All work in 2016/17 assessed systems as Good or Satisfactory or provided an unqualified audit opinion on College returns. It was their opinion that the College had adequate and effective arrangements for risk management, control and governance. Proper arrangements were in place to secure value for money.

The Committee was pleased to **NOTE** the positive annual report.

The Chair advised that this report concluded all the work by Henderson Loggie as Internal Auditors. On behalf of the Committee and the College she thanked Henderson Loggie for all the work which they had carried out over the last 10 years.

7. OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS FROM 2016/17

A report by the Depute Principal advised that there were three outstanding recommendations from the Internal Audit reports in 2016-17. These were all timetabled to be completed by December 2017.

The Committee **NOTED** the position.

8. INTERNAL AUDIT ANNUAL PLAN 2017-18

A report by the Internal Auditors, BDO set out their proposed internal audit strategy for the three year period of their appointment, namely 2017-20 as well as the proposed audit plan for 2017-18.

There was general discussion on the plan and questions were asked about which organisations were planned for benchmarking purposes.

The Committee **AGREED** that

- a. The Board Secretary should identify a suitable date for an interim meeting with BDO, with the Chair, the Director of Finance and other members of the SMT as appropriate.
- b. the first two planned audits on Governance and on Risk Management would be carried out in the coming months with the reports being submitted to the next Audit Committee at the end of November.
- c. For all other audits, the scope of the audit would be submitted to the Committee for consideration in advance of the audit work commencing.
- d. The Chairs of the other standing committees be invited to reflect of the scope of each audit under their area of responsibility and
- e. BDO should submit their proposed dates for each of the audits as soon as possible.

9. HEALTH AND SAFETY ANNUAL REPORT 2016/17

A report by the Director of Organisational Development advised that the annual report summarised the issues which had been included in the quarterly reports throughout 2016/17.

The Committee asked if there was likely to be any reputational risk to the college as a result of incidents by visitors. The Director of Organisational Development advised that she would check the nature of the incidents and report back.

Future online reporting would enable the Health and Safety Manager to pick up on any patterns and specific issues as they were reported rather than at the end of each quarter when the reports were collated and analysed.

The Committee **WELCOMED** the significant progress in health and safety over the last year.

10. RISK MANAGEMENT AND BUSINESS CONTINUITY

A report by the Depute Principal provide an update on the risk register and on the business continuity plan.

The Depute Principal **NOTED** the incorrect figure under risk 26 and confirmed that further work to eradicate duplication within the register was required following the inclusion of the generic risks which had been adopted across the UHI partnership.

Steve Walsh left the meeting during consideration of the following item.

11. GENERAL DATA PROTECTION REGULATION (GDPR) COMPLIANCE AND SYSTEM SECURITY

A joint Report by the ICT Manager and the Information Development Manager provided an update to the on-going work to adhere to the imminent legislative changes and recent best practice with regards to data protection and information security.

The Committee discussed the legislative requirements and **REQUESTED** the Director of Organisational Development to report back on the gap between what was currently in place and what was expected within the guideline document from the Scottish Government.

Claire Robertson and Andrew O'Donnell of BDO left the meeting

12. ANNUAL REVIEW OF AUDITORS PERFORMANCE

The College Secretary introduced the process for the annual review of auditors' performance.

The Committee completed the annual review of the internal and external auditors performance for 2016/7 although since Ernst and Young had only recently been appointed to the position of External Auditor, it was difficult to provide a complete review of their performance at this time.

The Committee **NOTED** that the results of the evaluations would be fed back to the auditors in writing.

The following item was included in the agenda for noting only and therefore no discussion took place at the meeting.

13. GOOD GOVERNANCE

The Committee **NOTED** the following documents, which had been considered at the meeting of the Chairs Committee on 17th August 2017

- a. Audit Committee Annual Report to the Board of Management – Model Format
- b. CIPFA Best Practice Guide – Audit Committee Evaluation

14. DATE OF NEXT MEETING

Tuesday 28th November 2017 at 8.30 a.m.

Signed by the Chair: _____

Date: _____

Board of Management

MINUTES of the MEETING of the HUMAN RESOURCES COMMITTEE held in the Boardroom, 1 Inverness Campus on Thursday 21 September 2017

PRESENT: Andy Gray, Carron McDiarmid, Lindsey Mitchell, Innis Montgomery, Chris O'Neil, Steve Walsh,
CHAIR: Lindsey Mitchell
APOLOGIES: Mick Longton, John Wilson
ATTENDING: Director of Organisational Development
Secretary to the Board of Management

1. MINUTES

The Minutes of the Meeting of the Human Resources Committee held on 1 June 2017 were **AGREED** as a correct record and were **APPROVED** and signed.

2. HUMAN RESOURCES COMMITTEE - TERMS OF REFERENCE

The Board Secretary referred to the suggested amendments which had been made to the Human Resources Committee terms of reference which had last been reviewed in June 2015.

The Committee, subject to the substitution of the word "auditing" with "reviewing" at remit number 4, **RECOMMENDED** the amended terms of reference for the Human Resources Committee to the Board of Management for approval.

3. PUBLIC SECTOR EQUALITY DUTY - MAINSTREAMING REPORT

A report by the Director of Organisational Development advised that Equality and Diversity in the public sector were underpinned by a mandatory legal framework. The Public Sector Equality Duties (PSED) extended to an institution's relationship with both staff and students.

The Mainstreaming report set out the College's performance in light of the equality outcomes set in 2013, provided employment data and identified the equality outcomes, aligned to the Regional Outcomes for the period 2017-2021.

The Committee discussed the report in detail and **AGREED** that the Director of Organisational Development should incorporate the following comments into the report

- Clarify the term "main provider of education and skills development in the highland region" as post 16 provider
- Make reference to the protected characteristics, specifically providing context on what data had been collected and what was missing
- Cross reference the report to the Access and Inclusion Strategy and the Gender Action Plan

- Provide a statement on how well the College performed in the collection of student data
- Make reference to the links the Students Association has with community groups
- Made reference to the Hate Free Highland initiative and its links with PREVENT
- The initiatives within the college which encouraged students to disclose any mental health issues
- That the Board would strive towards meeting the 50/50 gender balance on the Board
- That a paragraph be included on the future academic needs of the region and the agility of the college to meet those needs.

The committee **APPROVED** the Mainstreaming report subject to the above amendments being incorporated

The Chair suggested that item 5 on the agenda be taken in advance of item 4 as the Director of Finance would be joining the meeting to make a presentation on National Bargaining. This was agreed.

4. NATIONAL BARGAINING

The Director of Finance highlighted a number of the key issues which she had made in a presentation to the recent FERB meeting on the Financial Impact of National Bargaining on UHI, a copy of which had been circulated to all Board Members.

The FTE equivalent salary for unpromoted lecturers would be £40,026 on 1 April 2019. Once the migration was complete, there would be an additional cost in excess of £5M for the region. This represented a regional increase of more than 16% on the current teaching staff costs. There would be further cost increases relating to teaching staff due to changes in terms and conditions and a significant impact on support staff and management costs resulting from national job evaluation. These costs did not reflect any cost of living increases.

The Director of Organisational Development spoke to her report and advised that the college would be making an application to the Living Wage Foundation as the College was a national living wage employer.

The Committee **NOTED** the position and that a further report would be submitted to the Board at its meeting in October.

5. HUMAN RESOURCES PERFORMANCE INDICATORS – QUARTER 4 2016/17

A report by the Director of Organisational Development provided qualitative analysis of key HR measures relating to turnover and absence as follows:-

- Turnover
- Headcount and FTE
- Leavers
- Starters
- Transfers and Secondments
- Absence

In particular the Committee discussed

1. The effect of the national bargaining pay settlement on turnover figures. This would have to be closely monitored, especially leading up to April 2019 when the transition to the final pay settlement figure was completed.
2. The leaver destination information which gave context to the data
3. The number of supply staff as a percentage of all teaching staff (20%) and the ongoing engagement which the college promoted to ensure that these staff could step into teaching posts as required.
4. The development opportunities which were being offered to internal staff to allow them to compete with any external candidates for promoted positions.
5. The low level of staff redeployment because of the specific skills of lecturers
6. The identification of stress as being either work or home related or both

The Director of Organisational Development advised that members of teaching staff whose contractual notice of termination was 4 weeks had given such notice at the beginning of the academic year. Historically staff had tended to give notice at the end of an academic year and a period of three months was available for the college to complete the recruitment process. The use of the 4 week notice period had caused difficulties in service delivery. This issue had been raised at a recent JCC meeting and the Unions appeared to be sympathetic to the College position.

The Committee **NOTED** the report.

6. IIP GOLD ANNUAL REVIEW

A report by Director of Organisational Development advised that the IIP Gold Annual review was due in December, with the final report expected by February 2018.

An objective in the Organisational and Professional Development Strategy 2017-20 was the achievement of IIP Platinum. Progression beyond the Generation 5 Gold Award included a mandatory all staff survey as part of the assessment criteria. It was recommended that the development of a staff survey be framed in a manner which ensured a relationship with a recognised performance framework like IIP which could clearly link back to an overarching staff governance framework. The current staff governance standard which defined staff governance as a system of corporate accountability for the fair and effective management of all staff was currently under review.

The Committee discussed the report and **REQUESTED** that a piece of work be undertaken to quantify the benefits of IIP accreditation.

7. EXTERNAL SUPPORT ANNUAL REPORT

A report by the Director of Organisational Development provided an update on the 4 areas of external support provided to the college, namely

- **Employee Assistance Programme (AXA-ICIS)**
Further analysis of what staff saw as the benefits of this service was required. It was possible that the College would go out to tender for this service.

- **Computers in Personnel HR (CIPHR)**
The contract had been in place since 2010 and had been extended on an annual basis since 2015 to 2018. The UHI Business Convergence Team had to complete the Finance Project before starting the procurement and implementation of a shared HR system for the partnership
- **Harper MacLeod Employment Legal Services**
This contract continued to operate effectively. The contract review of legal services was due in the next year and would include employment legal services.
- **Occupational Health Services (RS Occupational Health)**
Difficulties had been encountered with the provision of this service, especially around the performance standards within the contract. Regular meetings were being held with APUC and RS Occupational Health to ensure improvement in the Service

The Committee **AGREED** that an update report be submitted to the next meeting in November.

The following items were included in the agenda for noting only and therefore no discussion took place at the meeting.

8. AUDIT REPORT - RECOMMENDATIONS

The Chair referred to the very positive Audit report on Staff Recruitment and Retention – Succession Planning. She congratulated the staff involved as the report was a reflection of the efforts of the college

9. MINUTES

Joint Consultative Committee – 30 May 2017

10. DATE OF NEXT MEETING

Thursday 30 November 2017 at 8.30 a.m.

Signed by the Chair: _____

Date: _____

Board of Management

MINUTES of the MEETING of the LEARNING AND TEACHING COMMITTEE held in the Boardroom, 1 Inverness Campus on Tuesday 26th September 2017

PRESENT: Robert Berg, Ollie Bray, Sarah Burton, Jaci Douglas, Helen Miller, Fiona Neilson, Chris O'Neil, Tom Speirs, Kate White

CHAIR: Sarah Burton

APOLOGIES: Gavin Ross, Gabriel Starr

ATTENDING: Depute Principal
Head of Curriculum
Head of Student Services
Head of Research Development
Secretary to the Board of Management

Ollie Bray declared an interest in item 12, External Verification, as he had provided evidence as part of the verification process.

1. MINUTES

The Minutes of the meeting of the Learning and Teaching Committee held on 30 May 2017 were **AGREED** as a correct record, were **APPROVED** and signed.

Matters arising

Item 5 – End of year student survey

The Chair requested that qualitative analysis be provided to the next meeting in December.

The Chair suggested that the order of the agenda be amended to allow the Head of Research Development to attend another meeting. The Research report would be considered after the Gender Action Plan. This was agreed.

2. LEARNING AND TEACHING COMMITTEE - TERMS OF REFERENCE

The Board Secretary referred to the suggested amendments which had been made to the Learning and Teaching Committee terms of reference which had last been reviewed in June 2015.

The Committee, subject to a number of small amendments being incorporated, **RECOMMENDED** the amended terms of reference to the Board of Management for approval.

3. POLICIES

a. Admissions Policy

The Head of Student Support gave some background to the amendments which had been made to the Admissions Policy as a result of changes introduced around the interview processes and procedures as well as to the pre-course information and services which applicants received. The revised

policy had been through due process and discussed at Scrutiny Panel (27 April 2017), published for Staff consultation (6 – 16 June 2017) and discussed at SMT (17 August 2017).

The Committee, subject to the inclusion of reference to the General Data Protection Regulations under para 2.1, Legislative framework, **AGREED** to recommend the Admissions Policy to the Board of Management for approval.

b. Core Skills Policy

The Head of Curriculum gave some background to the changes which had been made to the Core Skills Policy which mainly provided clarity on the core skills (numeracy, communication, ICT, problem solving and working with others). The revised policy had been through due process and discussed at Scrutiny Panel (6 June 2017), published for staff consultation (15 June – 22 August) and discussed at SMT (17 August 2017).

The Committee **AGREED** to recommend the Core Skills Policy to the Board of Management for approval.

Jaci Douglas entered the meeting during consideration of the following item.

4. GENDER ACTION PLAN

A report by the Head of Student Services provided an overview of the Inverness College UHI Gender Action Plan (GAP) which was a requirement of the Scottish Funding Council and which formed part of the Regional Outcome Agreement. The GAP was intended to positively impact on existing policy and practice as well as outline how additional policy and /or practice would be developed to ensure the required step-change in gender ratios in certain curriculum programmes. This institution wide approach encompassed both staff and students in its scope, although the primary focus was students. The plan was a long-term plan, with the final targets having to be achieved by 2030. The plan had already been submitted to SFC in July 2017.

A six month update would be provided in March 2018 and an annual progress report would be provided in September 2018.

The Chair suggested that those areas which related to staff could initially be discussed at a Chairs Committee. The Human Resources Committee would monitor the plan in relation to its areas of responsibility.

The Committee, subject to one small amendment being made on page 7 of the report, retrospectively **APPROVED** the Gender Action Plan.

5. RESEARCH STRATEGY ANNUAL REPORT 2016/17

A report by the Head of Research Development provided an update on research activity during 2016/17. Some of the key activities discussed were as follows:-

- UHI were currently undertaking a stock take in preparation for the 2021 REF. The target for the 2021 REF was 10 FTE staff submission, a considerable increase from 1.8 FTE in 2014.

- There was a significant increase in the number of both PhD and Masters by research students. Funding for these studentships was through partnerships with a number of external organisations.
- The Inverness College Research Development Framework was currently being finalised and further detail would be submitted to a future meeting.

The Chair **REQUESTED** that a breakdown of research funding be submitted to the next meeting.

6. STUDENT OUTCOMES AND SATISFACTION RATES 2016/17

A report by the Depute Principal provided a provisional summary of high-level performance indicators relating to student outcomes and a summary of student satisfaction rates for the academic year 2016-17.

Five areas relating to student outcomes had been identified as red under the RAG reporting system and action plans had been drafted in consultation with the appropriate Programme Development Managers.

The Committee **NOTED** the report.

7. STUDENT RECRUITMENT 2017-18

A report by the Depute Principal set out the position on student recruitment so far in 2017-18. FE and HE enrolments were ahead of the totals at this time last year and, based on these figures and previous trends, both looked likely to hit target.

The Committee **NOTED** the report.

8. STUDENT PARTNERSHIP AGREEMENT

A joint report by the Head of Student Services and Student President provided an update on the progress made with the Student Partnership Agreement (SPA) across the 4 aspects of

- Student Representation
- Student Community
- The College Welcome
- Learning and Teaching

The students' association and the College collectively took responsibility for the SPA. The framework itself had been held up as best practice by Sparqs but did need refinement following the merger with HISA.

It had been identified that the college welcome to students in the student residence accommodation needed to be built into the partnership agreement and further work had to be undertaken to ensure that college activities were fully promoted to those students.

The Committee **NOTED** the report.

9. EDUCATION SCOTLAND – DRAFT EVALUATIVE REPORT AND ENHANCEMENT PLAN (EREP)

A report by the Depute Principal presented the draft of the Evaluative Report (ER) element of the EREP and gave some background to the EREP, which was the outcome of the new annual quality review model for Scotland's Colleges

and set out the timescales associated with the final approval and publication of the document. The enhancement plan was being drafted and would reflect the areas for development in the draft report. Other areas of the report also required further refinement.

The Committee confirmed that they were happy with the content of the report, All other Board members would be able to provide any comments on both the ER and the EP elements at the Board of Management meeting in October.

The Committee **AGREED** to recommend the draft Evaluative Report to the Board of Management for approval

10. KEY PERFORMANCE INDICATORS 2017/18 (KPIs)

A report by the Depute Principal set out the KPIs which related to the work of the Committee. The Board Secretary advised that the Chair of the Board would be discussing KPIs with the Principal.

The Committee **NOTED** the report.

11. HIGHLANDS AND ISLANDS STUDENT ASSOCIATION (HISA) REPORT

A report by the Student President IC set out the recent activities of HISA Inverness. This included attendance at a number of training events, organising and hosting the Fresher's Fayre in the middle of September, promoting clubs and societies and registering and arranging training for class representatives.

The Committee **NOTED** the report.

Kate White left the meeting.

The following items were included in the agenda for noting only and therefore no discussion took place at the meeting.

12. EXTERNAL VERIFICATION SUMMARY 2016/17

A report by the Head of Curriculum provided an overview of the outcomes of external verification (EV) by awarding bodies during the academic year 2016-17.

13. COMPLAINTS ANNUAL REPORT 2016/17

The annual report covered the period from 1 July 2016 to 30 June 2017.

14. NATIONAL STUDENT SURVEY 2016/17

The results of the national student survey 2016/17 had been disseminated to show the position of UHI.

15. RED BUTTON REPORT 2016/17

The Red Button is an informal feedback and problem resolution mechanism used across UHI where students were encouraged to submit questions, suggestions, issues of concern and positive feedback.

16. ADDITIONAL SUPPORT FOR LEARNING POLICY

The Chair requested that reference to the General Data Protection Regulations be included under the section on legislative framework/related policies.

17. DATE OF NEXT MEETING

Tuesday 5 December 2017 at 8.30 a.m.

Signed by the Chair: _____

Date: _____

Board of Management

MINUTES of the MEETING of the FINANCE AND GENERAL PURPOSES COMMITTEE held in the Board Room, 1 Inverness Campus on Thursday 28th September 2017.

PRESENT: Brian Henderson, Andy Gray, Helen Miller, Chris O'Neil, Tom Speirs
CHAIR: Brian Henderson
APOLOGIES: Mick Longton, Carron McDiarmid, Gavin Ross
ATTENDING: Depute Principal
Director of Organisational Development
Director of Business Development
Director of Finance
Secretary to the Board of Management

The Chair requested that the item on Student Residences be moved to the first item for discussion. This was agreed.

1. MINUTES

The Minutes of the Meeting of the Finance and General Purposes Committee held on 12 June 2017 were **ACCEPTED** as a correct record and subject to some amendments being made to the wording relating to the KPI's under each of the supporting strategies to ensure there was consistency of approach, were **APPROVED** and would be signed.

Matters Arising - British Sign Language Costs

The Director of Organisational Development confirmed that this matter had been progressed and a collaborative approach with Highland Council and NHS Highland would be in place for next year.

2. FINANCE AND GENERAL PURPOSES COMMITTEE - TERMS OF REFERENCE

The Board Secretary referred to the suggested amendments which had been made to the Finance and General Purposes Committee terms of reference which had last been reviewed in June 2015.

The Committee, subject to a number of small amendments being incorporated, **RECOMMENDED** the amended terms of reference to the Board of Management for approval.

3. ARMS LENGTH FOUNDATION (ALF)

A report by the Director of Finance set out a summary request for funding from the ALF for a number of areas including ICT equipment, estates investment and CPD – leadership/management. The funds held in the ALF enabled the college to invest for the future.

The Director of Finance also made reference to a communication which suggested that the Foundation Trustees were going to consider the winding down of the Foundation.

The Committee **AGREED** in principle to the proposed summary request for funding in the sum of £236,372 but sought further reassurance that the application to the ALF would be used for strategic investment purposes. The completed application pro forma should be circulated to the Committee members for consideration.

The Committee also **REQUESTED** that an options appraisal report be submitted to the next meeting of the Committee on what our strategy will be regarding the funds if the ALF was wound down.

4. FINANCIAL REGULATIONS

The Director of Finance introduced the Financial Regulations which was the main policy document setting out how the college operated from a financial perspective. She indicated that some changes required to be made, specifically in relation to references to the Financial Memorandum.

The Committee discussed the document and a small number of further changes were suggested.

The Committee **AGREED**, subject to the inclusion of the changes discussed, to recommend the Financial Regulations to the Board of Management for approval.

5. SFC FINANCIAL FORECAST RETURN (FFR) 2017

A report by the Director of Finance referred to the FFR which was part of the SFC's financial health monitoring framework. In line with SFC guidance, the FFR 2017 had already been submitted to SFC.

The biggest financial challenge facing not just IC UHI but the sector as a whole was the impact of National Bargaining. Only the costs of the uplift in salary scales for promoted and unpromoted lecturers had been reflected in the FFR as there was no certainly around financial impact of changes to terms and conditions or changes resulting from job evaluation for support staff or senior management. Discussions at Board level would be required on how the college, and UHI, should plan to address the funding gap.

Accepting the inherent uncertainty in the current environment, the Committee **AGREED** to recommend the FFR 2017 to the Board of Management for approval

6. STUDENT RESIDENCES

The Director of Finance provided some background to the UHI student residences project. UHI had entered into a contract with Cityheart Living (Scotland) Ltd to manage the residences on behalf UHI. Currently the occupancy rate in the residences located on Inverness Campus was 57%. Although UHI had underwritten the project there was an indirect financial risk to Inverness College.

The Committee discussed at some length the main issues around the residences and expressed concern about the lack of marketing information available, about the risk to the College, both financial and reputational, and about the lack of clarity on the strategy for the residences going forward. The committee felt that the integration of marketing with Inverness College could help drive student numbers in some key areas, including international numbers. It was understood that a report would be submitted to the next meeting of the Residences Project Board on the potential financial impact of lower than anticipated occupancy levels.

The Committee **REQUESTED** the Chair of the Board to seek absolute clarity from the UHI Court on the UHI strategy for the residences going forward. College executive members would also raise the concerns through representation on various bodies.

7. NATIONAL BARGAINING

The Director of Organisational Development provided an update on National Bargaining, highlighting the key issues from the recent pay settlement for lecturers.

The FTE equivalent salary for unpromoted lecturers would be £40,026 on 1 April 2019. Once the migration was complete, there would be an additional cost in excess of £5M for the region. This represented a regional increase of more than 16% on the current teaching staff costs. There would be further cost increases relating to teaching staff due to changes in terms and conditions and a significant impact on support staff and management costs resulting from national job evaluation. These costs did not reflect any cost of living increases.

The Committee recognised the concern the current situation was causing and **NOTED** that a further report would be submitted to the Board at its meeting in October.

8. FINANCE MONITORING REPORT 2016/17

A report by the Director of Finance set out the results of the finance monitoring for the 12 months to end July 2017. The forecast year-end position showed a forecast net operational deficit of £772,000 compared with the budget level of £0. The variance in deficit related to the adjusted values to be applied in respect of deferred capital grant which had been recalculated in line with the required accounting in respect of the new campus arrangements.

The Chair requested that the HE credit total be expressed in monetary terms as well as FTE equivalent. It was **AGREED** that the Director of Finance and the Chair would review the format of the monitoring statements to ensure that the Committee was provided with sufficient details to allow them to identify any underlying issues and to challenge appropriately.

The Committee **NOTED** the report.

9. UPDATE ON ACCOUNTS & EXTERNAL AUDIT PROCESS 2016/17

A report by Director of Finance provided an update on the final accounts and external audit process and timescale for 2016/17.

The Committee **NOTED** the report.

10. CAPITAL EXPENDITURE PLAN REPORT 2017/18

A report by the Director of Finance provided an update on the capital expenditure plan for 2017/18 and advised on the approach to ensure that the funds were fully utilised by March 2018.

The Committee **NOTED** the report.

11. BUSINESS DEVELOPMENT/INTERNATIONAL – PLANNED INCOME & EXPENDITURE FOR 2017/18

A report by Director of Business Development provided an in year report on business development across the three areas of activity, namely Business Solutions, International Development and Create. A paper outlining income draft income targets for business solutions and international commercial courses for 2017/18 was tabled.

The Director of Business Development advised that SDS had refused to increase the contract to accommodate 24 new Hospitality MAs and 4 new Customer Service MAs. It had also refused to allow the College to move starts from sector frameworks, which were in low demand, to those in high demand. The UHI VP Further Education, Diane Rawlinson, was making representation to SDS on behalf of the College.

The Committee **NOTED** the position.

12. ESTATES REPORT

A report by the Director of Organisational Development provided an update on outstanding issues relating to the disposal of legacy sites, NPD contract matters and estates and capital project matters.

There were a number of key risks and dependencies relating to the Longman site and the Longman Disposal Project Board were taking these matters forward.

NPD project hard FM contract issues were being rigorously progressed by the Director of Organisational Development. It was suggested that the allocation of staff time required to monitor the performance of the contractor against the facilities management contract should be included as opportunity costs.

The Committee **NOTED** the report

The following items were included in the agenda for noting only and therefore no discussion took place at the meeting.

13. GOVERNANCE

CIPFA BEST PRACTICE GUIDE – FINANCE COMMITTEE EVALUATION.

The finance committee evaluation would take place at the end of the academic year.

14. AUDIT REPORT - NEW CAMPUS – MAINTENANCE AND UNITARY CHARGE CONTROLS

The Chair advised that he would write to the Directors of Finance and Organisational Development on the recommendations in the report.

15. HENDERSON LOGGIE – FOLLOW UP REVIEW

The outstanding items from the follow up review relating to the functions of the Finance and General Purposes Committee were highlighted in the report.

16. AOCB - NEW FINANCE SYSTEM PROJECT

The Director of Finance provided an update on the new finance system project and advised that the potential “go live” date was now June 2018.

17. DATE OF NEXT MEETING

Thursday 7 December 2017 at 9.00 a.m.

Signed by the Chair: _____

Date: _____

MINUTES of the MEETING of the LONGMAN DISPOSAL PROJECT BOARD held in the Board Room, 1 Inverness Campus on Tuesday 17th October 2017

PRESENT: Fiona Larg, Chris O'Neil, Neil Stewart
CHAIR: Neil Stewart
APOLOGIES: Hazel Allen, Gavin Ross, Gabriel Starr, John Wilson
ATTENDING: Board Secretary
Charlie Lawrence, Graham and Sibbald (items1&2)

CONFIDENTIAL

The Chair suggested that Item 5 on the Agenda, Valuation Report, be taken after the minutes to allow Mr Lawrence to speak to the report and then leave the meeting. This was agreed.

1. MINUTES

The Minutes of the inaugural meeting held on 17th August were **AGREED** as a correct record, were **APPROVED** and signed by the Chair.

2. VALUATION REPORT

Charlie Lawrence of Graham and Sibbald spoke to the valuation report which had been prepared for the college buildings on Longman Road. There were three valuation scenarios –

1. Market value (vacant possession assuming a fully cleared and serviced development site)
2. Market Value (vacant possession assuming a fully cleared and serviced development site with the LRC building remaining in place)
3. Valuation of all the existing buildings onsite sold as “as seen” basis.

Mr Lawrence spoke to his report, and outlined in detail the major reasons why scenario three was not recommended.

Given the response from the Big Lottery Fund (item 6 below), the Project Board **AGREED** that the preferred way forward was scenario 1, namely a fully cleared and serviced development site.

3. LAMBERT SMITH HAMPTON – REQUEST FOR AUTHORITY TO NOVATE

A report by Anna Tozer of the Scottish Futures Trust explained that the College had appointed Lambert Smith Hampton as agent and lead advisor for disposal of its surplus assets (the Longman Road, Burnett Road and Midmills sites) in June 2014. John Hill of Lambert Smith Hampton had been the lead point of contact and advisor to the College and he had recently moved to Montagu Evans. Lambert Smith Hampton had requested the college's approval to novate the appointment to Montagu Evans.

The Board Secretary advised that Chair approval had been sought for this request and the Chair had given such approval at the beginning of September. Formal ratification was now sought from the Project Board.

The Project Board formally **APPROVED** the request to novate the terms of engagement from Lambert Smith Hampton to Montagu Evans

4. ASBESTOS SURVEY

Gardiner and Theobald, Project Managers had commissioned ACRON to carry out a pre-demolition asbestos survey at Longman Campus.

It was understood that Gardiner and Theobald had asked ACRON to provide costings for the removal of the asbestos identified.

The Project Board **REQUESTED** the Board Secretary to seek confirmation from Gardiner and Theobald that costings had been requested and if so, to try and determine when this information would be available.

5. INSURANCE UPDATE

A report by the Director of Finance gave details of advice received in respect of the appropriate insurance arrangements to protect the College throughout the potential demolition project and updated the Project Board on current provision.

The Principal referred to the report and in particular to the fact that deterioration of the building had impacted on the functioning of the alarm systems. This raised vicarious liability issues.

The Project Board **AGREED** that costings be sought for securing the perimeter of the site.

The Principal confirmed that he would ascertain the level of staff access to the building.

6. LEARNING RESOURCE CENTRE: GRANT OBLIGATION – MILLENNIUM COMMISSION

The Chief Operating Officer and Secretary advised that a response had now been received from the Big Lottery Fund regarding the Millennium Commission grant associated with the Learning Resource Centre. Unfortunately they were unable to commit to there being no repayment of grant. They referred to other situations where bodies were able to hold funds in an escrow account and put the proceeds towards a new development agreed by the Big Lottery Fund. However, in the current situation, the proceeds of the sale of the Longman site were due to go back to the Scottish Government via the SFC as part of the funding for the NPD project.

Ms Larg advised that she had asked the SFC/SG if they would be willing to allow the £1.25m to be held in an escrow account for future development rather the alternative which seemed to require repayment from the proceeds back to the Big Lottery.

7. MEETINGS WITH MSP'S

The Principal advised that requests has been received from two MSP's asking for clarification of the position of the Longman site.

The Project Board **AGREED** that the Principal should arrange a meeting with both MSP's so that he could brief them on the preferred option to demolish all buildings on site, on the potential to place the proceeds of the sale into an escrow account rather than paying back the grant tied to the LRC to the Big Lottery Fund and to raise the issues around the THUS junction box.

The Project Board were very aware of the need to ensure best value was achieved and it was therefore imperative that authority to proceed with the demolition was granted by SFC/SG as soon as possible.

Board of Management

Subject/Title:	Criminal Finances Act 2017		
Meeting and date:	Board of Management, 26 October 2017		
Author:	Fiona Mustarde, Director of Finance		
Link to Strategic Plan:			
Cost implications:	Yes If yes, please specify:		
Risk assessment:	Yes If yes, please specify: Financial: Operational: Organisational:		
Status – Confidential/Non confidential	Non confidential		
Freedom of Information Can this paper be included in “open” business	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)

The Board is requested to note the position with regard to this new legislation.

Purpose of report

To inform the Board of Management of the potential risks to the College arising from new legislation effective from 30 September 2017, the Criminal Finances Act 2017 and the steps the College is taking to ensure reasonable procedures are in place.

Background

New legislation, the Criminal Finances Act 2017, came into force on 30 September 2017. Part 3 of the Act introduces a new corporate criminal offence of failure to prevent the facilitation of tax evasion.

An important distinction to make is that this legislation is not about the College itself avoiding, evading or underpaying tax but about us failing to prevent facilitation of the evasion of tax by another party.

As this legislation applies to all incorporated bodies or partnerships, it appears to be relevant to our institution. Appendix 1 provides further detail regarding the Act.

We will be working with our colleagues across the UHI partnership to ensure suitably robust procedures are in place.

Criminal Finances Act 2017

What is it?

Part 3 of the Act (the Corporate Offences) introduces a new corporate criminal offence of failure to prevent the facilitation of tax evasion.

The legislation applies to all businesses (corporates and partnerships) and all taxes. The offence is not about the organisation itself avoiding, evading or underpaying tax, but about the organisation failing to prevent its employees, agents or associates from facilitating the evasion of tax by another party. A relevant body is an incorporated body or partnership.

Associated persons in this context can include employees, agents or those that provide services for or on behalf of the organisation.

When?

The Criminal Finances Act (CFA) 2017 came into force on 30 September 2017.

Why should we be concerned about it?

There are two corporate offences – a domestic tax fraud offence and an overseas fraud offence. A UK incorporated body can be prosecuted for either offence and while the overseas offence is narrower in scope, it still means that the organisation needs to consider the potential risks relating to overseas tax evasion as well as UK tax evasion.

The penalties for failing to comply are a criminal conviction and potentially unlimited fine for the organisation, plus significant reputational damage and adverse publicity.

What do we need to do?

UHI EO are aware of the CFA and it is intended that they will produce a plan that will also cover partners.

However, there are some activities that we should undertake now. These include:

- Carry out a documented risk assessment
- Identify the internal stakeholders with accountability
- Demonstrate top level commitment

The only defence against a criminal penalty is if the relevant body can evidence that it had put in place reasonable procedures to prevent facilitation of tax evasion.

These procedures should be informed by the following six key principles which come from HMRC draft guidance:

1. Risk assessment
2. Top level commitment
3. Due diligence
4. Proportionality of reasonable procedures
5. Communication and training
6. Monitoring and review

Next Steps

1. KPMG have provided the BUFDG (British Universities Finance Directors Group) with an example risk assessment illustrating real life examples of how the facilitation of tax evasion could take place. This can be used as the basis for a documented risk assessment.
2. Top level commitment can be demonstrated by publishing a statement from the Board on the College website alongside a general statement covering our commitments in relation to preventing many different types of fraud under CFA 2017, Money Laundering regulations, Anti-Bribery laws.
3. Due diligence procedures will require involvement from a number of teams to ensure that we have one clear set of documented processes.
4. When considering the proportionality of reasonable prevention procedures, suggested risk factors to consider include the following:
 - Opportunity – could someone facilitate tax evasion?
 - Do any associated persons have the opportunity to facilitate tax evasion?
 - Is their work subject to monitoring or scrutiny, for example, a second pair of eyes?
 - How likely is detection of any facilitation?
 - Motive – why could it happen?
 - Does the reward and recognition culture (including sanctions and penalties) incentivise or dissuade potential criminal facilitation of tax evasion, or whistle-blowing when tax evasion is uncovered?
 - What are the consequences?
 - Means – how could it be done?
 - What means of criminally facilitating tax fraud do our associated persons have?
 - Are there particular products, services or systems that could be open to abuse and used to criminally facilitate tax evasion?
 - Do we provide regular fraud training to key staff?
5. The first step in effective communication is awareness raising amongst all staff. Staff communications will include communicating the College policy and procedures to all staff, as well as training the relevant staff and 'associated persons' on what they need to know and do in order to protect the College from exposure to this risk.

6. Training materials will be developed in conjunction with our Staff Development Officer and made accessible to all staff. Further information is also available using the following links:

- [HMRC guidance](#)
- [CFA 2017](#)
- [BDO guidance on preparing a defence](#)
- [Tax journal article](#)
- [Taxation magazine article](#)

7. CFA 2017 will be embedded into our policies and processes, and we will undertake regular monitoring to ensure procedures operate as envisaged. It will also require the periodic updating of due diligence checks on relevant categories of 'associated persons'.

Support

For further support and information, colleagues should contact Fiona Mustarde, Director of Finance.

Board of Management

Subject/Title:	Security Planning and Response		
Meeting and date:	Board of Management		
Author:	Lindsay Ferries, Director of Organisation Development		
Link to Strategic Plan:			
Cost implications:			
Risk assessment:	Yes If yes, please specify:		
Status – Confidential/Non confidential			
Freedom of Information Can this paper be included in “open” business			
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:

The Board of Management are asked to note this briefing paper including the outline dates scheduled for training.

Background

While there have been some high profile terrorist and other attacks on civilians across the globe, this remains relatively rare. It is recognised however, that the college has considerable assets and along with the volume of users could make the college a potential

target. The college are working with Police Scotland to ensure that appropriate safety and security steps are taken to reduce vulnerability and the impact of any attack.

It needs to be recognised that the college buildings have controlled access, CCTV coverage and security arrangements for the grounds and wider campus. A PA system is available at all times and procedures and systems are tested.

However in light of recent worldwide events further reviews/staff awareness training/testing are progressing including the following:

Steps:

1. Review of Critical Incident procedures to highlight 'STAY SAFE' Information.
2. Police Scotland SMT Briefing – November 2017
3. Training for Front of House and Estates – November 2017
4. Update of Evacuation/Invacuation – notification where it is safer to stay inside the building rather than evacuate.
5. Test Access control and Dynamic Lockdown
6. Table top Testing of Procedures including Comms – December 2017
7. General Staff Training/Awareness – January 2018
8. Full test/exercise – February 2018

The documents attached are provided by Police Scotland:

- Stay Safe - General Guidance on mitigating firearms threats for high risk facilities. These set out the 'RUN HIDE TELL' procedures.
- Project Griffin/Security Awareness Training which the Police have made available for the college.



Stay Safe

General guidance on mitigating the firearms threat for high risk facilities

Introduction

A firearms attack is very unpredictable and difficult to deal with, due to a number of factors, including particularly the immediate and wide-spread confusion it causes. By their very nature, armed assaults are extremely violent and the dynamic of the attack will change rapidly in response to the actions taken by those being attacked.

During the 2008 attack in Mumbai, the apparent aim was to drag out the assault for as long as possible, cause large-scale casualties and maintain confusion by keeping the response force on the back foot for as long as possible. This was achieved through a high level of training and preparation, enabling the attackers to work as a close knit team, creating unpredictability whilst covering each other and coordinating their attacks as they went.

There is no wholly satisfactory defence for civilian facilities or buildings when faced with a highly dynamic situation such as an armed assault of this nature. However there are actions and preparations that that can mitigate the risks and the violent effects involved. It is paramount that this is planned in advance as basic simple procedures and actions. An event of this sort is no time to 'think on your feet', although any plan should have some flexibility.

Civilian facility with no on-site armed response

The nature of the risk increases substantially on a rising scale, the further the hostile penetration is allowed to progress within the boundaries of any facility or building. It is vital to maximise 'on event' alarm options and optimise the existing physical environment to improve the 'defence-in-depth' capability, with the emphasis on utilising, to their maximum, the outermost defensible boundaries. This is both to

delay deeper hostile intrusion and contain it wherever possible and to allow the best recovery options for any arriving response force.

The following are key considerations:

Basics

- ✓ Ensure the normal security basics are done well - they will provide a good platform.
- ✓ Emphasise to staff the need to act upon suspicious or unusual behaviour in and around the facility. Where there is cause for concern the police should be called using the "999" system whilst either the security manager or other appointed persons are alerted to the incident.
- ✓ Raising the alarm as early as possible is essential. It is also vital to have details of those to be contacted readily available.

Hostile reconnaissance and insiders

- ✓ Ensure hostile reconnaissance practices are at their best, and are tested.
- ✓ Cover the '*insider threat*'; make sure there is a known reporting system for any abnormal behaviour etc.

Physical security

- ✓ Ensure that intruder alarms (Perimeter Intruder Detection System on fences, IDS on building envelope etc.) are functioning and staff are vigilant. Procedures for response to an activation of a local sounder should be revised in light of this potential threat. For example, this may be limited to a simple single but unique sounding alarm or, if a Public Address system is available, some simple coded messages. Appropriate responsibilities should be allocated and defined for the developed procedures.
- ✓ Ensure that CCTV systems are maintained and operating correctly and that, during periods of heightened threat, monitoring is continuous and procedures for response to incidents rehearsed frequently. Ensure, especially where 'blank screen' systems are used, that CCTV patrols are regularly undertaken. Consider installation of additional internal CCTV at critical internal transit pinch points. Again, early alarm and information gathering is imperative.
- ✓ Maximise the use of control mechanisms on the perimeter of the facility and building envelopes. (For example, reduce the number of access points in use - this allows more concentrated security resourcing and control, securing other gates, doors, windows wherever possible.) If it is possible to temporarily erect another pedestrian barrier outside a building entrance (eg a heras fence) and allow pre-entry screening, this must be considered. If this is likely to produce a backlog at the entrance, protocols should be advised by the facility security manager that will limit people density. A queue should be limited to say 20 people and longitudinally dispersed. Those arriving at a congested situation should walk

on and return at a better time. For short durations, home working of non-essential personnel should be considered and a suitable contacts cascade established for this purpose. Such plans should be disseminated formally to the facility occupants in advance.

- ✓ Check that access control equipment and procedures are operating properly and that any personal attack alarms are functioning correctly, especially for any security personnel on pre-screening activity.
- ✓ Ensure that people responsible for controlling access, such as receptionists and security officers, are suitably trained/briefed.
- ✓ Where possible the security control room should not be in an area that might be compromised in the early stages of an attack. Consideration should be given to identifying an alternative location for use during periods of heightened threat. As the control room is likely to have the management function of the facility's security systems it will invariably have a key role to play in the management of any incident and information exchange. To that end the control room should be kept secure in a secure location. This is a key issue for **ALARM, INFORMATION GATHERING AND RESPONSE CONTROL**. During a period of chaos this is the only chance to impose some order.
- ✓ Look for strength in depth that allows 'lockdown' of successive areas within the facility or building. For instance, a succession of internal lockable fabric rings of defence could be considered (on plan and in elevation), even if the fabric is relatively lightweight. Preferably, doors and lifts leading from main entrances etc are candidates for automatic central 'lockdown' on alarm. An inner 'citadel' or refuge area(s) may also be considered. These facilities should have alternative escape options (no dead ends) and should be lockable by internal manual locking systems whilst also including a means of communication with the control room. This is a crucial consideration in choosing between the 'starburst' option to dilute the target/hostage options for the terrorist or a retreat to a relatively safe, but confined, haven. Consider also that the presence of legitimate personnel within a building will add complexity for the responding force in its determination, and treatment, of hostiles/non-hostiles.

Good security culture

- Perhaps the most important measure - good communications are vital, in the first instance to initiate the alarm for a rapid response, and thereafter for direction of the building occupants and the responding police force. This reinforces the need for an emergency security control room with good dedicated communications, located within a safe area.
- During an event it is essential that communications are maintained with the police and that someone should be appointed to stay on the phone and maintain that link.
- If a PA system is available, develop a simple alarm code and emergency directions for occupants but which will not be helpful to any intruder. If only a

sounder is available then develop a particular 'hostile entry' sound, triggering the appropriate pre-designated action.

- Be aware that Fire alarms could be used either to compromise the security of a facility by causing doors to 'fail insecure' or possibly be used by the attackers to draw people into the open. Consideration should be given as to how the system might be managed in the event of a firearms incident. Fire drills are well rehearsed in many facilities and will be recognised by personnel.

Each situation will be different and we recommend that organisations develop a tailored solution or posture for each varying set of circumstances. Clearly, these measures need to take account of actual response capabilities and timescales. Organisations should therefore involve Counter Terrorist Security Advisers in developing their plans.

Emergency plans will need to take account of the almost immediate media reporting that will take place and the impact that will have on the company's or facility's ability to maintain effective communications. Not only will the media want to communicate with those involved in the incident, but family and friends will also wish to be assured as to the well being of people involved. As noted above, to ensure that critical communication routes are maintained, consideration should be given to establishing dedicated direct dial lines that remain independent of the switchboard.

For further advice and guidance please visit the NaCTSO website or contact a Police Scotland CTSA: www.nactso.gov.uk

Annex A**Stay Safe****Firearms and weapons attack**

‘**Stay Safe**’ principles (Run Hide Tell) give some simple actions to consider at an incident and the information that armed officers may need in the event of a firearms and weapons attack. Full guidance is contained on the NaCTSO website <https://www.gov.uk/government/publications/recognising-the-terrorist-threat>.

Run

- Escape if you can.
- Consider the safest options.
- Is there a safe route? **RUN** if not **HIDE**.
- Can you get there without exposing yourself to greater danger?
- Insist others leave with you.
- Leave belongings behind.

Hide

- If you can't RUN, HIDE.
- Find cover from gunfire.
- If you can see the attacker, they may be able to see you.
- Cover from view does not mean you are safe; bullets go through glass, brick, wood and metal.
- Find cover from gunfire e.g. substantial brickwork / heavy reinforced walls.
- Be aware of your exits.
- Try not to get trapped.
- Be quiet, silence your phone.
- Lock / barricade yourself in.
- Move away from the door.

Tell

Call 999 - What do the police need to know?

- Location - Where are the suspects?
- Direction - Where did you last see the suspects?
- Descriptions – Describe the attacker, numbers, features, clothing, weapons etc.
- Further information – Casualties, type of injury, building information, entrances, exits, hostages etc.
- Stop other people entering the building if it is safe to do so.

Armed Police Response

- Follow officers' instructions.
- Remain calm.
- Can you move to a safer area?
- Avoid sudden movements that may be considered a threat.
- Keep your hands in view.

Officers may

- Point guns at you.
- Treat you firmly.
- Question you.
- Be unable to distinguish you from the attacker.
- Officers will evacuate you when it is safe to do so.

You must *STAY SAFE*

- ❖ What are your plans if there were an incident?
- ❖ What are the local plans? E.g. personal emergency evacuation plan.





Project Griffin / Security Awareness

Current Training Packages / Sessions

(Correct March 2017)

The aims of any of the Project Griffin or Security Awareness products are to equip delegates with the knowledge and skills to assist them when responding to security related incidents on their site. These sessions are aimed at any staff including dedicated security personnel who may be involved in, manage/plan for, or have to respond to any identified risks or security related incidents.

- **Introduction to Counter Terrorism**
- **Current Threat** – National, international and to the specific industry.
- **Hostile Reconnaissance** – How criminals/terrorists plan their attack.
- **Improvised Explosive Devices / VBIED's** – Recognition, capabilities and mitigation.
- **Suspect Packages / Mail Handling / Postal Threat** – Recognition and mitigation.
- **Methods of Attack** – Terrorist and extremist.
- **Stay Safe** – Firearms and Edged Weapon practical awareness for staff.
- **Domestic Extremism** – including Protester Activity
- **Northern Ireland Related Terrorism**
- **Principles of Search** – How to, when to, why, where and who should do this.
- **Search Awareness** – Building / Vehicles & Open Ground – practical instruction.
- **Social Networking** – risk awareness for the organisation and staff
- **Cyber Risk /Threat Awareness** – current trends and mitigation (non-technical)
- **Insider Threat** – Risks posed by staff and how to reduce/mitigate this.
- **Unmanned Aerial Vehicles** – the risks and mitigation.
- **Document Awareness** – Identifying fake documents for improved personnel security.
- **Business Continuity** – Protesters
- **Commercial Espionage Awareness** – The risks and mitigation, including working abroad.
- **Run, Hide, Tell** – Organisational Strategy and Planning for a knife/firearm attack.
- Bespoke Sessions in consultation with the CTSA's.



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