

Board of Management

Meeting	Board of Management
Date and time	Thursday 10 October 2019 at 3.30 p.m.
Location	Room 202, 1 Inverness Campus

Board Secretary
10 October 2019

The timings on this agenda are indicative only and the meeting may extend beyond the anticipated finish time.

AGENDA

Promoting effective transition - Presentation by Lindsay MacLeod – 3.30PM

TIME

- 4:00PM **1. Confidential Item (Closed Session)**
- 4:15PM **2. Welcome and Apologies**
- 4:20PM **3. Declarations of Interest**

ITEMS FOR DECISION

- 4.25PM **4. MINUTES**
Meeting of the Board of Management held on 25 June 2019
- 4.30PM **5. OUTSTANDING ACTIONS**
Action List
- 4.40PM **6. MATTERS FROM FINANCE AND GENERAL PURPOSES COMMITTEE HELD ON 26 SEPTEMBER 2019 FOR BOARD APPROVAL**
 - a. SFC Financial Forecast Return (FFR) 2019 (including letter to SFC).
 - b. Funding applications to the Foundation

- c. Letter to UHI - Finance system upgrade

Extracts from Minutes of the Meeting of the Finance and General Purposes Committee held on 26 September 2019

- | | |
|-----------------------------|--|
| 5.00PM | 7. POLICIES
7.1 HUMAN RESOURCES <ul style="list-style-type: none">a. Dignity in the Workplaceb. Leaving Inverness Collegec. Performance Improvementd. Promoting Attendancee. Staff Grievancef. Time Off in Lieug. Staff Mediation |
| 5.10PM | 7.2 LEARNING, TEACHING AND RESEARCH
Essential skills |
| ITEMS FOR DISCUSSION | |
| 5.15PM | 8. PRINCIPAL'S REPORT
Report by Principal |
| 5.30PM | 9. PROGRAMME BOARD RECOMMENDATIONS
Report to be tabled. |
| 5.50PM | 10. STUDENT OUTCOMES AND SATISFACTION RATES FOR 2018-19
Report by Depute Principal Planning and Student Experience |
| 6.00PM | 11. STUDENT ACTIVITY 2018-19 AND STUDENT RECRUITMENT 2019-20
Report by Depute Principal Planning and Student Experience |
| 6.10PM | 12. WORKFORCE PLANNING (confidential)
Report by Director of Organisational Development. |
| 6.20PM | 13. SPORTS PITCH BUSINESS CASE (CONFIDENTIAL)
Joint Report by Depute Principal Planning and Student Experience and Director of External Relations. |
| 6.30PM | 14. HEALTH AND SAFETY ANNUAL REPORT 2018-19
Extract from Minutes of the Meeting of the Audit committee held on 17 September 2019 |
| 6.40PM | 15. MINUTES OF MEETINGS OF BOARD COMMITTEES <ul style="list-style-type: none">1. Longman Disposal Project Board – 25 June 20192. Human Resources Committee – 26 June 20193. Longman Disposal Project Board – 30 July 2019 |

4. Longman Disposal Project Board 27 August 2019
5. Audit Committee – 17 September 2019
6. Learning, Teaching and Research Committee - 24 September 2019

6.50PM **16. NOTES OF MEETINGS OF BOARD COMMITTEES**
Chairs Committee – 12 September 2019
Finance and General Purposes Committee- 26 September 2019

ITEMS FOR NOTING

7.00PM **17. UHI COURT – QUARTERLY UPDATE FROM UHI SMT AND ACADEMIC PARTNERS**

7.05PM **18. AOCB**

7.10PM **19. DATE AND TIME OF NEXT MEETING**
Tuesday 17 December 2019 @ 3.30 P.M.

Board of Management

MINUTES of the MEETING of the BOARD OF MANAGEMENT held in room 202, 1 Inverness Campus on Tuesday 25 June 2019

PRESENT:	Hazel Allan (by teleconference), Sarah Burton, Andy Gray, Brian Henderson (by teleconference), Jaci Douglas, Robyn Kennedy, Shawna Mackinnon, Helen Miller, Innis Montgomery, Chris O'Neil, Fiona Neilson, Gavin Ross, Tom Speirs, Neil Stewart, John Wilson
CHAIR:	Neil Stewart
APOLOGIES:	Andrew Bowie, Carron McDiarmid, Steve Walsh
IN ATTENDANCE:	Depute Principal Planning and Student Experience Depute Principal Academic Development Director of Finance Director of Curriculum Director of Organisational Development Director of External Relations Director of Student Services Board Secretary Fiona Ambrose Board Secretary Erin Grant
OBSERVERS:	Tina Stones, Co-opted Member George Gunn, Student President Elect Kelly Mackenzie, Staff Board Member Elect

Welcome

The Chair welcomed Erin Grant, the new Board Secretary to her first Board of Management Meeting. He also welcomed Tina Stones, George Gunn and Kelly Mackenzie as observers.

This would be the last meeting attended by Helen Miller, Support Staff Member and on behalf of the Board, the Chair thanked Helen for her contribution over the last 4 years.

Declarations of Interest – there were no declarations of interest.

The Chair advised that he would like to add an additional item of business and discuss it as item 1 on the agenda, namely HE target and Micro-RAM. This was agreed.

PRESENTATION ON DATA REPORTING

Roddy Henry, Depute Principal Planning and Student Experience gave a short presentation on data reporting and why it was important. A project team, drawn across the partnership, including MIS, teaching staff and support staff had been established and the aim was to have the first “dashboard” live for the start of the 2019-20 academic year. He provided a pictorial representation of the landing page and the key data areas, namely admissions, enrolment, assessment, student satisfaction and PI's and the wide range of information which would be accessed.

The Chair thanked the Depute Principal for a very informative presentation and looked forward to receiving further information as the project developed.

Andy Gray entered the meeting during discussion of the following item.

1. **HE TARGET AND MICRO-RAM**

The Principal spoke to a paper which had been circulated to all Board Members prior to the start of the meeting and which advised that the College had been made aware of two serious issues around student numbers and teaching resource liabilities in the last 3 weeks and in the last few days respectively. These were

- A reduction in the Partnership Planning Forum (PPF) target numbers as a consequence of “double counting” 27 SDS funded graduate apprentices as SFC funded HE students and
- A circa 30% increase from the end of May in the micro-RAM liability.

Both these adjustments would result in a gap in funding of up to £250K. The Principal anticipated that the position might improve but there were real concerns that a budget which was believed to be deliverable had now been compromised by inaccurate data reporting.

As the University had achieved its undergraduate funded numbers target overall, it would not suffer any financial penalties from SFC. As in previous years, it was expected that EO would adjust the funding passed on to APs in line with actual FTE. Given the financial challenges that the partnership was facing, there was a strong argument to distribute the balance of the funding for student activity, in line with targets, to mitigate financial pressures.

The report provided more details about HE funded numbers, PPF target setting, PPF student numbers monitoring, the current issues with PPF numbers and the implications and considerations. It also detailed the purpose of the micro-RAM, micro-RAM adjustments, current issues and implications and considerations.

The Board of Management discussed at length these two issues and **AGREED** that the Principal should present the following views of the Board to the meeting of Partnership Council on 26 June, namely that

- The Board of Management recognises that Inverness College is reliant upon EO producing timely, accurate and complete data and reports and that this expected level of service had fallen short at a late and critical stage this year.
- The PPF and micro-RAM position at this late and critical stage had impacted upon Inverness College’s ability to plan and react to the environment. Therefore the Board of Management expected EO to underwrite the financial impact.
- The BOM was concerned at the closing date for the micro-RAM reconciliation and requested an extension
- In future, all budgets should be set and reconciled at the close of the financial year with late adjustment being managed retrospectively.
- The Board of Management would not except this position and expected robust, timely and contextualised data to be provided by EO.

2. **MINUTES**

The Minutes of the Meeting of the Board of Management held on 21 March 2019 were **AGREED** as a correct record, were **APPROVED** and were signed by the Chair.

3. **OUTSTANDING ACTIONS**

The Board of Management **AGREED** which actions had been completed and could be signed off and those which were still outstanding and would remain on the list.

The following updates were provided:-

Risk

Partnership Council would be looking at key risks on a rotational basis and that the item would be considered at an early stage of each meeting.

Intranet

A UHI wide focus group was being formed to consider a new partnership wide intranet system with the first meeting being held on 1 July.

Governance matters for Board of Management approval

4a. **APPOINTMENT OF SECRETARY TO THE BOARD OF MANAGEMENT**

The Chair advised that it was the responsibility of the Board to appoint the Secretary to the Board of Management. He thanked Board Members for their responses to his recent e mail seeking their approval to appoint Erin Grant.

The Board of Management formally **RATIFIED** the appointment of Erin Grant to the position of Secretary to the Board of Management with effect from 17 June 2019.

4b. **APPOINTMENT OF SUPPORT STAFF MEMBER TO THE BOARD OF MANAGEMENT**

A process was held over the period 8 May to 14 June to elect the Support Staff Member to the Board. The process followed the Good Practice Guide for Election of Staff Members to Boards, approved by the Board of Management in March 2017. Two nominations had been received and following an online ballot, Kelly Mackenzie had been elected to the position of Staff Member on the Board of Management.

The Board of Management formally **RATIFIED** the appointment of Kelly Mackenzie to the position of Support Staff Member on the Board of Management for a 4 year period from 1 August 2019.

4c. **TERMS OF REFERENCE**

A report by the Board Secretary advised that the terms of reference of the Board of Management and all Committees were reviewed in 2017. Each of the Committees during the currently cycle, or by e mail request, had considered its own TOR and had recommended a number of minor amendments to the Board for approval. The exception was the Human Resources Committee which would meet on 26 June.

The Board of Management

1. **AGREED** that no changes were required to the Board of Management TOR or to the following committees
 - Audit
 - Learning, Teaching and Research
 - Finance and General Purposes
2. **APPROVED** the amendments to the TOR recommended by the
 - New Campus Project Board
 - Longman Disposal Project Board
 - Chairs Committee
 - Search and Nomination Committee
 - Performance, Review and Remuneration Committee

4d. LEASE AGREEMENT – INVERNESS - WASPS STUDIO, MIDMILLS, INVERNESS

A report by the Director of Organisational Development advised that In line with the College Financial regulations (para 77.1), the purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority of the Board of Management.

Following a presentation to the Board at its meeting in December 2018, and after significant discussion, a lease agreement had been drafted.

The Director of Organisational Development confirmed that, since her report had been issued, Highland Council had confirmed with WASPS that the units could be used for the provision of education and display of works of art, this being a mix of Class 4 and Class 10 use.

The Board of Management **APPROVED** the lease agreement for the lease of units 004, 007A and 007B, The Inverness Creative Academy, Inverness for the provision of education and display of works of art.

There was discussion on the term of the lease which was for one year and thereafter on a month to month basis. The Board sought assurance as to the position in the event of increased costs after the first year. The Board was concerned that the short term lease did not reflect the strategic growth potential which was essential for cultural and creative industries.

The Director of Organisational Development confirmed that a full Schedule of Conditions would be annexed to the lease.

Matters referred from Standing Committees for Board of Management approval

5. UHI FE ACADEMIC APPEALS POLICY

The Learning, Teaching and Research Committee, at its meeting on 4 June 2019 had considered the UHI FE Academic Appeals policy and following clarification on a number of matters, had agreed to recommend the policy to the Board of Management for approval.

The Board of Management **APPROVED** the UHI FE Academic Appeals policy.

Helen Miller left the meeting during consideration of the following item.

6a. REVENUE BUDGET 2019/20

The Finance and General Purposes Committee, at its meeting on 6 June had considered the 2019-20 Revenue Budget and had recommended it to the Board of Management for approval.

The Board of Management **AGREED** to **APPROVE** the 2019-20 revenue budget.

6b. CAPITAL EXPENDITURE PLAN – 2019/20

The Finance and General Purposes Committee, at its meeting on 6 June had considered the capital expenditure plan 2019-20 and had recommended it to the Board of Management for approval. The capital grant had reduced from a figure of £324,984 in 2018/19 to £170,919 for 2019/20.

The Board of Management **APPROVED** the capital expenditure plan for 2019/20 and **AGREED** that

1. any urgent equipment requirements would be addressed through application to the Scottish Colleges Foundation for funding
2. that the FE funds would be directed solely to revenue maintenance
3. and that monies be directed to income generation where possible

6c. CLEANING CONTRACT

The Finance and General Purposes Committee, at its meeting on 6 June had considered the process undertaken during the procurement exercise for the Cleaning Contract and had recommended to the Board of Management that the contract be approved.

Boardroom.ic@uhi.ac.ukBoardroom.ic@uhi.ac.uk

The Board of Management **AGREED** to award the Cleaning Contract to Pristine Clean Services Ltd.

6d. CITB CONTRACT

The Finance and General Purposes Committee, at its meeting on 6 June had considered a comprehensive update to the CITB sub contractor issue and had recommended option 3 within the report to the Board of Management for approval.

The Board of Management **AGREED** that the College should

1. prioritise the needs of the students and their employers by building internal capacity to deliver Modern Apprenticeships direct.
2. work with solicitors to attempt to secure payment from CITB for the work undertaken in 2018/19, albeit out of contract (approximately £240,000 based on 17/18).
3. sign the three year Framework Agreement and the 2018/19 call-off contract if payment could not be secured otherwise.

The Chair, Hazel Allen and Brian Henderson left the meeting

7. ANNUAL EVALUATION EXERCISE - BOARD CHAIR

To comply with the Code of Good Governance for Scotland's Colleges and good governance best practice, the Board required to undertake an annual evaluation of the Chair of the Board of Management.

The Board of Management collectively completed the annual committee chair evaluation exercise

The Chair returned to the meeting

4. PRESENTATION ON CURRICULUM REVIEW

The Depute Principal Academic Development and the Director of Curriculum made a presentation on the curriculum review highlighting

- Outputs
- New school structure and management:

- Business, computing and hospitality
- Care, health and wellbeing
- Construction and built environment
- Creative arts
- Education and applied science
- Engineering technology
- Forestry
- Level 12 professional doctorates in education and health
- Developments for delivery in 2020/21
- Next steps which would monitor progress against targets and finalise development programme for the Heads and Deputes

The Chair thanked the Depute Principal Academic Development and the Director of Curriculum for a very informative presentation and all those involved in the extensive review process.

5. **DEVELOPMENT PLAN 2018-19**

A joint report by the Depute Principal Planning and Student Experience, the Director of External Relations and the Board Secretary provided information on progress which had been made with the actions within the development plan 2018-19.

The Board of Management

1. **NOTED** briefing papers on the engagement with key external stakeholders and how the College engaged with the Community Planning Partnership (CPP) process
2. **AGREED** to continue with the current level of stakeholder engagement
3. **NOTED** that two Board Strategic Planning events were proposed for the development of the Colleges next Strategic Plan (2020-25). The first in September/October 2019 would be a context-setting workshop to include engagement with key local, regional and national stakeholders. The Regional Outcome Agreement (ROA) would provide the backdrop to the workshop, the outcomes of which would inform both the Strategic Plan and the next iteration of the ROA.

6. **PRINCIPAL'S REPORT**

A report by the Principal provided an overview of new and continuing activity including

- National Pay Bargaining and its impact on budgets in relation to pensions
- Heads, Deputes and Structure
- Strategic Review
- Programme Board

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

7. **STUDENT RESIDENCES**

The Vice Chair of the Board, Sarah Burton provided a verbal update following her meeting with the Head of Governance and Records Management at UHI, referred to a UHI audit report on the residences which had been completed in February 2019 and to a recent meeting of the newly formed Residences Steering Group.

The UHI audit report had recorded a number of key failings, specifically around the assumptions on occupancy levels. Although a number of short term options had been identified for increasing income, these had had limited impact on resolving the under occupancy issue. Little progress had been made on the actions identified within the UHI audit report.

The newly formed Residences Steering Group had identified target groups. A bespoke offer for apprentices would be developed.

The previous safeguarding concerns raised by the College had been addressed and the Vice Chair advised that during term time, students would be the only residents within the complex.

There was anecdotal evidence that the primary reason for the low occupancy rates was cost, both the cost of rental and other hidden costs. It was therefore disappointing to note that UHI had decided to increase the rental cost for the 2019/20 academic year.

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

Jaci Douglas left the meeting.

8. RISK

a. REGISTER ANNUAL REVIEW

A report by the Principal referred to the discussions at the Learning, Teaching and Research and Finance and General Purposes Committees on the risks relative to each of these committees. They had requested some immediate adjustment, specifically to a number of risk scores within the risk register but that also, a root and branch review should be carried out.

The Board of Management **NOTED** that the review would be led by the Director of Finance in the next academic year.

b. Financial Strategy

A report by the Director of Finance provided a brief update on progress made against the finance strategy.

The Board of Management **WELCOMED** the report and agreed that this type of information was required going forward.

9. PROGRAMME BOARD

A covering report by the Deputy Principal UHI, Professor Crichton Lang set out the progress made by the Programme Board to address the areas of concern raised at the Partnership Assembly and asked Boards of Management and the University Court two strategic requests to ensure the necessary work could be taken forward.

The Board of Management **AGREED IN PRINCIPLE** to release

1. some capacity from Inverness College staff to work collectively on a number of projects/developments which could progress impactful change.

2. Information, including financial and staff information, to enable detailed examination of potential savings and increased impact to be gained by working collectively.

10. FERB SELF EVALUATION REPORT

A covering report by the by the UHI Vice Principal (Further Education) advised that at the request of the SFC, the RSB had completed a questionnaire evaluating the effectiveness of the RSB in meeting its core statutory dues and wider regionalisation aims. The draft response had been issued to partners for consultation.

The Board of Management **NOTED** the **FERB** self-evaluation report.

11. MINUTES OF MEETINGS OF BOARD COMMITTEES

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

- a. Longman Disposal Project Board – 26 March 2019
- b. Performance, Review and Remuneration Committee – 5 April 2019
- c. Longman Disposal Project Board – 30 April 2019
- d. New Campus Project Board – 30 April 2019
- e. Chairs Committee – 16 May 2019
- f. Search and Nomination Committee – 16 May 2019
- g. Audit Committee - 28 May 2019
- h. Longman Disposal Project Board – 28 May 2019
- i. Learning, Teaching and Research Committee – 4 June 2019
- j. Finance and General Purposes Committee – 6 June 2019

12. AOCB

END OF TERM DATES – BOARD MEMBER RECRUITMENT

The Chair confirmed that both he and Steve Walsh would step down from the Board of Management at the end of their current term on 31 December 2019 and similarly, that Jaci Douglas would step down on 30 May 2020.

A Board recruitment exercise would be undertaken in early autumn to bring the membership up to full capacity and to also appoint a number of reserves/co-opted members.

13. DATE AND TIME OF NEXT MEETING

October 2019 at 4.30 p.m.

Signed by the Chair: _____

Date: _____

Board of Management – List of Outstanding Actions

11 October 2018				
Item	Action	Responsibility	Time line	Actioned
KPI's	Financial KPI's be shown as percentage changes rather than absolute figures	Director of Finance	Oct 2019 report	
21 March 2019				
GDPR	Complete information security and GDPR training modules 2 members to complete	2 x members HA and SW	immediate	
Finance System	Concerns regarding the risks associated with the TechnologyOne contract be reflected in the risk register	D of F	By Mid June August	
	lessons learned needed to be documented, including the resource costs within Inverness College and across the partnership as a result of the delays in development of the new system by TechnologyOne.	D of F	By Mid June August	
	Review delegated authority of standing committees	Chair of the Board	By mid-May end August for Sept Chairs	
Workforce Planning	workforce planning report be updated to show how all the work which had been carried out came together	Dir of OD	For next Board meeting – June October	
25 June 2019				
Capital Expenditure Plan 2019-20	1. any urgent equipment requirements would be addressed through application to the Scottish Colleges Foundation for funding 2. that the FE funds would be directed solely to revenue maintenance 3. and that monies be directed to income generation where possible	D of F	Throughout course of the year	

CITB	<p>1. prioritise the needs of the students and their employers by building internal capacity to deliver Modern Apprenticeships direct.</p> <p>2. work with solicitors to attempt to secure payment from CITB for the work that undertaken in 2018/19, albeit out of contract (approximately £240,000 based on 17/18).</p> <p>3. sign the three year Framework Agreement and the 2018/19 call-off contract if payment could not be secured otherwise.</p>	D of Ext Relations	immediate	
Development Plan – Stakeholder engagement	<p>two Board Strategic Planning events were proposed for the development of the Colleges next Strategic Plan (2020-25). The first in September/October 2019 would be a context-setting workshop to include engagement with key local, regional and national stakeholders. The Regional Outcome Agreement (ROA) would provide the backdrop to the workshop, the outcomes of which would inform both the Strategic Plan and the next iteration of the ROA.</p>	Principal and SMT	For first event in September/Oct	
Risk Register	Comprehensive review of the risk register	D of F	December 2019	

Board of Management

Subject/Title:	SFC Financial Forecast Return (FFR) 2019
Author: [Name and Job title]	Fiona Mustarde, Director of Finance
Meeting:	Finance and General Purposes Committee
Meeting Date:	26 September 2019
Date Paper prepared:	23 September 2019
Brief Summary of the paper:	To provide the committee with the FFR 2019 for recommendation to the Board of Management for approval. In line with SFC guidance, the FFR 2019 will be initially be submitted in draft form due to the timing of Board meetings relative to the FFR deadline of 27 September 2019.
Action requested: [Approval, recommendation, discussion, noting]	Recommendation
Link to Strategy: Please highlight how the paper links to, or assists with: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	Compliance – adherence to the Financial Memorandum Risk Management – financial sustainability
Resource implications:	Yes
Risk implications:	Yes If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	N/A

Status – [Confidential/Non confidential]	Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of 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.)			

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

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

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

SFC Financial Forecast Return (FFR) 2019

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. The FFR provides financial projections over a six year period, the current academic year (as at June) and the following five years. The 2019 FFR spans the period to July 2024.

Main body of information

SFC published the call for information on 21 June 2019. This included annexes providing guidance on completion of the return and outlining some of the assumptions to be used. The guidance states that regional strategic bodies should advise assigned colleges of their funding assumptions for the forecast period.

Both the FFR 2019 and the accompanying commentary have been attached.

There were inconsistencies across the sector with the 2018 FFRs submitted to SFC. Lack of clarity in some aspects of the guidance, and differing approaches from colleges resulted in difficulties for the SFC to compare the FFRs.

In the main, there were two differing approaches adopted. The first was submitting FFRs on the basis of best estimates available but not modelling the cuts required in order to achieve a balanced position. This was the basis of the Inverness College submission. The second approach built in to the FFR adjustments required to achieve a balanced position. In many cases, this largely due to staff cuts.

For the 2019 FFR, SFC have stated a requirement that colleges submit a balanced position.

Two versions of the FFR have currently been prepared and are attached for your consideration. One version shows the position as it currently stands with anticipated movements across the years. The second version shows a balanced position which is largely predicated on staff cuts from year 2020/21 onwards.

Key Risks

This sheet captures the key risks as identified in the Risk Register, as per guidance from SFC.

Statement of Comprehensive Income and Expenditure (SOCIE)

2019/20 approved budgets and known adjustments have been used as the baseline.

Income

- Tuition fees include minimal increase in overseas students. No other increases assumed due to declining demographic and challenges in student recruitment.
- SFC grant assumptions:
 - 2019/20 agreed allocation
 - 2020/21 to 2023/24 based on current IC share of 20.15% of total FE regional funding. Note that IC deliver 26% of credits. FE regional allocation reduces each year with overall 4% cut by 2023/24.
 - FE funding move to new price per credit model during this time.
 - No change in activity targets throughout this time
 - Assume HE UHI funding remains static.

Expenditure

- Staff costs include pay awards of 2% in each year.
- Pay awards are unfunded and come on top of funding cuts.
- Estimated cost for support staff job evaluation mirrors the amounts identified by Colleges Scotland. Risk that this does not take account of local impact.
- FRS102 pension costs excluded from the forecast as per guidance
- Other operating expenses reflect required efficiencies. No inflationary uplift included, will form part of efficiency targets.
- Interest charges relate to the new campus contract and pension interest.

Underlying Operating Result

The purpose of this sheet is to strip out the non-cash elements to arrive at 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. This sheet includes an adjustment to add back the capital repayment element of the NPD contract for which we receive grant funding in the SOCI but this element of the expenditure is moved to the balance sheet.

Balance Sheet

The fixed asset movements reflect depreciation and new additions. The disposal of the former Longman campus has not been reflected due to uncertainty over timing.

Capital Expenditure

Assumed static SFC grant income levels at 2019/20 budget level. Presents a risk to Inverness College due to HE capital grant for buildings only. The 2019/20 capital grant was fully allocated to revenue maintenance leaving no funding available for equipment or ICT replacement or investment.

ALF Funding

Requests to the Foundation for funding are largely driven by needs identified through the annual operational planning process. An assumed level of funding has been included in the FFR along with the associated expenditure.

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 and to explain how the forecasts represent the college's strategic plan.

The commentary identifies the key financial risks facing the College as being pay costs, the ability to achieve student activity targets and the financial sustainability of the UHI partnership.

COMMENTARY FOR FFR 2019 – INVERNESS COLLEGE UHI

1. INTRODUCTION

- 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 now embarked on the process of creating the next strategic plan. This will involve meeting with a range of stakeholders and understanding the challenges facing both the college and university sectors in Scotland and beyond.
- 2018/19 saw the completion of a new Finance Strategy covering the period 2018/19 to 2022/23. This strategy contains six strategic objectives. A recurring theme throughout the strategy is an emphasis on the curriculum offer.
- **NPD** – Both the main campus and Scottish School of Forestry campus 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.
- **HE student numbers** – in 2018/19, the College had a target of 1,618 FTEs however the final out-turn was 1,578 FTEs. This excludes 26 FTEs delivered under the Graduate Apprenticeship contract. The curriculum plan for 2018/19 is in place with a target of 1,604 FTEs. After many years of growth, HE student recruitment has become more challenging due to the declining demographic and increased competitor activity in the region.
- **FE student numbers** - in 2018/19 the College had a target of 29,211 credits which included ESIF funded credits. This target was achieved with a final outturn of 29,435 credits. The credit target for 2019/20 is 29,211, the same as 2018/19.
- **On-going financial sustainability** - The College recognises the risks posed by an increasing cost base, particularly staff costs, against changing demand and reduced central funding. The current operating and funding model in place across the UHI partnership places an increased risk to financial sustainability. The complexities of delivery across the region and accounting for this, create a sizeable challenge in terms of efficient delivery and management. Within Inverness, a major workforce planning exercise is currently underway to identify areas of risk and those where efficiencies must be sought in order to protect the financial sustainability of the institution. In addition, a strategic review of the UHI internal funding allocation model is about to commence.

- **Customer service excellence and IIP Gold** – The College committed to transforming the organisational culture and has successfully engaged with both Customer Service Excellence and IIP Gold. The College is proud of gaining and retaining these recognised awards.

2. REVIEW OF FINANCIAL PERFORMANCE – 2018/19

- The projected underlying surplus outturn for the financial year 2018/19 is a surplus of £97,000, compared to the budgeted breakeven position.
- For SFC FE grant, the college is projecting to be above its target of 29,211 credits (including ESIF), with the draft final outturn being 29,435 credits. For HE activity, the college finished the year with a final position of 1,578 FTEs against a target of 1,618 FTEs.
- Additional SFC grant has been provided in 2018/19 for the Longman demolition project. This project has overrun due to factors beyond the control of the College.
- The situation regarding the finalisation of the Group 2 equipment costs in relation to the NPD new campus has mostly come to an end. The College secured funding through the Scottish Colleges Foundation to pay the amounts required to GTEIL. Although the final payment to GTEIL was made in July 2019, the funds were not received from the Foundation until August 2019.
- Tuition fees and education contracts are projected to be £4.173 million for the year, compared to the budget figure of £3.921 million. Education contracts have performed well, with the College continuing to perform well with SDS apprenticeship contracts. Uncertainty around construction apprenticeship funding from CITB was not resolved until the year ended. Research income continues to perform well and the Research team are actively pursuing new opportunities with local stakeholders in addition to national and international projects.
- Staff costs are projected to increase compared to the budget, the projected total being £15.658 million, compared to the budget of £15.453 million, an increase of 1.3%. Significant effort has been made to manage staff cost downwards during the year however the increase is due to the cost of the teaching staff pay award agreed in May 2019.
- Other operating expenses have not reduced. Continued investment in facilities and resources to deliver curriculum, maintenance of our buildings to an appropriate standard (as required under the terms of the NPD contract), increased transport costs, increases in recharges from UHI LIS and HIE for campus maintenance, project expenditure (although this is covered by project income), costs associated with providing courses under FWDF, legal services advice, security costs

associated with the Longman campus prior to handing over to the demolition contractor have offset reductions in other areas.

- Fixed Assets include our main campus (including the Early Learning and Childcare Centre), the Scottish School of Forestry and the remaining former campus site at 3 Longman Road.
- The cash position becomes challenging in the later years of the forecast and this reflects our requirement for further income diversification, as recognised in the Finance Strategy, and the reduction in core grant funding.

3. SFC/ UHI RECURRENT GRANT

- The College's anticipated FE allocation of SFC funding for 2019/20 is based on a target of 29,211 credits, the same level as 2018/19. The main recurrent grant for 2019/20 is £7.502 million, exclusive of national bargaining. This is a reduction of £0.226m on the 2018/19 recurrent grant allocation of £7.728 million. The national bargaining funding for 2019/20 is £1.939 million, including an estimated value for support staff job evaluation.
- Basing the allocation for Inverness on the same percentage of the overall regional allocation as 2019/20 will see the Inverness funding drop from £9.441 million in 2019/20 to £9.064 million in 2023/24. These figures include national bargaining. The Inverness allocation amounts to 20.15% of the overall regional allocation. Inverness delivers 26% of the credits.
- For 2019/20 the HE allocation has been budgeted at £4.483 million compared to £4.595 million for 2018/19, a decrease of £0.112 million. This grant figure is based on the college achieving an activity target of 1,604 FTEs in 2019/20, but also reflects a net outflow from the college income to other partners for delivery of teaching to Inverness College students. For all future years, the HE allocation has been assumed to remain static.

4. TUITION FEE INCOME & OTHER INCOME

- For 2019/20, tuition fees are budgeted at £3.428 million. This reflects a small uplift on part time fee activity and a low level of full fee paying RUK and international students which acknowledges the difficulties encountered in successfully accessing this market.
- Research income has not been increased and the income target remains at £0.400 million. There are significant staffing movements within the core research team which require to be bedded to enable

successful project funding bids so therefore the budget target has not been increased.

- The budget for other income for 2019/20 has been set at £2.256 million. This includes a budgeted amount of £0.400 million in respect of FWDF activity.

5. CHANGES IN STAFF COSTS & NON-STAFF COSTS

- The forecast staff costs include a 2% cost of living uplift. The figures also include the estimated value for support staff job evaluation in line with the Colleges Scotland and SFC funding figures.
- Other operating expenses is where the College is seeking efficiency savings. For 2019/20 and beyond, non-staff costs have had no inflationary uplift applied effectively presenting budget cuts for future years.

6. RISK MANAGEMENT

- The key risks that have been identified when preparing the 2019/20 forecast remain much as they were for 2018/19. These risks have been discussed at length by the College Board of Management throughout 2018/19, both in relation to current and future years. The main risks are as follows:
 - i. increasing pay costs - national bargaining and support staff job evaluation, both uplift in base salaries and resulting increases on cost of living pay awards, when in real terms SFC grant funding is decreasing and the SFC funding model is changing so that national bargaining will not be explicitly funded; the impact of SPPA employer contribution rate increases without long term commitment from SFC to fund these.
 - ii. reductions in SFC funding and reduced grant allocations from the Regional Strategic Body, both FE and HE.
 - iii. the continuing challenge to achieve both the FE and HE activity targets, particularly with changing expectations and student requirements and the demographic changes now presenting.
 - iv. the financial sustainability of the UHI partnership as a whole. Individual colleges within the partnership, including Inverness, face continuing cost pressures but a huge geographical spread with little in the way of sizeable urban centres, a large central HE office and the desire to maintain the breadth of curriculum offered, result in inefficiencies and the ongoing concerns about the existing internal UHI funding and distribution models.
- In terms of mitigating the above risks, the College continues to work closely with the regional strategic body and assigned colleges. The College is realising opportunities to grow activity levels with other

agencies such as SDS and employers, although some of the activity now funded through the Flexible Workforce Development Fund has had the effect of displacing commercial training activity. Direct contracting with SDS for construction apprentices has moved forward and the region was successful in its bid for 2019/20.

- The College is focussed on achieving and providing value for money. This is being enacted through effective collaborative procurement, continual review of staffing resources and elimination of waste in our processes. Our procurement team continue to work closely with budget holders to reduce contracting costs and realise savings.
- Stringent management of staff resources through detailed workload analysis, vacant posts and thorough workforce planning.
- Training for all budget holders on financial matters, with specific focus on budget management and effective procurement practices, including collaboration, both internally between departments and externally with other UHI partners.
- Shifting the organisational culture in relation estate utilisation to “sweat the assets”.

7. OTHER ISSUES

- The college is currently working with the SFT to progress the disposal of the remaining Longman campus. The demolition of the existing campus buildings is almost complete having been delayed due to the discovery of additional asbestos and then nesting birds. The demolition project is funded by specific SFC strategic grant. No forecast for the final disposal of the site has been included in the FFR as these funds will be returned to SFC.
- The continued uncertainty around Brexit and what that actually means for the education sector are impossible to predict at this stage. Brexit could directly impact significantly across a range of factors such as access to research funding, student activity levels, staffing resources and additional supplies costs but is as yet an unknown quantity.
- The FFR for 2019 has been approved by the Principal but has yet to go to the Board. It will be presented to the Finance and General Purposes Committee on 26 September 2019 and will be presented to the Board of Management on 10 October 2019.

Fiona Mustarde
Director of Finance
Inverness College UHI
September 2019

FFR 2019 Assumptions – Inverness College UHI

FE grant: IC current share of overall regional allocation amounts to 20.15%. Each year reflects this share of the total regional funding. Therefore the FE funding does not reflect a price per credit as IC delivers 26% of the regional credits.

No HE grant: no increase forecast as per UHI so based on 2019/20 funding levels. Have assumed that other HE grants will drop off but be replaced.

Tuition fees: assumes low level (single figure) additional RUK and international activity. No other fee increases included as student activity targets not increasing.

Education contracts: increased to include direct contracting with SDS for construction apprenticeships.

Research grants: no increase forecast due to changes within core research team which may impact on short – medium term ability to grow this area.

Other income: some small increases of 2% increase each year from 2019/20 on for commercial activity such as catering and hairdressing.

No EU income forecast.

Staff costs: all national bargaining costs included. Support staff job evaluation values as per Colleges Scotland spreadsheet. Assumed cost of living pay awards of 2% in each year. Same uplift applied to both lecturing and support staff. No increase in NIC or pension rates included. SPPA pension rate of 23% applied.

Non staff costs: no inflationary uplift included. Inflation costs will need to be met from efficiency gains.

Mitigating actions to address deficit:

- Full cost student activity
 - Increase international / full fee paying students pa – targeted recruitment
 - TNE
 - International summer school activity increase
 - Links with Japan for forestry curriculum
- Full curriculum review
 - Retire ineffective / inefficient curriculum offering
 - Understand and respond to demand
- Diversified income streams
 - Reduce reliance on core SFC grant
 - Increased focus on training contracts, apprenticeships, commercial opportunities, CPD / reskilling
- Resource optimisation and efficiency
 - 3% efficiency target across College
 - Functional reviews of all areas
 - Priority based budgeting
 - Effective procurement securing value for money

- Detailed workforce planning
 - Finance and procurement training for all budget holders and relevant staff
 - Effective estate utilisation – timetabling
 - Transport and travel cost reduction
- Research and innovation
 - Contract / QR research
 - Knowledge Transfer / commercial activities
 - Curriculum enhancement
- UHI wide
 - Remove duplication of effort
 - Accelerate course approval processes
 - Strategic review of funding model
 - Effective curriculum review across UHI
 - Raise profile with RUK – recruitment fayres London & Manchester

Financial Forecast Return 2019

College/Region

Contact

Telephone

Email:

DECLARATION:	The attached worksheets represent the financial forecasts for the College/Region. They reflect a financial statement of our academic and physical plans from 2018-19 to 2023-24. 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 College/Region 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:

Principal/Chief Executive Officer

Date:

Inverness

KEY RISKS

Please use the boxes below to provide a commentary on material risks to income and expenditure as identified in the Risk Register. Where possible these risks should be quantified.

Pay costs. Particularly in relation to the outcomes from national pay bargaining and the uncertainty surrounding the support staff job evaluation. The lack of uplift to college grant funding leaves no scope for providing for national negotiated cost of living pay awards which the college is unable to influence. The increase in SPPA employer rates places a further burden on the sector. The uncertainty surrounding funding commitment after 1 April 2020 is an immediate risk.

Reduced grant funding. Being a college assigned to an RSB there is limited influence regarding allocations of grant made available. The reduction in SFC grant funding to the region in the coming years reduces our ability to provide a full range of education at no or limited cost to students. Pressure on all colleges within the RSB creates risk for all.

Financial instability of UHI academic partners due to increased cost base and reduced income and/or ineffective business models.

Failure to achieve student activity targets.

College fails to identify and take opportunities for development and progression

Required reductions in staffing unable to be achieved through natural turnover and voluntary severance scheme required.

Please use the boxes below to describe the actions planned by the College to address/mitigate the identified risks.

Mitigated through tight vacancy management and redeployment of staffing resource. A detailed workforce planning exercise has commenced which will model future requirements and impacts, identifying areas at risk and potential for redundancies.

Review of curriculum offer and interdependencies across the UHI partnership. Review of funding allocation methodology required, particularly in relation to the HE funding models and the SFC move to price per credit funding for FE in future years. Cost savings to be found, specifically staffing which may impact on breadth of curriculum offered locally. Increase other funding streams through contracts with SDS and other agencies. Limited opportunities and movements could impact on funded student activity numbers. Drive to reduce the cost base in particular transport and travel, printing and improved estate utilisation.

Strategic review of UHI funding models. FE and HE. Current UHI operating model high cost and inefficient. Insufficient funding to retain the status quo. Collaborative procurement across partners where possible. Consideration of different operating models through UHI Programme Board.

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. Review of curriculum based on latest application and enrolment trends: actions taken accordingly to ensure curriculum offer meets demand. Review of planned curriculum to maximise the development of study and work-related skills across all programmes. Extend school-link offer to include Easter and summer skills development programmes. Close monitoring of actual recruitment from the start of the academic year to

Identification of opportunities by SMT through development of external relationships in key sectors. Identification of additional opportunities for development at team/subject level to maximise opportunities for growth. Close working with agencies such as SDS to move into new markets and cater for employer requirements.

Detailed workforce planning to address future staffing requirement. Potential staffing reduction of 24 FTE required by 2023/24

Pension Assumptions	2019-20	2020-21	2021-22	2022-23	2023-24	2019-20	2020-21	2021-22	2022-23	2023-24
Employer Contributions	£000	£000	£000	£000	£000	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation
STSS	1,721	1,712	1,721	1,725	1,741	11 months @ 23% and 1 @17.2	23%	23%	23%	23%
LGPS scheme administered by Highland Council	875	921	934	938	948	17.1% as per latest valuation rep	17.1% as per latest valuation rep	17.1% as per latest valuation rep	17.1% as per latest valuation rep	17.1% as per latest valuation rep
NEST	5	0	0	0	0	3%	assumes staff move to LGPS	assumes staff move to LGPS	assumes staff move to LGPS	assumes staff move to LGPS
Other pension schemes - please state which scheme	0	0	0	0	0					
Total	2,601.00	2,633.00	2,655.00	2,663.00	2,689.00					

Inverness

	Actual 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24	2017-18 - 2018-19	2018-19 - 2019-20	2019-20 - 2020-21	2020-21- 2021-22	2021-22 - 2022-23	2022-23 - 2023-24	Explanation for variance
Statement of Comprehensive income and expenditure (Consolidated)	£000	£000	£000	£000	£000	£000	£000	%	%	%	%	%	%	
INCOME														
Tuition fees and education contracts	4,375	4,173	4,524	4,609	4,759	4,879	4,961	-4.6%	8.4%	1.9%	3.3%	2.5%	1.7%	
Funding council/RSB grants	18,212	20,082	19,842	19,782	19,688	19,577	19,605	10.3%	-1.2%	-0.3%	-0.5%	-0.6%	0.1%	
Research grants and contracts	425	307	400	400	400	400	400	-27.8%	30.3%	0.0%	0.0%	0.0%	0.0%	
Revenue grants from Arms Length Foundation	93	114	105	0	0	0	0	22.6%	-7.9%	-100.0%				
Capital grants from Arms Length Foundation	0	663	648	310	50	50	50		-2.3%	-52.2%	-83.9%	0.0%	0.0%	
Other non-government capital grants	0	0	0	0	0	0	0							
Deferred capital grant release (SFC/RSB and non-SFC Government)	602	592	601	370	369	367	365	-1.7%	1.5%	-38.4%	-0.3%	-0.5%	-0.5%	
Other income	2,623	1,347	2,256	2,259	2,371	2,430	2,516	-48.6%	67.5%	0.1%	5.0%	2.5%	3.5%	
Investment income	4	11	8	6	5	4	4	175.0%	-27.3%	-25.0%	-16.7%	-20.0%	0.0%	
Total income before donations and endowments	26,334	27,289	28,384	27,736	27,642	27,707	27,901	3.6%	4.0%	-2.3%	-0.3%	0.2%	0.7%	
Donations and endowments	0	0	0	0	0	0	0							
Total income	26,334	27,289	28,384	27,736	27,642	27,707	27,901	3.6%	4.0%	-2.3%	-0.3%	0.2%	0.7%	
EXPENDITURE														
Staff costs	15,818	15,475	16,930	16,873	17,029	17,088	17,265	-2.2%	9.4%	-0.3%	0.9%	0.3%	1.0%	
Staff costs - exceptional restructuring costs	0	0	0	0	0	0	0							
Exceptional costs - non-staff	0	0	0	0	0	0	0							
Other operating expenses	6,799	6,795	6,505	6,494	6,494	6,494	6,494	-0.1%	-4.3%	-0.2%	0.0%	0.0%	0.0%	
Donation to Arms Length Foundation	0	0	0	0	0	0	0							
Depreciation	1,736	1,535	1,533	1,374	1,222	932	916	-11.6%	-0.1%	-10.4%	-11.1%	-23.7%	-1.7%	
Interest and other finance costs	3,424	3,087	3,039	2,986	2,929	2,865	2,795	-9.8%	-1.6%	-1.7%	-1.9%	-2.2%	-2.4%	
Total expenditure	27,777	26,892	28,007	27,727	27,674	27,379	27,470	-3.2%	4.1%	-1.0%	-0.2%	-1.1%	0.3%	
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(1,443)	397	377	9	(32)	328	431	-127.5%	-5.1%	-97.6%	-446.6%	-1132.0%	31.4%	
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	(1,443)	397	377	9	(32)	328	431	-127.5%	-5.1%	-97.6%	-446.6%	-1132.0%	31.4%	
Other taxation	0	0	0	0	0	0	0							
Surplus/(deficit) for the year	(1,443)	397	377	9	(32)	328	431	-127.5%	-5.1%	-97.6%	-446.6%	-1132.0%	31.4%	
Unrealised surplus on revaluation of land and buildings	0	0	0	0	0	0	0							
Actuarial (loss)/gain in respect of pension schemes	7,157	0	0	0	0	0	0	-100.0%						
Other comprehensive income	0	0	0	0	0	0	0							
Total comprehensive income for the year	5,714	397	377	9	(32)	328	431	-93.1%	-5.1%	-97.6%	-446.6%	-1132.0%	31.4%	

Inverness

ADJUSTED OPERATING RESULT	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21- 2021- 22 %	2021-22 - 2022-23 %	2022-23 - 2023-24 %	Explanation for variance
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(1,443)	397	377	9	(32)	328	431							
Add:														
Total depreciation (Government-funded, privately funded and NPD-funded assets) net of deferred capital grant release (<i>incorporated colleges only</i>)	1,134	943	932	1,004	853	565	551	-16.8%	-1.2%	7.7%	-15.0%	-33.8%	-2.5%	
Exceptional non-restructuring items (e.g. impairment costs)	0	0	0	0	0	0	0							
Donation to Arms-Length Foundation (<i>incorporated colleges only</i>)	0	0	0	0	0	0	0							
Non-cash pension adjustment - net service cost	894	0	0	0	0	0	0	-100.0%						
Non-cash pension adjustment - ERP	0	0	0	0	0	0	0							
Non-cash pension adjustment -net interest costs	294	0	0	0	0	0	0							
Deduct:														
Non-Government capital grants (e.g. ALF capital grant)	0	663	648	310	50	50	50		-2.3%	-52.2%	-83.9%	0.0%	0.0%	
Exceptional income (if disclosed as exceptional in accounts)	0	0	0	0	0	0	0							
CBP allocated to loan repayments and other capital items (<i>incorporated colleges only</i>)	0	0	0	0	0	0	0							
NPD payments to reduce NPD balance sheet debt	523	580	639	702	771	846	928	10.9%	10.2%	9.9%	9.8%	9.7%	9.7%	
Adjusted operating result	356	97	22	1	0	(3)	4	-72.8%	-77.6%	-94.6%	-84.7%	-1559.9%	-266.1%	
Cash budget for priorities (<i>incorporated colleges</i>) :														
Revenue priorities														
Student support funding	0	0	0	0	0	0	0							
2015-16 pay award	378	378	378	378	378	378	378							
Voluntary severance	0	0	0	0	0	0	0							
Estates costs	118	118	118	118	118	118	118							
Other - please describe	0	0	0	0	0	0	0							
Total impact on operating position	496	496	496	496	496	496	496							
Capital priorities														
Loan repayments	0	0	0	0	0	0	0							
NPD / PFI repayments	0	0	0	0	0	0	0							
Estates costs	0	0	0	0	0	0	0							
Provisions pre 1 April 2014	0	0	0	0	0	0	0							
Total capital	0	0	0	0	0	0	0							
Total cash budget for priorities spend	496	496	496	496	496	496	496							

Inverness

	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21- 2021-22 %	2021-22 - 2022-23 %	2022-23 - 2023-24 %	Explanation
Staff costs														
Salaries	11,917	12,301	13,052	12,963	13,077	13,117	13,246	3.2%	6.1%	-0.7%	0.9%	0.3%	1.0%	
Social Security costs	1,110	1,179	1,277	1,277	1,297	1,308	1,330	6.2%	8.3%	0.0%	1.6%	0.8%	1.7%	
Other pension costs	1,897	1,995	2,601	2,633	2,655	2,663	2,689	5.2%	30.4%	1.2%	0.8%	0.3%	1.0%	
FRS 102 pensions adjustments	894							-100.0%						
Total	15,818	15,475	16,930	16,873	17,029	17,088	17,265	-2.2%	9.4%	-0.3%	0.9%	0.3%	1.0%	

Inverness															
Balance Sheet		Actual 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24	2017-18 - 2018-19	2018-19 - 2019-20	2019-20 - 2020-21	2020-21- 2021-22	2021-22 - 2022-23	2022-23 - 2023-24	Explanation for variance
		£000	£000	£000	£000	£000	£000	£000	%	%	%	%	%	%	
1 Non-current assets	a) Intangible assets	0	0	0	0	0	0	0	13.1%						
	b) Fixed assets	50,933	49,501	48,128	46,894	45,802	45,000	44,214	-2.8%	-2.8%	-2.6%	-2.3%	-1.8%	-1.7%	
	c) Investments	0	0	0	0	0	0	0							
Total non-current assets		50,933	49,501	48,128	46,894	45,802	45,000	44,214	-2.8%	-2.8%	-2.6%	-2.3%	-1.8%	-1.7%	
2 Current assets	a) Stock	0	0	0	0	0	0	0							
	b) Debtors	816	566	566	566	566	566	566	-30.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
	c) Investments	0	0	0	0	0	0	0							
	d) Cash and cash equivalents	4,060	3,283	3,099	3,196	2,635	1,438	1,300	-19.1%	-5.6%	3.1%	-17.6%	-45.4%	-9.6%	
	e) Other (e.g. assets for resale)	0	0	0	0	0	0	0							
Total current assets		4,876	3,849	3,665	3,762	3,201	2,004	1,866	-21.1%	-4.8%	2.6%	-14.9%	-37.4%	-6.9%	
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	311	200	200	200	200	200	200	-35.7%	0.0%	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	580	639	702	771	846	928	1,016	10.2%	9.9%	9.8%	9.7%	9.7%	9.5%	
	h) Deferred capital grant	592	601	370	369	367	365	229							
	i) Other creditors and accruals	4,774	3,614	3,614	3,614	3,614	3,614	3,614	-24.3%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total creditors < 1 year		6,257	5,054	4,886	4,954	5,027	5,107	5,059	-19.2%	-3.3%	1.4%	1.5%	1.6%	-0.9%	
Share of net assets/(liabilities) in associate		0	0	0	0	0	0	0							
NET CURRENT ASSETS/LIABILITIES		(1,381)	(1,205)	(1,221)	(1,192)	(1,826)	(3,103)	(3,193)	-12.7%	1.3%	-2.4%	53.2%	69.9%	2.9%	
TOTAL ASSETS LESS CURRENT LIABILITIES		49,552	48,296	46,907	45,702	43,976	41,897	41,021	-2.5%	-2.9%	-2.6%	-3.8%	-4.7%	-2.1%	
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	36,891	36,252	35,550	34,880	33,933	33,005	31,989	-1.7%	-1.9%	-1.9%	-2.7%	-2.7%	-3.1%	
	f) Deferred capital grant	8,704	8,104	7,733	7,364	6,998	6,632	6,403							
	g) Amounts repayable to Funding Council	0	0	0	0	0	0	0							
	h) Other creditors	0	0	0	0	0	0	0							
Total creditors >1 year		45,595	44,356	43,283	42,244	40,931	39,637	38,392	-2.7%	-2.4%	-2.4%	-3.1%	-3.2%	-3.1%	
5 Provisions	a) Pension provisions	6,383	11,383	11,383	11,383	11,383	11,383	11,383	78.3%	0.0%	0.0%	0.0%	0.0%	0.0%	
	b) Other	398	398	398	398	398	398	398	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total provisions		6,781	11,781	11,781	11,781	11,781	11,781	11,781	73.7%	0.0%	0.0%	0.0%	0.0%	0.0%	
TOTAL NET ASSETS		(2,824)	(7,841)	(8,157)	(8,323)	(8,736)	(9,521)	(9,152)	177.7%	4.0%	2.0%	5.0%	9.0%	-3.9%	
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	-2,824	-7,841	-8,157	-8,323	-8,736	-9,521	-9,152	177.7%	4.0%	2.0%	5.0%	9.0%	-3.9%	
	b) Revaluation reserve	0	0	0	0	0	0	0							
11 Non-controlling interest		0	0	0	0	0	0	0							
TOTAL RESERVES		(2,824)	(7,841)	(8,157)	(8,323)	(8,736)	(9,521)	(9,152)	177.7%	4.0%	2.0%	5.0%	9.0%	-3.9%	

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Cashflow

1 Cash flow from operating activities
a) Surplus / (deficit) for the year

Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000
-1443	397	376.77323	9.18016	-31.81984	328.36984	431.36984

2017-18 -
2018-19
%

2018-19 -
2019-20
%

2019-20 -
2020-21
%

2020-21-
22
%

2021-22 -
2022-23
%

2022-23 -
2023-24
%

Explanation for variance

2 Adjustment for non-cash items

- a) Depreciation
b) Amortisation of intangibles
c) Benefit on acquisition
d) Amortisation of goodwill
e) Loss / (gain) on investments
f) Decrease / (increase) in stock
g) Decrease / (increase) in debtors
h) Increase / (decrease) in creditors
i) Increase / (decrease) in pension provision
j) Increase / (decrease) in other provisions
k) Receipt of donated equipment
l) Share of operating surplus / (deficit) in joint venture
m) Share of operating surplus / (deficit) in associate
n) Other

1,736	1,535	1,533	1,374	1,222	932	916
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(364)	(788)	(800)	(37)	(250)	(399)	208
(182)	(866)	(844)	(50)	(189)	(400)	250
1,197	(139)	(140)	(140)	(140)	(140)	(140)
(230)	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
2,157	(258)	(251)	1,147	643	(7)	1,234

13%

(0%)

(10%)

(11%)

(24%)

(2%)

116%

376%

(112%)

(100%)

2%

(3%)

1%

(95%)

(94%)

0%

576%

278%

0%

60%

112%

0%

(152%)

(163%)

0%

3 Adjustment for investing or financing activities

- a) Investment income
b) Interest payable
c) Endowment income
d) Loss / (gain) on the sale of assets
e) Capital grant income

(4)	(11)	(8)	(6)	(5)	(4)	(4)
3,424	3,087	3,039	2,986	2,929	2,865	2,795
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
3,420	3,076	3,031	2,980	2,924	2,861	2,791

175%

(10%)

(27%)

(2%)

(25%)

(2%)

(17%)

(2%)

(20%)

(2%)

0%

(2%)

4 Net cash inflow from operating activities

4,134	3,215	3,157	4,136	3,535	3,182	4,456
-------	-------	-------	-------	-------	-------	-------

(22%)

(2%)

31%

(15%)

(10%)

40%

5 Cash flow from investing activities

- a) Proceeds from sales of fixed assets
b) Proceeds from sales of intangible assets
c) Capital grants receipts
d) Disposal of non-current asset investments
e) Withdrawal of deposits
f) Investment income
g) Payments made to acquire fixed assets
h) Payments made to acquire intangible assets
i) New non-current asset investments
j) New deposits

0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
4	11	8	6	5	4	4
(417)	(916)	(310)	(570)	(310)	(310)	(310)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(413)	(905)	(302)	(564)	(305)	(306)	(306)

175%

120%

(67%)

(66%)

(25%)

84%

(17%)

(46%)

(20%)

0%

0%

0%

6 Cash flows from financing activities

- a) Interest paid
b) Interest element of finance lease and service concession
c) Endowment cash received
d) New secured loans
e) New unsecured loans
f) Repayments of amounts borrowed
g) Capital element of finance lease and service concession payments

(294)	0	0	0	0	0	0
(3,130)	(3,087)	(3,039)	(2,986)	(2,929)	(2,865)	(2,795)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(3,424)	(3,087)	(3,039)	(2,986)	(2,929)	(2,865)	(2,795)

(100%)

(1%)

(2%)

(2%)

(2%)

(2%)

(2%)

(2%)

7 (Decrease) / increase in cash and cash equivalents in the year

297	(777)	(184)	586	301	11	1,355
-----	-------	-------	-----	-----	----	-------

(362%)

(76%)

(418%)

(49%)

(96%)

11821%

8 Cash and cash equivalents at beginning of the year

3,763	4,060	3,283	3,099	3,196	2,635	1,438
-------	-------	-------	-------	-------	-------	-------

8%

(19%)

(6%)

3%

(18%)

(45%)

9 Cash and cash equivalents at the end of the year

4,060	3,283	3,099	3,196	2,635	1,438	1,300
-------	-------	-------	-------	-------	-------	-------

(19%)

(6%)

3%

(18%)

(45%)

(10%)

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Capital Expenditure Projects and Forecast Methods of Financing

Expenditure:

Land & Buildings

Equipment & Others

Financed by:

Cash reserves

Arms Length Foundation

Leasing

SFC/RSB grant

Re-investment of proceeds from disposal of assets *

Non-SFC/RSB grants

PFI/NPD

Other - please specify if material

Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21- 2021-22 %	2021-22 - 2022-23 %	2022-23 - 2023-24 %
267	150	150	430	180	180	180	-43.8%	0.0%	186.7%	-58.1%	0.0%	0.0%
150	103	160	140	130	130	130	-31.3%	55.3%	-12.5%	-7.1%	0.0%	0.0%
417	253	310	570	310	310	310	-39.3%	22.5%	83.9%	-45.6%	0.0%	0.0%
0	0	0	0	0	0	0						
0	22	110	310	50	50	50		400.0%	181.8%	-83.9%	0.0%	0.0%
0	0	0	0	0	0	0						
417	231	200	260	260	260	260	-44.6%	-13.4%	30.0%	0.0%	0.0%	0.0%
0	0	0	0	0	0	0						
0	0	0	0	0	0	0						
0	0	0	0	0	0	0						
0	0	0	0	0	0	0						
417	253	310	570	310	310	310	-39.3%	22.5%	83.9%	-45.6%	0.0%	0.0%

* to be included only where this has been agreed by SFC

Capital disposals

Disposal proceeds:

Asset description

Asset description

Asset description

Asset description

0	0	0	0	0	0	0

Gain/(loss) on disposal:

Asset description

Asset description

Asset description

Asset description

0	0	0	0	0	0	0

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ALF Funding

	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000
Estimated balance of cash in ALF as at 1 August	2,637	2,544	1,767	1,014	704	654	604
Donation to Arms Length Foundation	0	0	0	0	0	0	0
Grant from Arms Length Foundation - capital	0	(663)	(648)	(310)	(50)	(50)	(50)
Grant from Arms Length Foundation - revenue	(93)	(114)	(105)	0	0	0	0
Estimated balance of cash in ALF as at 31 July	2,544	1,767	1,014	704	654	604	554

Note:

For most foundations, the most recent accounts available are for periods ending in 2018. Colleges' forecast movements will not include governance costs, donations from third parties, payments to third parties or investment income.

	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000
Grant from Arms Length Foundation - capital:							
Group 2 equipment for new campus	0	495	538	0	0	0	0
Additional changes during construction of campus	0	146	0	0	0	0	0
Lapsafe for self service laptop loans	0	22	0	0	0	0	0
AV replacement for lecture theatre	0	0	50	0	0	0	0
ICT Equipment	0	0	60	60	50	50	50
Sports Pitch	0	0	0	250	0	0	0
Total	0	663	648	310	50	50	50
Grant from Arms Length Foundation - revenue							
Research Development Facilitator	0	30	0	0	0	0	0
ICT Refresh and additional VC facilities	0	74	0	0	0	0	0
Marketing for new PGC	0	10	0	0	0	0	0
Curriculum resources	0	0	105	0	0	0	0
Research support	93	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Total	93	114	105	0	0	0	0

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FINANCIAL SUMMARY

Actual 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24
£000	£000	£000	£000	£000	£000	£000

Income ratios							
Total Income	26,334	27,289	28,384	27,736	27,642	27,707	27,901
Total Funding Council Grant (excluding release of deferred capital grant) as % of Total Income	69%	74%	70%	71%	71%	71%	70%
Total non-Funding Council Grant (including release of SFC DCG) as % of Total Income	31%	26%	30%	29%	29%	29%	30%
Total Education Contracts and Tuition Fees as % of Total Income	17%	15%	16%	17%	17%	18%	18%
Total Research Grants and Contracts as % of Total Income	2%	1%	1%	1%	1%	1%	1%
Total Other Income as % of Total Income	10%	5%	8%	8%	9%	9%	9%

Expenditure ratios							
Total Expenditure	27,777	26,892	28,007	27,727	27,674	27,379	27,470
Salaries as % of Total Expenditure	57%	58%	60%	61%	62%	62%	63%
Other operating costs as % of Total Expenditure	24%	25%	23%	23%	23%	24%	24%
Depreciation/amortisation as % of Total Expenditure	6%	6%	5%	5%	4%	3%	3%

Operating position							
Operating Surplus/(deficit)	-1,443	397	377	9	-32	328	431
Operating Surplus/(deficit) as % of Total Income	-5%	1%	1%	0%	0%	1%	2%
Adjusted operating surplus/(deficit)	356	97	22	1	0	-3	4
Adjusted operating surplus/(deficit) as % of Total Income	1.4%	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%

Cash Position							
Cash and Current Asset Investments	4,060	3,283	3,099	3,196	2,635	1,438	1,300
Overdrafts	0	0	0	0	0	0	0
Days Ratio of Cash to Total Expenditure	57	47	43	44	36	20	18

Balance Sheet strength							
Unrestricted reserves	(2,824)	(7,841)	(8,157)	(8,323)	(8,736)	(9,521)	(9,152)
Current Ratio	0.78	0.76	0.75	0.76	0.64	0.39	0.37
Unrestricted reserves as % of Total Income	-11%	-29%	-29%	-30%	-32%	-34%	-33%
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)	37,471	36,891	36,252	35,651	34,779	33,933	33,005
Interest cover	0.58	1.13	1.12	1.00	0.99	1.11	1.15

Financial Forecast Return 2019

College/Region

Contact

Telephone

Email:

DECLARATION:	The attached worksheets represent the financial forecasts for the College/Region. They reflect a financial statement of our academic and physical plans from 2018-19 to 2023-24. 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 College/Region 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:

Principal/Chief Executive Officer

Date:

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KEY RISKS

Please use the boxes below to provide a commentary on material risks to income and expenditure as identified in the Risk Register. Where possible these risks should be quantified.

Pay costs. Particularly in relation to the outcomes from national pay bargaining and the uncertainty surrounding the support staff job evaluation. The lack of uplift to college grant funding leaves no scope for providing for national negotiated cost of living pay awards which the college is unable to influence. The increase in SPPA employer rates places a further burden on the sector. The uncertainty surrounding funding commitment after 1 April 2020 is an immediate risk.

Reduced grant funding. Being a college assigned to an RSB there is limited influence regarding allocations of grant made available. The reduction in SFC grant funding to the region in the coming years reduces our ability to provide a full range of education at no or limited cost to students. Pressure on all colleges within the RSB creates risk for all.

Financial instability of UHI academic partners due to increased cost base and reduced income and/or ineffective business models.

Failure to achieve student activity targets.

College fails to identify and take opportunities for development and progression

Please use the boxes below to describe the actions planned by the College to address/mitigate the identified risks.

Mitigated through tight vacancy management and redeployment of staffing resource. A detailed workforce planning exercise has commenced which will model future requirements and impacts, identifying areas at risk and potential for redundancies.

Review of curriculum offer and interdependencies across the UHI partnership. Review of funding allocation methodology required, particularly in relation to the HE funding models and the SFC move to price per credit funding for FE in future years. Cost savings to be found, specifically staffing which may impact on breadth of curriculum offered locally. Increase other funding streams through contracts with SDS and other agencies. Limited opportunities and movements could impact on funded student activity numbers. Drive to reduce the cost base in particular transport and travel, printing and improved estate utilisation.

Strategic review of UHI funding models. FE and HE. Current UHI operating model high cost and inefficient. Insufficient funding to retain the status quo. Collaborative procurement across partners where possible. Consideration of different operating models through UHI Programme Board.

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. Review of curriculum based on latest application and enrolment trends: actions taken accordingly to ensure curriculum offer meets demand. Review of planned curriculum to maximise the development of study and work-related skills across all programmes. Extend school-link offer to include Easter and summer skills development programmes. Close monitoring of actual recruitment from the start of the academic year to

Identification of opportunities by SMT through development of external relationships in key sectors. Identification of additional opportunities for development at team/subject level to maximise opportunities for growth. Close working with agencies such as SDS to move into new markets and cater for employer requirements.

Pension Assumptions	2019-20	2020-21	2021-22	2022-23	2023-24	2019-20	2020-21	2021-22	2022-23	2023-24
Employer Contributions	£000	£000	£000	£000	£000	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation	Details of Methodology and Valuation
STSS	1,721	1,800	1,840	1,876	1,913	11 months @ 23% and 1 @17.2	23%	23%	23%	23%
LGPS scheme administered by Highland Council	875	921	944	963	982	17.1% as per latest valuation rep	17.1% as per latest valuation rep	17.1% as per latest valuation rep	17.1% as per latest valuation rep	17.1% as per latest valuation rep
NEST	5	0	0	0	0	3%	assumes staff move to LGPS	assumes staff move to LGPS	assumes staff move to LGPS	assumes staff move to LGPS
Other pension schemes - please state which scheme	0	0	0	0	0					
Total	2,601.00	2,721.00	2,784.00	2,839.00	2,895.00					

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	Actual 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24	2017-18 - 2018-19	2018-19 - 2019-20	2019-20 - 2020-21	2020-21- 2021-22	2021-22 - 2022-23	2022-23 - 2023-24	Explanation for variance
Statement of Comprehensive income and expenditure (Consolidated)	£000	£000	£000	£000	£000	£000	£000	%	%	%	%	%	%	
INCOME														
Tuition fees and education contracts	4,375	4,173	4,524	4,609	4,709	4,799	4,831	-4.6%	8.4%	1.9%	2.2%	1.9%	0.7%	
Funding council/RSB grants	18,212	20,082	19,842	19,804	19,718	19,615	19,648	10.3%	-1.2%	-0.2%	-0.4%	-0.5%	0.2%	
Research grants and contracts	425	307	400	400	400	400	400	-27.8%	30.3%	0.0%	0.0%	0.0%	0.0%	
Revenue grants from Arms Length Foundation	93	114	105	0	0	0	0	22.6%	-7.9%	-100.0%				
Capital grants from Arms Length Foundation	0	663	648	310	50	50	50		-2.3%	-52.2%	-83.9%	0.0%	0.0%	
Other non-government capital grants	0	0	0	0	0	0	0							
Deferred capital grant release (SFC/RSB and non-SFC Government)	602	592	601	370	369	367	365	-1.7%	1.5%	-38.4%	-0.3%	-0.5%	-0.5%	
Other income	2,623	1,347	2,256	2,259	2,294	2,330	2,366	-48.6%	67.5%	0.1%	1.5%	1.6%	1.5%	
Investment income	4	11	8	6	5	4	4	175.0%	-27.3%	-25.0%	-16.7%	-20.0%	0.0%	
Total income before donations and endowments	26,334	27,289	28,384	27,758	27,545	27,565	27,664	3.6%	4.0%	-2.2%	-0.8%	0.1%	0.4%	
Donations and endowments	0	0	0	0	0	0	0							
Total income	26,334	27,289	28,384	27,758	27,545	27,565	27,664	3.6%	4.0%	-2.2%	-0.8%	0.1%	0.4%	
EXPENDITURE														
Staff costs	15,818	15,475	16,930	17,384	17,794	18,154	18,521	-2.2%	9.4%	2.7%	2.4%	2.0%	2.0%	
Staff costs - exceptional restructuring costs	0	0	0	0	0	0	0							
Exceptional costs - non-staff	0	0	0	0	0	0	0							
Other operating expenses	6,799	6,795	6,505	6,494	6,494	6,494	6,494	-0.1%	-4.3%	-0.2%	0.0%	0.0%	0.0%	
Donation to Arms Length Foundation	0	0	0	0	0	0	0							
Depreciation	1,736	1,535	1,533	1,374	1,222	932	916	-11.6%	-0.1%	-10.4%	-11.1%	-23.7%	-1.7%	
Interest and other finance costs	3,424	3,087	3,039	2,986	2,929	2,865	2,795	-9.8%	-1.6%	-1.7%	-1.9%	-2.2%	-2.4%	
Total expenditure	27,777	26,892	28,007	28,238	28,439	28,445	28,726	-3.2%	4.1%	0.8%	0.7%	0.0%	1.0%	
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(1,443)	397	377	(480)	(894)	(880)	(1,062)	-127.5%	-5.1%	-227.3%	86.3%	-1.6%	20.7%	
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	(1,443)	397	377	(480)	(894)	(880)	(1,062)	-127.5%	-5.1%	-227.3%	86.3%	-1.6%	20.7%	
Other taxation	0	0	0	0	0	0	0							
Surplus/(deficit) for the year	(1,443)	397	377	(480)	(894)	(880)	(1,062)	-127.5%	-5.1%	-227.3%	86.3%	-1.6%	20.7%	
Unrealised surplus on revaluation of land and buildings	0	0	0	0	0	0	0							
Actuarial (loss)/gain in respect of pension schemes	7,157	0	0	0	0	0	0	-100.0%						
Other comprehensive income	0	0	0	0	0	0	0							
Total comprehensive income for the year	5,714	397	377	(480)	(894)	(880)	(1,062)	-93.1%	-5.1%	-227.3%	86.3%	-1.6%	20.7%	

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ADJUSTED OPERATING RESULT	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21- 2021- 22 %	2021-22 - 2022-23 %	2022-23 - 2023-24 %	Explanation for variance
Surplus/(deficit) before other gains and losses and share of operating surplus/deficit of joint ventures and associates	(1,443)	397	377	(480)	(894)	(880)	(1,062)							
Add:														
Total depreciation (Government-funded, privately funded and NPD-funded assets) net of deferred capital grant release (<i>incorporated colleges only</i>)	1,134	943	932	1,004	853	565	551	-16.8%	-1.2%	7.7%	-15.0%	-33.8%	-2.5%	
Exceptional non-restructuring items (e.g. impairment costs)	0	0	0	0	0	0	0							
Donation to Arms-Length Foundation (<i>incorporated colleges only</i>)	0	0	0	0	0	0	0							
Non-cash pension adjustment - net service cost	894	0	0	0	0	0	0	-100.0%						
Non-cash pension adjustment - ERP	0	0	0	0	0	0	0							
Non-cash pension adjustment -net interest costs	294	0	0	0	0	0	0							
Deduct:														
Non-Government capital grants (e.g. ALF capital grant)	0	663	648	310	50	50	50		-2.3%	-52.2%	-83.9%	0.0%	0.0%	
Exceptional income (if disclosed as exceptional in accounts)	0	0	0	0	0	0	0							
CBP allocated to loan repayments and other capital items (<i>incorporated colleges only</i>)	0	0	0	0	0	0	0							
NPD payments to reduce NPD balance sheet debt	523	580	639	702	771	846	928	10.9%	10.2%	9.9%	9.8%	9.7%	9.7%	
Adjusted operating result	356	97	22	(488)	(862)	(1,211)	(1,489)	-72.8%	-77.6%	-2340.5%	76.7%	40.5%	23.0%	
Cash budget for priorities (<i>incorporated colleges</i>) :														
Revenue priorities														
Student support funding	0	0	0	0	0	0	0							
2015-16 pay award	378	378	378	378	378	378	378							
Voluntary severance	0	0	0	0	0	0	0							
Estates costs	118	118	118	118	118	118	118							
Other - please describe	0	0	0	0	0	0	0							
Total impact on operating position	496	496	496	496	496	496	496							
Capital priorities														
Loan repayments	0	0	0	0	0	0	0							
NPD / PFI repayments	0	0	0	0	0	0	0							
Estates costs	0	0	0	0	0	0	0							
Provisions pre 1 April 2014	0	0	0	0	0	0	0							
Total capital	0	0	0	0	0	0	0							
Total cash budget for priorities spend	496	496	496	496	496	496	496							

Inverness

	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21- 2021-22 %	2021-22 - 2022-23 %	2022-23 - 2023-24 %	Explanation
Staff costs														
Salaries	11,917	12,301	13,052	13,344	13,651	13,920	14,194	3.2%	6.1%	2.2%	2.3%	2.0%	2.0%	
Social Security costs	1,110	1,179	1,277	1,319	1,359	1,395	1,432	6.2%	8.3%	3.3%	3.0%	2.6%	2.7%	
Other pension costs	1,897	1,995	2,601	2,721	2,784	2,839	2,895	5.2%	30.4%	4.6%	2.3%	2.0%	2.0%	
FRS 102 pensions adjustments	894							-100.0%						
Total	15,818	15,475	16,930	17,384	17,794	18,154	18,521	-2.2%	9.4%	2.7%	2.4%	2.0%	2.0%	

Inverness															
Balance Sheet		Actual 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24	2017-18 - 2018-19	2018-19 - 2019-20	2019-20 - 2020-21	2020-21- 2021-22	2021-22 - 2022-23	2022-23 - 2023-24	Explanation for variance
		£000	£000	£000	£000	£000	£000	£000	%	%	%	%	%	%	
1 Non-current assets	a) Intangible assets	0	0	0	0	0	0	0	13.1%						
	b) Fixed assets	50,933	49,501	48,128	46,894	45,802	45,000	44,214	-2.8%	-2.8%	-2.6%	-2.3%	-1.8%	-1.7%	
	c) Investments	0	0	0	0	0	0	0							
Total non-current assets		50,933	49,501	48,128	46,894	45,802	45,000	44,214	-2.8%	-2.8%	-2.6%	-2.3%	-1.8%	-1.7%	
2 Current assets	a) Stock	0	0	0	0	0	0	0							
	b) Debtors	816	566	566	566	566	566	566	-30.6%	0.0%	0.0%	0.0%	0.0%	0.0%	
	c) Investments	0	0	0	0	0	0	0							
	d) Cash and cash equivalents	4,060	3,283	3,099	3,196	2,635	1,438	1,300	-19.1%	-5.6%	3.1%	-17.6%	-45.4%	-9.6%	
	e) Other (e.g. assets for resale)	0	0	0	0	0	0	0							
Total current assets		4,876	3,849	3,665	3,762	3,201	2,004	1,866	-21.1%	-4.8%	2.6%	-14.9%	-37.4%	-6.9%	
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	311	200	200	200	200	200	200	-35.7%	0.0%	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	580	639	702	771	846	928	1,016	10.2%	9.9%	9.8%	9.7%	9.7%	9.5%	
	h) Deferred capital grant	592	601	370	369	367	365	229							
	i) Other creditors and accruals	4,774	3,614	3,614	3,614	3,614	3,614	3,614	-24.3%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total creditors < 1 year		6,257	5,054	4,886	4,954	5,027	5,107	5,059	-19.2%	-3.3%	1.4%	1.5%	1.6%	-0.9%	
Share of net assets/(liabilities) in associate		0	0	0	0	0	0	0							
NET CURRENT ASSETS/LIABILITIES		(1,381)	(1,205)	(1,221)	(1,192)	(1,826)	(3,103)	(3,193)	-12.7%	1.3%	-2.4%	53.2%	69.9%	2.9%	
TOTAL ASSETS LESS CURRENT LIABILITIES		49,552	48,296	46,907	45,702	43,976	41,897	41,021	-2.5%	-2.9%	-2.6%	-3.8%	-4.7%	-2.1%	
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	36,891	36,252	35,550	34,880	33,933	33,005	31,989	-1.7%	-1.9%	-1.9%	-2.7%	-2.7%	-3.1%	
	f) Deferred capital grant	8,704	8,104	7,733	7,364	6,998	6,632	6,403							
	g) Amounts repayable to Funding Council	0	0	0	0	0	0	0							
	h) Other creditors	0	0	0	0	0	0	0							
Total creditors >1 year		45,595	44,356	43,283	42,244	40,931	39,637	38,392	-2.7%	-2.4%	-2.4%	-3.1%	-3.2%	-3.1%	
5 Provisions	a) Pension provisions	6,383	11,383	11,383	11,383	11,383	11,383	11,383	78.3%	0.0%	0.0%	0.0%	0.0%	0.0%	
	b) Other	398	398	398	398	398	398	398	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total provisions		6,781	11,781	11,781	11,781	11,781	11,781	11,781	73.7%	0.0%	0.0%	0.0%	0.0%	0.0%	
TOTAL NET ASSETS		(2,824)	(7,841)	(8,157)	(8,323)	(8,736)	(9,521)	(9,152)	177.7%	4.0%	2.0%	5.0%	9.0%	-3.9%	
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	-2,824	-7,841	-8,157	-8,323	-8,736	-9,521	-9,152	177.7%	4.0%	2.0%	5.0%	9.0%	-3.9%	
	b) Revaluation reserve	0	0	0	0	0	0	0							
11 Non-controlling interest		0	0	0	0	0	0	0							
TOTAL RESERVES		(2,824)	(7,841)	(8,157)	(8,323)	(8,736)	(9,521)	(9,152)	177.7%	4.0%	2.0%	5.0%	9.0%	-3.9%	

Inverness

Cashflow

- 1 Cash flow from operating activities
a) Surplus / (deficit) for the year

Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000
-1443	397	376.77323	-479.8198	-893.8198	-879.8198	-1061.82

2017-18 -
2018-19
%

2018-19 -
2019-20
%

2019-20 -
2020-21
%

2020-21 -
2021-22
%

2021-22 -
2022-23
%

2022-23 -
2023-24
%

Explanation for variance

2 Adjustment for non-cash items

- a) Depreciation
b) Amortisation of intangibles
c) Benefit on acquisition
d) Amortisation of goodwill
e) Loss / (gain) on investments
f) Decrease / (increase) in stock
g) Decrease / (increase) in debtors
h) Increase / (decrease) in creditors
i) Increase / (decrease) in pension provision
j) Increase / (decrease) in other provisions
k) Receipt of donated equipment
l) Share of operating surplus / (deficit) in joint venture
m) Share of operating surplus / (deficit) in associate
n) Other

1,736	1,535	1,533	1,374	1,222	932	916
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(364)	(788)	(800)	(37)	(250)	(399)	208
(182)	(866)	(844)	(50)	(189)	(400)	250
1,197	(139)	(140)	(140)	(140)	(140)	(140)
(230)	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
2,157	(258)	(251)	1,147	643	(7)	1,234

13%

(0%)

(10%)

(11%)

(24%)

(2%)

116%

376%

(112%)

(100%)

2%

(3%)

1%

(95%)

(94%)

0%

576%

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3 Adjustment for investing or financing activities

- a) Investment income
b) Interest payable
c) Endowment income
d) Loss / (gain) on the sale of assets
e) Capital grant income

(4)	(11)	(8)	(6)	(5)	(4)	(4)
3,424	3,087	3,039	2,986	2,929	2,865	2,795
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
3,420	3,076	3,031	2,980	2,924	2,861	2,791

175%

(10%)

(27%)

(2%)

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4 Net cash inflow from operating activities

4,134	3,215	3,157	3,647	2,673	1,974	2,963
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(22%)

(2%)

16%

(27%)

(26%)

50%

5 Cash flow from investing activities

- a) Proceeds from sales of fixed assets
b) Proceeds from sales of intangible assets
c) Capital grants receipts
d) Disposal of non-current asset investments
e) Withdrawal of deposits
f) Investment income
g) Payments made to acquire fixed assets
h) Payments made to acquire intangible assets
i) New non-current asset investments
j) New deposits

0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
4	11	8	6	5	4	4
(417)	(916)	(310)	(570)	(310)	(310)	(310)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(413)	(905)	(302)	(564)	(305)	(306)	(306)

175%

Inverness

Capital Expenditure Projects and Forecast Methods of Financing

Expenditure:

Land & Buildings

Equipment & Others

Financed by:

Cash reserves

Arms Length Foundation

Leasing

SFC/RSB grant

Re-investment of proceeds from disposal of assets *

Non-SFC/RSB grants

PFI/NPD

Other - please specify if material

Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	2017-18 - 2018-19 %	2018-19 - 2019-20 %	2019-20 - 2020-21 %	2020-21- 2021-22 %	2021-22 - 2022-23 %	2022-23 - 2023-24 %
267	150	150	430	180	180	180	-43.8%	0.0%	186.7%	-58.1%	0.0%	0.0%
150	103	160	140	130	130	130	-31.3%	55.3%	-12.5%	-7.1%	0.0%	0.0%
417	253	310	570	310	310	310	-39.3%	22.5%	83.9%	-45.6%	0.0%	0.0%
0	0	0	0	0	0	0						
0	22	110	310	50	50	50		400.0%	181.8%	-83.9%	0.0%	0.0%
0	0	0	0	0	0	0						
417	231	200	260	260	260	260	-44.6%	-13.4%	30.0%	0.0%	0.0%	0.0%
0	0	0	0	0	0	0						
0	0	0	0	0	0	0						
0	0	0	0	0	0	0						
0	0	0	0	0	0	0						
417	253	310	570	310	310	310	-39.3%	22.5%	83.9%	-45.6%	0.0%	0.0%

* to be included only where this has been agreed by SFC

Capital disposals

Disposal proceeds:

Asset description

Asset description

Asset description

Asset description

Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000
0	0	0	0	0	0	0

Gain/(loss) on disposal:

Asset description

Asset description

Asset description

Asset description

0	0	0	0	0	0	0

Inverness

ALF Funding

	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000
Estimated balance of cash in ALF as at 1 August	2,637	2,544	1,767	1,014	704	654	604
Donation to Arms Length Foundation	0	0	0	0	0	0	0
Grant from Arms Length Foundation - capital	0	(663)	(648)	(310)	(50)	(50)	(50)
Grant from Arms Length Foundation - revenue	(93)	(114)	(105)	0	0	0	0
Estimated balance of cash in ALF as at 31 July	2,544	1,767	1,014	704	654	604	554

Note:

For most foundations, the most recent accounts available are for periods ending in 2018. Colleges' forecast movements will not include governance costs, donations from third parties, payments to third parties or investment income.

	Actual 2017-18 £000	Forecast 2018-19 £000	Forecast 2019-20 £000	Forecast 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000
Grant from Arms Length Foundation - capital:							
Group 2 equipment for new campus	0	495	538	0	0	0	0
Additional changes during construction of campus	0	146	0	0	0	0	0
Lapsafe for self service laptop loans	0	22	0	0	0	0	0
AV replacement for lecture theatre	0	0	50	0	0	0	0
ICT Equipment	0	0	60	60	50	50	50
Sports Pitch	0	0	0	250	0	0	0
Total	0	663	648	310	50	50	50
Grant from Arms Length Foundation - revenue							
Research Development Facilitator	0	30	0	0	0	0	0
ICT Refresh and additional VC facilities	0	74	0	0	0	0	0
Marketing for new PGC	0	10	0	0	0	0	0
Curriculum resources	0	0	105	0	0	0	0
Research support	93	0	0	0	0	0	0
Description	0	0	0	0	0	0	0
Total	93	114	105	0	0	0	0

Inverness

FINANCIAL SUMMARY

Actual 2017-18	Forecast 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24
£000	£000	£000	£000	£000	£000	£000

Income ratios							
Total Income	26,334	27,289	28,384	27,758	27,545	27,565	27,664
Total Funding Council Grant (excluding release of deferred capital grant) as % of Total Income	69%	74%	70%	71%	72%	71%	71%
Total non-Funding Council Grant (including release of SFC DCG) as % of Total Income	31%	26%	30%	29%	28%	29%	29%
Total Education Contracts and Tuition Fees as % of Total Income	17%	15%	16%	17%	17%	17%	17%
Total Research Grants and Contracts as % of Total Income	2%	1%	1%	1%	1%	1%	1%
Total Other Income as % of Total Income	10%	5%	8%	8%	8%	8%	9%

Expenditure ratios							
Total Expenditure	27,777	26,892	28,007	28,238	28,439	28,445	28,726
Salaries as % of Total Expenditure	57%	58%	60%	62%	63%	64%	64%
Other operating costs as % of Total Expenditure	24%	25%	23%	23%	23%	23%	23%
Depreciation/amortisation as % of Total Expenditure	6%	6%	5%	5%	4%	3%	3%

Operating position							
Operating Surplus/(deficit)	-1,443	397	377	-480	-894	-880	-1,062
Operating Surplus/(deficit) as % of Total Income	-5%	1%	1%	-2%	-3%	-3%	-4%
Adjusted operating surplus/(deficit)	356	97	22	-488	-862	-1,211	-1,489
Adjusted operating surplus/(deficit) as % of Total Income	1.4%	0.4%	0.1%	-1.8%	-3.1%	-4.4%	-5.4%

Cash Position							
Cash and Current Asset Investments	4,060	3,283	3,099	3,196	2,635	1,438	1,300
Overdrafts	0	0	0	0	0	0	0
Days Ratio of Cash to Total Expenditure	57	47	43	43	35	19	17

Balance Sheet strength							
Unrestricted reserves	(2,824)	(7,841)	(8,157)	(8,323)	(8,736)	(9,521)	(9,152)
Current Ratio	0.78	0.76	0.75	0.76	0.64	0.39	0.37
Unrestricted reserves as % of Total Income	-11%	-29%	-29%	-30%	-32%	-35%	-33%
Total borrowing (Overdrafts, Loans, Finance Leases, PFI/NPD)	37,471	36,891	36,252	35,651	34,779	33,933	33,005
Interest cover	0.58	1.13	1.12	0.84	0.69	0.69	0.62

Subject/Title:	SFC Financial Forecast Return 2019
Meeting and date:	Board of Management – 10 October 2019
Extract from Minutes of the Meeting of the Finance and General Purposes Committee held on 26 September 2019	

SFC FINANCIAL FORECAST RETURN (FFR) 2019

A report by the Director of Finance referred to the annual requirement for colleges to complete a Financial Forecast Return (FFR) by the SFC. This formed part of the SFC's financial health monitoring framework. The FFR provided financial projections over a six year period, the current academic year (as at June) and the following five years. The 2019 FFR spanned the period to 2023-2014. In line with SFC guidance, the draft FFR 2019 had to be signed by the Principal and submitted by 27 September.

The SFC requires Colleges to submit a balanced FFR. The Director of Finance explained that this did not always reflect the true working position and she had therefore produced a second FFR for internal use.

The Committee noted that there were a number of factors which could impact the financial forecast and it was **AGREED** that the Director of Finance would prepare a report for the next committee identifying a 'worst case' scenario.

The Board recognised that SFC's stringent requirements had the potential to skew the true financial position not just for Inverness College UHI but colleges across the sector. After discussion, the Committee **AGREED** to recommend that the Board of Management approve the submission of the FFR subject to it being submitted with a strongly worded statement highlighting Board concerns. It was **AGREED** that the Director of Finance would draft a statement for approval by the Board.

FUNDING APPLICATION TO THE FOUNDATION

The Director of Finance spoke to her report and explained the reasons behind the proposed applications to the Scottish Colleges Foundation for funds. It was **NOTED** that upgrades were needed for both ICT equipment and AV Equipment in the Lecture Theatre.

After discussion regarding the level of sums sought, the Committee **AGREED** to recommend that the Board approve the submission of the application to the Scottish Colleges Foundation.

FINANCE SYSTEM STATUS UPDATE

The Director of Finance spoke to her report and explained that there had been considerable difficulties with the upgrade of the College's finance system predominantly caused by lack of progress within UHI's Core Project Team.

The Committee noted the concerns and it was **AGREED** that the Director of Finance and the Director of Organisational Development would prepare a letter to be submitted by the Board to UHI seeking immediate assistance in relation to this matter. The draft letter would be prepared for approval by the Board at the next Board meeting on 10 October 2019.

Board of Management

Subject/Title:	Policy Review
Author: [Name and Job title]	Lindsay Ferries, Director of Organisation Development
Meeting:	Human Resources Committee
Meeting Date:	19 September 2019
Date Paper prepared:	8 September 2019
Brief Summary of the paper:	Policies for review as per the policy review timetable discussed at the HR Committee on the 26 June 2019.
Action requested: [Approval, recommendation, discussion, noting]	Recommendation to the Board for Approval
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Status – [Confidential/Non confidential]	Non Confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of 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.)			

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

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

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

Policy Review

Background

The following policies have completed the policy and procedure review process which includes review by the college scrutiny panel, staff consultation (including JCC) and SMT.

Dignity in the Workplace
Leaving Inverness College
Performance Improvement
Promoting Attendance
Staff Grievance
Time of in Lieu
Staff Mediation

Each policy includes a cover paper highlighting any points of note and also includes tracked changes.

Each of these are presented to the HR Committee for recommendation to the Board of Management for approval and publication.

The following policies and procedures are progressing through scrutiny and consultation in time for the HR Committee on 28 November for Board Approval on 17th December 2019.

Relocation and Removal
Staff Recruitment and Selection
Staff Code of Conduct
Maternity and Parenting Leave
Staff Disciplinary

BoM HR

Subject/Title:	Dignity at Work Policy
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	BoM HR
Meeting Date:	19 September 2019
Date Paper prepared:	22 July 2019
Brief Summary of the paper:	To inform the committee of the changes to the revised Dignity at Work Policy. Track changes are switched on and the Director of Organisational Development will answer any queries the panel may have.
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to discuss the revised Dignity at Work Policy and approve these for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	The policy & procedure were discussed at Scrutiny Panel (5 June 2019), submitted for Staff consultation and to JCC and then at SMT. Following approval by BoM HR committee the policy will progress to full BoM for final approval.

Status – [Confidential/Non confidential]	Confidential/Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes/No		
*If a paper should not be included within “open” business, please highlight below the reason.			
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DIGNITY IN THE WORKPLACE POLICY

REFERENCE: PL/HR/2008/017

Policy Owner	Director of Organisational Development
Lead Officer	HR Manager
Review Officer	HR Advisor <u>Business Partner</u>
Date first approved by BoM	09 March 2009
First Review Date	May 2010
Date review approved by BoM	
Next Review Date	
Equality impact assessment	Yes
Further information (where relevant)	

Reviewer	Date	Review Action/Impact

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4. Compliance	4
5. Monitoring	4
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Under Review

1. Policy Statement

The College is committed to developing and encouraging a working environment and culture whereby every member of staff has the right to work in an environment which is free from bullying and harassment.

The purpose of the Dignity in the Workplace Policy and Procedure is to highlight behaviours that could be construed as bullying or harassment in the workplace [and outline the organisation's approach in managing bullying and harassment](#). The procedure will also explain what steps individuals can take if they encounter such behaviours.

It is important for staff to be aware that bullying and harassment will not be tolerated. Such behaviours will be treated in accordance with disciplinary policies and procedures, an outcome of which may result in dismissal.

The College also has a legal responsibility to ensure the health and safety of staff and provide a working environment which is free from unlawful discrimination. All individuals have a responsibility to respect the feelings and sensibilities of others in the workplace, and to behave in a way which does not cause offence.

2. Legislative framework/related policies

- ~~2.1.~~ [The Employment Act 2002 \(Dispute Resolution\) Regulations 2004](#)
[Employment Rights Act 1996](#)
- ~~2.4.2.2.~~ [Equality Act 2010](#)
- ~~2.2.~~ [The Sex Discrimination Act 1975 \(Amendment\) Regulations 2003](#)
- ~~2.3.~~ [The Race Relations Act 1976 \(Amendment\) Regulations 2003](#)
- ~~2.4.~~ [The Disability Discrimination Act 1995 \(Amendment\) Regulations 2003](#)
- ~~2.5.~~ [The Employment Equality \(Religion or Belief\) \(Amendment\) Regulations 2003](#)
- ~~2.6.~~ [The Employment Equality \(Sexual Orientation\) Regulations 2003](#)
- ~~2.7.~~ [The Employment Equality \(Age\) Regulations 2006](#)
- ~~2.8.2.3.~~ [The Protection from Harassment Act 1997](#)
- ~~2.9.2.4.~~ [The Human Rights Act 1998](#)
- ~~2.10.2.5.~~ [The Health & Safety at Work Act 1974](#)
- ~~2.11.2.6.~~ [Staff Disciplinary Procedure](#)
- ~~2.12.2.7.~~ [Staff Grievance Procedure](#)
- ~~2.8.~~ [Staff Code of Conduct Policy](#)
- ~~2.9.~~ [Inverness College's Guidance for Managers in Challenging Inappropriate Behaviour](#)
- ~~2.13.2.10.~~ [Inverness College's Guidance for Staff in Challenging Inappropriate Behaviour](#)

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3. Scope

- 3.1. The Dignity in the Workplace Policy applies to all Staff.

4. Compliance

- 4.1. This policy and procedure must be complied with and it will be audited regularly with reports going to the appropriate committee.

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.

6. Review

- 6.1. The policy and procedures will be reviewed annually in May to ensure it meets with College requirements and within the legislative framework.

Subject/Title:	Leaving Inverness College Policy
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	BoM HR
Meeting Date:	19 September 2019
Date Paper prepared:	22 July 2019
Brief Summary of the paper:	To inform the committee of the changes to the revised Leaving Inverness College Policy. Track changes are switched on and the Director of Organisational Development will answer any queries the panel may have.
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to discuss the revised Leaving Inverness College Policy and approve these for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	The policy & procedure were discussed at Scrutiny Panel (5 June 2019), submitted for Staff consultation and to JCC and then at SMT. Following approval by BoM HR committee the policy will progress to full BoM for final approval.

Status – [Confidential/Non confidential]	Confidential/Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes/No		
*If a paper should not be included within “open” business, please highlight below the reason.			
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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)	
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http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Approved by Board of Management: (date)
Amended: (date)



LEAVING INVERNESS COLLEGE POLICY

REFERENCE: PL/HR/2008/0182019/

DRAFT–December 2009

<u>Policy Owner</u>	<u>Director of Organisational Development</u>
<u>Lead Officer</u>	<u>HR Manager</u>
<u>Review Officer</u>	<u>HR Business Partner</u>
<u>Date first approved by BoM</u>	<u>2010</u>
<u>First Review Date</u>	<u>December 2011</u>
<u>Date review approved by BoM</u>	
<u>Next Review Date</u>	
<u>Equality impact assessment</u>	<u>Yes</u>
<u>Further information (where relevant)</u>	

<u>Reviewer</u>	<u>Date</u>	<u>Review Action/Impact</u>

Approved by Board of Management: (date)
Amended: (date)

Lead Officer (Post):	HR Manager	Review date:	December 2011
Department:	HR & Organisational Development	Review Lead Officer (Post)	HR Advisor
Category:	Human Resource	Date published:	
Date approved by Board of Management		Equality Impact and Assessment complete	Yes

~~Approved by Board of Management: (date)~~
~~Amended: (date)~~

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Approved by Board of Management: (date)
Amended: (date)

1. Policy Statement

The college is committed to the recruitment, development and retention of staff, however it is inevitable that the employment relationship will end at some point whether that be through:

- Staff resignation
- Retirement
- Termination of employment

The purpose of this policy and procedure is to outline the various ways in which staff will leave Inverness College, any actions they are required to undertake and what they can expect.

The College will comply with current legislation and best practice in relation to the policy and associated procedure.

Approved by Board of Management: (date)
Amended: (date)

2. Legislative framework/related policies

- 2.1. Employment Rights Act 1996
- 2.2. The Trade Union and Labour Relations (Consolidation) Act 1992
- ~~2.3. The Employment Rights Act 1996~~
- ~~2.4. Data Protection Act 1998~~
- ~~2.3. Data Protection Act 2018~~
- ~~2.5.2.4. The Human Rights Act 1998~~
- ~~2.6. The Equal Pay Act 1970 (Amendment) Regulations 2003~~
- ~~2.7. The Employment Equality (Age) Regulations 2006~~
- ~~2.8.2.5. The Collective Redundancies (Amendment) Regulations 2006~~
- ~~2.6. The Equality Act 2010~~
- ~~2.7. General Data Protection Regulation~~
- ~~2.9.2.8. Protection of children and vulnerable adults policy~~
- ~~2.10.2.9. Data protection policy~~
- ~~2.11.2.10. Disciplinary policy~~
- ~~2.12.2.11. Grievance policy~~
- ~~2.13.2.12. Attendance Management policy~~
- ~~2.14.2.13. Staff Code of Conduct~~
- ~~2.15.2.14. Staff Redundancy Policy and Procedure.~~

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3. Scope

- 3.1. Leaving Inverness College policy applies to all core staff.

4. Compliance

- 4.1. This policy and procedure must be complied with and it will be audited regularly with reports going to the appropriate committee.

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.

Further monitoring by the HR committee in respect of KPI reports i.e. turnover. Further analysis provided in respect reasons for leaving and analysis of exit interviews.

6. Review

~~Approved by Board of Management: (date)~~
~~Amended: (date)~~

- 6.1. The College will review the policy bi annually in September to ensure it continues to meet College requirements and any new legislative requirements.

DRAFT POLICY

BoM HR

Subject/Title:	Performance Improvement Policy
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	BoM HR
Meeting Date:	19 September 2019
Date Paper prepared:	22 July 2019
Brief Summary of the paper:	To inform the committee of the changes to the revised Performance Improvement Policy. Track changes are switched on and the Director of Organisational Development will answer any queries the panel may have.
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to discuss the revised Performance Improvement Policy and approve these for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	The policy & procedure were discussed at Scrutiny Panel (5 June 2019), submitted for Staff consultation and to JCC and then at SMT. Following approval by BoM HR committee the policy will progress to full BoM for final approval.

Status – [Confidential/Non confidential]	Confidential/Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes/No		
*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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http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Approved by Board of Management: 28 October 2012



PERFORMANCE IMPROVEMENT POLICY

REFERENCE: PL/HR/2012/003

<u>Policy Owner</u>	<u>Director of Organisational Development</u>
<u>Lead Officer</u>	<u>HR Manager</u>
<u>Review Officer</u>	<u>HR Business Partner</u>
<u>Date first approved by BoM</u>	<u>28 October 2012</u>
<u>First Review Date</u>	<u>September 2014</u>
<u>Date review approved by BoM</u>	
<u>Next Review Date</u>	
<u>Equality impact assessment</u>	<u>Yes</u>
<u>Further information (where relevant)</u>	

<u>Reviewer</u>	<u>Date</u>	<u>Review Action/Impact</u>

Approved by Board of Management: 28 October 2012

Lead Officer (Post):	HR Manager	Review date:	September 2014
Area:	HR and Organisational Development	Review Lead Officer (Post)	HR Manager
Responsible Committee:	HR Committee	Date published:	5 November 2012
Date approved by Board of Management	28 September 2012	Equality Impact and Assessment complete	Yes

Approved by Board of Management: 28 October 2012

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Approved by Board of Management: 28 October 2012

1. Policy Statement

The College aims to ensure that there is a fair and consistent approach to performance improvement. The purpose of this policy is to ensure that staff are given the opportunity to achieve and maintain satisfactory standards of performance at work and, where individuals are underperforming, to allow them the opportunity to improve. The emphasis of this policy is on encouraging improvement and supporting the member of staff to enable them to achieve the required standard of performance.

The policy and associated procedures incorporate:

- Performance improvement – promoting individual, team and organisational effectiveness.
- Development – continuous development and improvement of individuals and teams.
- Managing behaviour – ensuring that staff are encouraged to behave in a way which allows and fosters better working relationships.

The key principles which apply to this policy are:

- Clarity over the procedure to follow;
- Issues of unsatisfactory performance will be dealt with promptly, fairly and consistently;
- Encourage improvement and bring the member of staff's performance up to an acceptable standard in line with the requirements of the job;
- Encourage open discussion of the reasons identified for the performance shortfall and where identified support/assistance provided to improve performance within reasonable timescales.
- Performance improvement where appropriate will initially be dealt with informally;
- Formal warnings process in the event individuals continue not to meet the required standards
- Staff made aware of the consequences clearly at each stage of the process.
- Staff are kept informed at all stages of the procedure and are given the opportunity to provide an explanation and improve;
- Staff have the right to be accompanied at formal performance improvement meetings where the outcome of these may lead to dismissal;

Approved by Board of Management: 28 October 2012

2. Legislative framework/related policies

- 2.1 Data Protection Act ~~1998~~2018
- 2.2 Public Interest Disclosure Act 1998
- ~~2.3 Employment Act 2002 (Dispute Resolution) Regulations~~
- 2.4 Employment Relations Act 2004
- 2.5 ~~Equalities~~ Equality Act 2010
- 2.6 Health & Safety at Work 1974
- ~~2.7 General Data Protection Regulations~~
- ~~2.87 Disability Discrimination Act 1995~~
- 2.98 Promoting Attendance Policy
- 2.109 Staff Code of Conduct Policy
- ~~2.10 Staff Drug and Alcohol Policy~~
- 2.124 Preventing Fraud and Corruption Policy
- 2.132 Protection of Children and Vulnerable Adults at Risk Policy
- 2.143 Inverness College Public Interest Disclosure (whistle blowing) Policy
- 2.154 Data Protection Policy
- 2.165 ~~Personal Development Planning and Performance Review (PDP & PR)~~
guidance for staff and managersProfessional Development Review Guidance for
Staff and Managers

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3. Scope

- 3.1 This policy applies to all Inverness College staff.

4. Compliance

- 4.1 This policy and associated procedures must be complied with and will be audited regularly with reports going to the appropriate committees.
- 4.2 This document is compliant with the disciplinary, dismissal and grievance regulations as detailed in the 'Legislative framework/related policies' above.
- 4.3 Compliance also linked to PDP & PR processes which are reported on separately.

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.
- 5.2 Performance review meetings will be recorded in CIPHR and reported/monitored in accordance with data submitted to HR Committee

Approved by Board of Management: 28 October 2012

6. Review

- 6.1 The policy and related procedures will normally be reviewed every two years to ensure it continues to meet College requirements within the legislative framework.

Subject/Title:	Promoting Attendance Policy
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	BoM HR
Meeting Date:	19 September 2019
Date Paper prepared:	22 July 2019
Brief Summary of the paper:	To inform the committee of the changes to the revised Promoting Attendance Policy. Track changes are switched on and the Director of Organisational Development will answer any queries the panel may have.
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to discuss the revised Promoting Attendance Policy and approve these for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	The policy & procedure were discussed at Scrutiny Panel (5 June 2019), submitted for Staff consultation and to JCC and then at SMT. Following approval by BoM HR committee the policy will progress to full BoM for final approval.

Status – [Confidential/Non confidential]	Confidential/Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes/No		
*If a paper should not be included within “open” business, please highlight below the reason.			
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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)	
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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.)			

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

Approved by Board of Management: 9 June 2008
Reviewed by Board of Management: 29 March 2011
Reviewed by Board of Management: 20 December 2016



PROMOTING ATTENDANCE POLICY

REFERENCE: PL/HR/2019/6/002

<u>Policy Owner</u>	<u>Director of Organisational Development</u>
<u>Lead Officer</u>	<u>HR Manager</u>
<u>Review Officer</u>	<u>HR Business Partner</u>
<u>Date first approved by BoM</u>	<u>9 June 2008</u>
<u>First Review Date</u>	<u>29 March 2011</u>
<u>Date review approved by BoM</u>	
<u>Next Review Date</u>	<u>December 2018</u>
<u>Equality impact assessment</u>	<u>Yes</u>
<u>Further information (where relevant)</u>	

<u>Reviewer</u>	<u>Date</u>	<u>Review Action/Impact</u>
<u>HR Manager</u>	<u>29.03.11</u>	<u>Review Approved</u>
<u>HR Manager</u>	<u>20.12.16</u>	<u>Review Approved</u>

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<u>Lead Officer (Post):</u>	<u>Director of Organisational</u>	<u>Review date:</u>	<u>December 2018</u>
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Approved by Board of Management: 9 June 2008
Reviewed by Board of Management: 29 March 2014
Reviewed by Board of Management: 20 December 2016

	Development and Performance		
Department:	Organisational Development	Review Officer (Post)	HR Manager
Category:	Human Resources	Date published:	17 June 2008 31 March 2014 31 January 2017
Date approved by Board of Management	9 June 2008 29 March 2014 20 December 2016	Equality Impact and Assessment complete	Yes

Approved by Board of Management: 9 June 2008
~~Reviewed by Board of Management: 29 March 2011~~
~~Reviewed by Board of Management: 20 December 2016~~

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Approved by Board of Management: 9 June 2008
Reviewed by Board of Management: 29 March 2011
Reviewed by Board of Management: 20 December 2016

1. Policy Statement

The College is committed to maintaining a healthy and productive workforce and aims to achieve this through a positive approach which promotes attendance. In doing so this ensures the College operates effectively, provides the necessary support for staff and thereby contributes to the ongoing delivery of a high quality student experience.

The College is committed to ensuring that staff experiencing ill health are treated with understanding, sensitivity and equity with others. Furthermore, it acknowledges the impact sickness absence has on the College and other staff in terms of increased workload for colleagues, disruption to work and replacement costs, and therefore the performance of the College. The [promoting attendance](#) policy and procedures [clarifies](#) individual responsibilities and [enables](#) line managers to promote attendance, manage, monitor and minimise absence and encourage a supportive return to work.

The overriding aim of this policy and the supporting procedures is to ensure a healthy, productive workforce which maximises attendance and therefore gives our students the best possible experience at Inverness College.

The main objectives of this policy are:

- To encourage staff to maximise attendance.
- To ensure that staff returning to work from sickness ~~absence receive~~[absences receive](#) appropriate support from their manager and identified support bodies as necessary.
- To ensure a standard procedure is followed regarding the reporting, monitoring and control of sickness absence.
- To ensure a) line managers are aware of their responsibility in promoting attendance and managing sickness absence and b) staff are aware of their responsibilities whilst absent.

Approved by Board of Management: 9 June 2008
Reviewed by Board of Management: 29 March 2011
Reviewed by Board of Management: 20 December 2016

2. Legislative framework/related policies

- 2.1. Data Protection Act ~~1998 (DPA)~~2018
- 2.2. Access to Medical ~~Records~~ Reports Act 1988 (AMRA)
- 2.3. Equality Act 2010
- ~~2.4.~~ Employment Rights (Dispute Resolution) Act 1998
- ~~2.5.~~2.4. ACAS Guidelines and Best Practice
- 2.6. Inverness College Disciplinary Procedure Policy
- 2.7. Inverness College's Promoting Attendance Policy
- ~~2.6.~~ Reference to sick pay and full and half pay entitlements according to service are in line with those set out in contracts of employment and the relevant terms and conditions as they relate to academic and support staff.

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3. Scope

- 3.1. This policy applies to all staff within Inverness College. In particular:
 - 3.1.1. To encourage staff to maximise and promote attendance.
 - 3.1.2. To ensure staff are aware of their responsibilities to keep in contact while absent and in advance of returning to work.
 - 3.1.3. To ensure a standard procedure is followed regarding the reporting, monitoring and control of sickness absence.
 - 3.1.4. To ensure line managers are aware of their responsibilities to manage sickness/absence.

4. Compliance

- 4.1. This policy must be complied with and it will be audited regularly with reports going to the appropriate committee.
- 4.2. Human Resources (HR)
 - 4.2.1. The successful management of sickness absence depends on the accurate recording and monitoring of absences. The HR department is responsible for providing advice, guidance and support to managers and staff and for auditing the implementation of the policy and procedure. HR is also responsible for maintaining the sickness absence database and notifying individuals on their current and ongoing contractual sick pay position.
- 4.3. Occupational Health Services (OHS)
 - 4.3.1. The OHS is responsible for making recommendations and advising the College on health assessments for individuals who are referred to them by the College and, along with HR and the line manager, supporting individuals towards a sustainable return to work. This will include, but not be limited to: recommend suitable adjustments in the work area where recommendations are required; supporting the College when managing the phased return to work of a member of staff following long term absence. The OHS will also provide an input on all case reviews and advise on ill-health retirements.

Approved by Board of Management: 9 June 2008
Reviewed by Board of Management: 29 March 2011
Reviewed by Board of Management: 20 December 2016

4.4.

4.4.1. OHS has an important role in advising the organisation on system improvements and alterations which may assist in maximising staff attendance both in the short and longer term to avoid recurring absence in the future. In support of the College more widely, OHS also may advise on Health Surveillance, Health and Safety, and VDU / workplace assessments.

4.5. Line Managers

4.5.1. Line managers must fulfill their responsibilities with regard to attendance management and be aware of the facilities available to support them. Line managers will also ensure that staff complete online absence records accurately, consistently and timeously as detailed in the associated procedures.

4.5.2. Irrespective of the length of absence incurred, line managers are responsible for advising staff of any changes which have occurred during their absence, particularly if these have health, safety or security implications.

4.6. Staff

4.6.1. Individual members of staff have a responsibility to comply with the notification requirements outlined in the procedures that support this policy and to keep the line manager informed as to the length of time they expect to be absent. Notification must be at the earliest opportunity. Should the individual's line manager not be available, the next line manager in the management team must be contacted.

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.

5.2. The following health and well-being performance indicators will be used to monitor implementation:

5.2.1. Percentages of short and long term absence.

5.2.2. Average number of sick days per employee.

5.2.3. Number of interventions to aid return to work.

5.2.4. Percentage of staff on leave for reasons other than sickness.

5.2.5. Breakdowns of these PI's ~~will be by gender and by~~ department.

5.3. Further breakdown of these indicators will be used to identify any emerging patterns on sickness absence and wider organisational performance.

6. Review

6.1. The College will review the policy bi-annually to ensure currency of content, procedures and any new legislative requirements.

Subject/Title:	Staff Grievance Policy
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	BoM HR
Meeting Date:	19 September 2019
Date Paper prepared:	22 July 2019
Brief Summary of the paper:	To inform the committee of the changes to the revised Staff Grievance Policy. Track changes are switched on and the Director of Organisational Development will answer any queries the panel may have.
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to discuss the revised Staff Grievance Policy and approve these for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	The policy & procedure were discussed at Scrutiny Panel (5 June 2019), submitted for Staff consultation and to JCC and then at SMT. Following approval by BoM HR committee the policy will progress to full BoM for final approval.

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

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

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

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



STAFF GRIEVANCE POLICY

REFERENCE: PL/HR/2018/001

Policy Owner	Director of Organisational Development
Lead Officer	HR Manager
Review Officer	HR Advisor <u>Business Partner</u>
Date first approved by BoM	9 March 2009
First Review Date	July 2012
Date review approved by BoM	18 December 2018
Next Review Date	July 2021
Equality impact assessment	17 May 2018
Further information (where relevant)	

Reviewer	Date	Review Action/Impact
Director of Organisational Development	2012	Review date extended to 2016
HR Manager	18.12.18	Review approved by BoM

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5. Monitoring	4
6. Review	4

1. Policy Statement

The College aims to ensure that everything possible is done by managers and staff to encourage and maintain good employee relations, so that each person can fulfil their potential and contribute to the success of the College. The College is committed to dealing promptly, fairly, and consistently with staff grievances or with anyone who feels that they have been treated unfairly. The College will deal with complaints as swiftly as possible ensuring confidentiality is maintained at all times.

The purpose of this policy is to:

- provide a framework within which staff grievance issues can be resolved in a consistent manner, designed to promote fairness in relation to the treatment of all Inverness College UHI employees;
- ensure that grievances are resolved as quickly as possible;
- help maintain strong and supportive professional relationships within the College;
- meet the college statutory responsibilities in line with legislation.

The staff grievance procedure sets out the stages which must be followed.

2. Legislative framework/related policies

~~2.1.~~ General Data Protection Regulations ~~(2016/679 EU)~~

~~2.2.~~ Data Protection Act 2018

~~2.4.2.3.~~ Equality Act 2010

~~2.2.2.4.~~ Public Interest Disclosure Act 1998

~~2.3.2.5.~~ Employment Rights Act 1996

~~2.4.~~ Employment Act 2002 (Dispute Resolution) Regulations

~~2.6.~~ Employment Relations Act 1999 and

~~2.5.2.7.~~ Employment Relations Act 2004

~~2.8.~~ ACAS Code of Practice on Disciplinary and Grievance Procedure

~~2.6.~~ Inverness

~~2.7.2.9.~~ Inverness College's Public Interest Disclosure (Whistle Blowing) Policy

~~2.8.2.10.~~ Inverness College's Data Protection Policy 2017

~~2.9.~~ Equality Act 2010

~~2.10.2.11.~~ Inverness College's Staff Disciplinary Policy and Procedure

~~2.11.2.12.~~ Inverness College's Mediation Policy and Procedure

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3. Scope

- 3.1. This policy applies to all Inverness College UHI employees regardless of length of service.

4. Compliance

- 4.1. This policy and associated procedures must be complied with and will be audited regularly with reports going to the appropriate committees.
- 4.2. This document is compliant with the disciplinary, dismissal and grievance regulations as detailed in the 'Legislative framework/related policies' above.

5. Monitoring

- 5.1. Each college policy will be monitored and its implementation evaluated.

6. Review

- 6.1. The policy and related procedures will normally be reviewed every three years to ensure it continues to meet College requirements within the legislative framework.

From: [Lindsay Ferries](#)
To: [Claire Fraser](#)
Cc: [Deborah Alexander](#); [Agnes Makoni](#); [Shona MacDonald](#); [Fiona Ambrose](#)
Subject: Staff Grievance Procedure Updated 08.05.2019.DOC
Date: 17 May 2019 13:18:43
Attachments: [Staff Grievance Procedure Updated 08.05.2019.DOC](#)

Claire

Please find attached the amended staff grievance procedure for scrutiny panel.

For the panel at the end of May you should now have the following:

Policy and Procedure

Dignity in the Workplace
Leaving Inverness College
Performance Improvement
Promoting Attendance
Staff Grievance

Policy only

Time Off in Lieu Policy

I confirm, subject to scrutiny that these updates will go for staff consultation/JCC (please liase with Shona to get them on the agenda) to SMT in July and Policies to Board HR Committee in September for approval at Board of Management in October.

I am now working through the next set. If you could return to me with the timelines for the next set , I can then give SMT and the Board a heads up on what to expect and when.

Thanks Claire for updating logos etc.

Kind regards

Lindsay

Subject/Title:	TOIL Policy
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	BoM HR
Meeting Date:	19 September 2019
Date Paper prepared:	22 July 2019
Brief Summary of the paper:	To inform the committee of the changes to the revised TOIL Policy. Track changes are switched on and the Director of Organisational Development will answer any queries the panel may have.
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to discuss the revised TOIL Policy and approve this for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	The policy & procedure were discussed at Scrutiny Panel (5 June 2019), submitted for Staff consultation and to JCC and then at SMT. Following approval by BoM HR committee the policy will progress to full BoM for final approval.
Status – [Confidential/Non confidential]	Confidential/Non confidential

Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes/No		
*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.)			

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



GUIDANCE DOCUMENT FOR SUPPORT STAFF AND MANAGERS
TIME OFF IN LIEU (TOIL)
REFERENCE: PL/HR/2019/003

Policy Owner	Director of Organisational Development
Lead Officer	HR Manager
Review Officer	HR Business Partner
Date first approved by BoM	17 June 2015
First Review Date	June 2018
Date review approved by BoM	
Next Review Date	
Equality impact assessment	Yes
Further information (where relevant)	

Reviewer	Date	Review Action/Impact

Name:	TOIL
Purpose:	Policy for staff and managers in the application of TOIL and alternative working arrangements.
Resources:	▪ Human Resources
Users:	▪ Staff and Managers

1. Policy Statement

The college recognises the nature of its work means that on occasions, staff will need to work flexibly within the parameters of their contracted hours. The college also recognises its duty to protect the health and safety of its staff by ensuring that staff do not work excessive hours and that any additional hours above contractual hours are agreed in advance and monitored carefully. It is therefore a line manager's responsibility to oversee their team's workload and work pattern so that the work is undertaken within the parameters of the contract of employment and with consideration for the health and wellbeing of their staff.

2. Working Patterns and the Contract of Employment

Lecturer

The weekly working hours for permanent full time staff are 35 hours per week not including lunch breaks and intervals and pro rated for part time staff. Within these parameters, the working patterns for staff are determined by the programme of delivery, the needs of the student and the timetable.

Support Staff

The weekly working hours for permanent full time staff are 35 hours per week not including lunch breaks and intervals and pro-rated for part time staff.

Support Staff– Variable Work pattern

The nature of some support functions mean that staff are employed on contracts with a variable work pattern. These operate on the basis of:

- The total number of annual working hours per year reflected as an average number of weekly working hours
- The number of weekly hours within these parameters is notified by way of a rota that reflects peaks and troughs of activity

Or

- The number of weekly hours is presented as set weekly working hours, worked on a flexible basis with the working pattern notified a minimum of one month in advance. These flexible working arrangements include a requirement to work from time to time in the evenings.

Support Staff – Regular Work pattern

- The number of weekly hours is presented as set weekly working hours.
- There may be a requirement to work from time to time in the evening.

Supply Bank Staff Academic and Support – Variable Contract

Hours of work for supply staff are subject to a schedule of agreement detailing anticipated weekly hours. For academic staff these are set out as anticipated timetabled teaching hours.

3. Application of TOIL within a flexible work pattern and contract of employment

There may be occasions where work patterns within the contracted working hours are required to change to deliver a key aspect of the role or service.

For example to support the provision of Open Evenings - These are arranged on an annual basis as part of the services provided by several support departments. These are programmed events in the course of normal duties for those support departments. These may be planned in advance of the events and scheduled using contracted hours with a changed working pattern in the weeks concerned.

A similar example would be provision of evening classes which are planned in advance and are timetabled within the overall contractual working and teaching hours.

In these cases it is important that managers ensure that the parameters set in the contract are maintained through careful deployment of staff to ensure that the roster/timetable provides for compensatory time off within the working week along with reasonable start and end times. For example a full time support/academic member of staff deployed to support an open evening will receive equivalent compensatory time off to ensure their working day does not exceed an average of 7 working hours and they have a reasonable break between work days and rest periods.

4. Compensation for additional teaching hours above annual contractual class contact hours

There may be occasions when staff are asked to work additional hours above their contractual hours. For academic staff this is calculated taking account of the annual class contact hours with additional hours agreed on an individual basis and paid by way of a separate variable contract. For the avoidance of doubt, payment of additional hours by a separate contract would apply only when a Lecturer was timetabled in excess of their contracted annual class contact hours (860 for full time lecturers pro rata for part time). In these cases, additional hours must be authorised by managers in advance and such arrangements must operate by agreement with staff.

In the case of additional teaching hours being contracted through a separate variable contract TOIL would not apply.

Where support staff are asked to work additional hours above their contractual hours to meet a specific demand, this must be authorised by managers in advance and must be agreed with staff. The equivalent hours in ~~toil~~ [TOIL](#) must be recorded and provided as soon as operationally viable and normally within a month of the additional hours being undertaken.

There may be occasions where staff choose to work above their contractual hours. Managers need to monitor this closely and consider why this might be the case. All managers have a duty of care in respect of the health and wellbeing of their staff. Lengthy periods of voluntary additional hours should be discouraged. Additional hours worked without agreement reached in advance with a line manager does not qualify for TOIL.

5. Recording TOIL

In order for managers to monitor the usage of TOIL and manage its application it is important that TOIL is recorded formally. The member of staff should record these hours in the normal manner through CIPHRNET and these must be authorised by the line manager (see Appendix 1).

The equivalent hours in ~~toil~~ [TOIL](#) must provided as soon as operationally viable and normally within a month of the additional working hours being undertaken.

Policy: TOIL

Appendix 1 - Recording TOIL

Enter the absence like any other by clicking on **'Insert new Record'**, then enter the **'Start and End date'**, then chose **TOIL** from the list of reasons.

The screenshot shows the 'Staff Details' section of the system. The 'Holiday and Absence' tab is active. The 'Insert Absence' form is displayed with the following fields:

- Enter the start date: [Calendar icon]
- Enter the end date: [Calendar icon]
- Enter the absence type: **TOIL** (selected from a dropdown menu)
- Does the absence contain partial days? **No** (selected from a dropdown menu)

At the bottom of the form, there are two buttons: **Continue** (with a checkmark icon) and **Cancel** (with an X icon).

This is what the screen will look like when the line manager verifies the absence request.

The screenshot shows the 'Line Manager Options' section of the system. The 'Holiday and Absence' tab is active. The 'Verify Absence' screen is displayed with the following fields:

- Message: This record has been marked for insertion and is awaiting verification.
- Absence Start: 06/09/2018 (Friday)
- Absence End: 06/09/2018 (Friday)
- Work Pattern: Standard
- Absence Reason: **TOIL** (selected from a dropdown menu)
- Sickness Reason: (empty dropdown menu)
- Certificate To: (empty dropdown menu)
- Days: 1
- Hours: 1

At the bottom of the screen, there are four buttons: **Accept Changes** (with a checkmark icon), **Reject Changes** (with an X icon), **Summary** (with a list icon), and **Who's Off** (with a group of people icon).

Subject/Title:	Staff Mediation Policy
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	BoM HR
Meeting Date:	19 September 2019
Date Paper prepared:	22 July 2019
Brief Summary of the paper:	To inform the committee of the changes to the revised Staff Mediation Policy. Track changes are switched on and the Director of Organisational Development will answer any queries the panel may have.
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to discuss the revised Staff Mediation Policy and approve these for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	The policy & procedure were discussed at Scrutiny Panel (5 June 2019), submitted for Staff consultation and to JCC and then at SMT. Following approval by BoM HR committee the policy will progress to full BoM for final approval.

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

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

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

Approved by Board of Management: 20 March 2014
Amended: (date)



STAFF MEDIATION POLICY
REFERENCE: PL/HR/2019/3/006

<u>Policy Owner</u>	<u>Director of Organisational Development</u>
<u>Lead Officer</u>	<u>HR Manager</u>
<u>Review Officer</u>	<u>HR Business Partner</u>
<u>Date first approved by BoM</u>	<u>20 March 2014</u>
<u>First Review Date</u>	<u>November 2016</u>
<u>Date review approved by BoM</u>	
<u>Next Review Date</u>	
<u>Equality impact assessment</u>	<u>Yes</u>
<u>Further information (where relevant)</u>	

<u>Reviewer</u>	<u>Date</u>	<u>Review Action/Impact</u>

<u>Lead Officer (Post):</u>	<u>HR Manager</u>	<u>Review date:</u>	<u>November 2016</u>
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Approved by Board of Management: 20 March 2014
Amended: (date)

Area:	Performance and Organisational Development	Review Lead Officer (Post)	HR Manager
Responsible Committee:	Human Resources	Date published:	22 April 2014
Date approved by Board of Management	20 March 2014	Equality Impact and Assessment complete	2 December 2013

Approved by Board of Management: 20 March 2014
Amended: (date)

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1. Policy Statement	4
2. Legislative framework/related policies	5
3. Scope	5
4. Compliance	5
5. Monitoring	5
6. Review	5

Approved by Board of Management: 20 March 2014
Amended: (date)

1. Policy Statement

Wherever possible, the College aims to resolve workplace issues quickly and informally, without recourse to formal procedures. Where mediation is used, it has been shown to be highly effective in resolving work-related issues and maintaining professional relationships.

The purpose of the mediation policy is:

- To provide a framework within which work-related issues can be resolved constructively and mutually by the parties involved
- To clarify the mediation process and raise awareness of mediation as a practical option to resolve disputes and preserve work relationships
- To ~~comply with the Acas code of practice on disciplinary and grievance procedures~~ take cognisance of the ACAS Guide on Discipline and Grievance at work

The detailed procedure sets out the background and process to be followed -
Procedure Reference: PR/HR/2013/003.

Approved by Board of Management: 20 March 2014
Amended: (date)

2. Legislative framework/related policies

- ~~2.1.~~ Data Protection Act ~~1998~~2018
- ~~2.1.2.2.~~ General Data Protection Regulations
- ~~2.2.2.3.~~ Public Interest Disclosure Act 1998
- ~~2.3.~~ Employment Act 2002 (Dispute Resolution) Regulations
- 2.4. Employment Relations Act 2004
- 2.5. Health and Safety at Work Act 1974
- 2.6. Equality Act 2010
- 2.7. Staff Grievance Policy
- 2.8. Staff Disciplinary Policy
- 2.9. Promoting Attendance Policy
- 2.10. Performance Improvement Policy
- 2.11. Staff Code of Conduct Policy
- ~~2.12.~~ Staff Drug and Alcohol Policy
- ~~2.13-2.12.~~ Public Interest Disclosure (whistle blowing) Policy

Formatted: Indent: Left: 1.4 cm, No bullets or numbering

3. Scope

- 3.1. This policy applies to all Inverness ~~college~~College employees regardless of their length of service. It does not apply to agency workers or self-employed contractors.

4. Compliance

- 4.1. This policy must be complied with and it will be audited regularly with reports going to the appropriate committee.
- 4.2. This document is compliant with the disciplinary, dismissal and grievance regulations as detailed in the 'Legislative framework/related policies' above.

5. Monitoring

- 5.1. Each college policy will be monitored and its implementation evaluated. Monitoring information will lead to Performance Indicators being agreed, which will inform SMART targets (within the planning cycle) and where relevant, equality outcomes.

6. Review

- 6.1. This policy and related procedures will normally be reviewed every three years to ensure it continues to meet College requirements within the legislative framework.

BoM LTR

Subject/Title:	UHI Common Policy – FE Essential Skills
Author: [Name and Job title]	Craig Lowther, PDM Education
Meeting:	BoM LTR
Meeting Date:	24 September 2019
Date Paper prepared:	15 July 2019
Brief Summary of the paper:	<p>The FE Essential Skills Policy is part of a suite of new policy/procedures to be drafted as part of the new common policy environment.</p> <p>The new policy has been drafted by an across partnership group and has had IC UHI representation and endorsement.</p>
Action requested: [Approval, recommendation, discussion, noting]	The committee is asked to approve the new FE Essential Skills Policy for progression to the next stage of approval.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	Following approval from BoM LTR committee, the policy will be progressed to full BoM for final approval.

Status – [Confidential/Non confidential]	Confidential/Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes/No		
*If a paper should not be included within “open” business, please highlight below the reason.			
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[Report title]

Executive summary

Background information



Inverness College UHI/University of the Highlands and Islands

Further Education Essential Skills Policy

POL

Lead Officer (Post):	Click or tap here to enter text.
Responsible Office/ Department:	Click or tap here to enter text.
Responsible Committee:	Click or tap here to enter text.
Review Officer (Post):	Click or tap here to enter text.
Date policy approved:	Click or tap to enter a date.
Date policy last reviewed and updated:	Click or tap to enter a date.
Date policy due for review:	Click or tap to enter a date.
Date of Equality Impact Assessment:	Click or tap to enter a date.
Date of Privacy Impact Assessment:	n/a

For all our up-to-date policies, please visit our [website](#).

Accessible versions of this policy are available upon request.

Policy Summary

Overview	This policy is required to set out a regional approach to Further Education Essential Skills for Inverness College UHI and all academic partners in the University of the Highlands and Islands partnership.
Purpose	This policy sets out a robust and transparent framework for the delivery of Essential Skills in Further Education programmes of study, creating parity of experience for students across the University of the Highlands and Islands partnership.
Scope	This policy applies to all further education programmes of study. Certain courses are exempt, as set out in Section 4.2.
Consultation	The policy has been developed by practitioners from across all partners. The policy received feedback from Senior Management Curriculum Team, before being endorsed by Partnership Council. The policy was then sent to Boards of Management for approval.
Implementation and Monitoring	Staff in Academic Partners will be responsible for local implantation. The Policy Ownership Group will reconvene to review and monitor the policy.
Risk Implications	Risk will be mitigated by streamlining the student experience of Essential Skills across the region.
Link with Strategy	<p>The policy is aligned to the UHI Strategic Vision and Plan 2015-20 whereby the university is committed to continue to meet the needs of students within the region.</p> <p>The policy supports the Learning and Teaching Enhancement Strategy by contributing to the development of values of Learning for Employment, Assessment and Feedback for Learning and Supporting the Learner as an Individual.</p>
Impact Assessment	Equality Impact Assessment: Completed – No action necessary.
	Privacy Impact Assessment: n/a

1. Policy Statement

- 1.1 The policy sets out to create a coherent and comprehensive approach to support and optimise the regional and local delivery of Essential Skills in the Academic Partners of the University of the Highlands and Islands providing further education.
- 1.2 Created to meet government policy and facilitate the improvement of outcomes for all students, the policy will raise the profile of Essential Skills amongst both the staff and students. Reinforcement of Essential Skills in the curriculum and colleges will highlight the value of these skills and their lifelong role in development and achieving positive destinations.
- 1.3 The Organisation for Economic Co-operation and Development (OECD) state in their 2013 report, [Skilled for Life](#), that: 'Skills transform lives, generate prosperity and promote social inclusion. Without the right skills, people are kept at the margins of society, technological progress does not translate into economic growth, and enterprises and countries can't compete in today's globally connected and increasingly complex world'. The University of the Highlands and Islands and its partner colleges aim to be at the forefront of promoting the benefits of skills for students and staff.
- 1.4 All colleges are encouraged to be innovative in their approach to essential skill delivery, and to share successful practice with other Academic Partners. The policy recognises that no single approach or methodology is superior to another, and the optimum delivery will depend on the individual students, subject and local context.

2. Definitions

- 2.1 **Scottish Credit and Qualifications Framework ("SCQF")** – SCQF is the national qualifications framework for Scotland. The SCQF helps education and training providers of all kinds to identify the level that has been studied in a particular subject and make it easier to transfer credit point between different learning programmes.
- 2.2 **Essential Skills** – as set out in [Skills for Scotland](#), Essential Skills consists of the following:
 - **Personal and learning Skills** that enable individuals to become effective lifelong learners;
 - **Literacy, digital literacy and numeracy;**
 - **The five Core Skills** (see 2.4);
 - **Employability skills** that prepare individuals for employment rather than for a specific occupation;
- 2.3 **Vocational skills** are specific to a particular occupation or sector.
- 2.4 **Core Skills** – As developed by Scottish Qualifications Authority (SQA), the five Core Skills are the skills most needed in many work environments. In addition to SQA, other awarding bodies may be used for Core Skill accreditation.

Jobs require some level of ability in some or all of these skills. The Core Skills are: Communication, Numeracy, Information & Communication Technology, Working with Others and Problem Solving. Core Skills can be awarded via qualifications between SCQF Levels 3 and 6. Please refer to [Appendix 1](#) for a diagram setting out the Core Skills in relation to the other Skills frameworks.

- 2.5 **Delivery Models** – The delivery model(s) chosen to deliver Core Skills are dependent on available resources and the vocational content of the course. Optimum delivery may involve elements of different approaches. Further details are given in [Appendix 2](#) of five example delivery models (Discrete, Contextualised, Integrated, Embedded and Cross-Assessed).

3. Purpose

- 3.1 This policy sets out a robust and transparent framework for the delivery of Essential Skills in Further Education programmes of study.
- 3.2 The policy will create a parity of experience for students across the partnership, ensuring that all students have the opportunity to develop the skills required for employment and academic progression. Essential Skills play a crucial role in the academic and holistic development of students, and complement the vocational content and technical skills developed on courses. Development of Essential Skills is priority for each college, across all curriculum areas and involving all staff and students.
- 3.3 Development of Essential Skills will be explicit in delivery across all programmes in the Further Education setting.

Academic Partners will ensure staff promote and signpost through planning and delivery ensuring students develop contextually relevant skills, knowledge and understanding to meet their specific vocational and wider skillsets.

3.4 Research and Evidence

- Skills Development Scotland, in their 2017 publication [Jobs and skills in Scotland](#), emphasise the importance of skills: 'Where skills shortages and skills gaps occurred, these were most often caused by a lack of soft skills, for example the ability to manage tasks and people. This suggests that there is a need to place more emphasis on soft skills throughout the education and training system to ensure that it delivers workers who have sufficient hard and soft skills.' This emphasises the importance of increasing the profile and delivery of Essential Skills alongside the vocational content of courses.
- Development of Essential Skills plays a vital role in the lives of individuals during and after their college course. [National Numeracy estimate](#) that the cost of poor numeracy to the United Kingdom economy is at least £20.2billion, equivalent to 1.3% of GDP.
- A House of Commons Science and Technology Committee report, [Digital Skills Crisis](#), stated: 'Digital skills are becoming increasingly essential for getting access to a range of products and services. However, there is a digital divide where up to 12.6 million of the adult UK population lack basic digital skills. An estimated 5.8 million people have never used the internet at all. This digital skills gap is costing the UK economy an estimated £63 billion a year in lost additional GDP.'
- [The Open University Business Barometer 2018](#) reported that it had cost organisations across the UK £6.3 billion to plug the skills gap, with talented workers benefitting from an additional £2.16 billion due to their in-demand skills. 28% of business reported applicants lacking IT skills, and 20% reported candidates lacking soft skills (e.g. communication and problem solving); these areas are three of the five Core Skills.
- Highlands and Islands Enterprise [research](#) showed that 73% of businesses in the region anticipated difficulty in recruiting young talent with highly sought after skills such as

communication, being a good team player, a desire to continue their learning/skills development and the ability to work independently.

- 3.5 The Skills for Learning, Skills for Life and Skills for Work agenda set out in [Curriculum for Excellence](#) establishes the development of essential skills in our students 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 and college performance will be assessed in this regard through the Education Scotland Quality Framework, How Good is Our College.
- 3.6 A key element of this policy is that Communication, Numeracy, Information and Communication Technology will be included in and certificated in all full time Further Education programmes of study (or reflected in a student's Skills Profile). Certification can be through any awarding body or college certificate. It is expected that Problem Solving and Working with Others will be included but not necessarily certificated.
- 3.7 For part time courses, teaching staff will emphasise to students the importance of skills, identifying when skills are being taught and highlight transferability of skills. Opportunities will also be created through curriculum design to promote skills development.
- 3.8 Skills development allows students to meet entry requirements for higher level courses, facilitates pathways into employment and promotes progression in learning.
- 3.9 Diagnostic assessment activity will be carried out during the recruitment process or at the beginning of the course. It provides valuable information to ensure that students are supported appropriately in their learning by adapting materials and setting the initial pace of learning.

This diagnostic assessment information can be shared across delivery teams to provide a rounded picture of the strengths of a student and their areas for development, to ensure that the existing Communication, Numeracy and ICT skills of the student are used to inform the pedagogy of the course.

- 3.10 **Recognition of Prior Learning** – Regardless of the Core Skills requirement of the main course, students will always be encouraged to improve their Core Skills profile for Communication, Numeracy, Information and Communication Technology. For example, students who require Level 5 and already have Level 5 will be supported to work towards achieving Level 6 through extension or bridging activity. Students who have already achieved Level 6 will be supported to fulfil their credit requirements with alternative modules.

4. Scope

- 4.1 This policy applies to all further education programmes of study, normally up to and including SCQF Level 6. There are a small number of Scottish Vocational Qualification (SVQ) courses at SCQF Level 7 that are considered as Further Education courses for the purposes of the UHI Partnership.
- 4.2 The following courses are exempt from the requirement for certificated Core Skills set out in 3.6:
- Short full-time courses (on a discretionary basis in Academic Partners)
 - Part-time courses
 - Commercial courses
 - Leisure courses

5. Notification

- 5.1 All staff will be notified of changes to the Essential Skills policy through a range of methods, including but not limited to staff meetings, intranet, Academic Partner websites as per normal policy update processes.
- 5.2 Academic Partners will be notified of any changes, allowing sufficient time to for updates to be made.
- 5.3 Students will be notified of changes by academic partners working with HISA.

6. Roles and Responsibilities

- 6.1 It is the responsibility of everyone in the college to create a positive environment for both students and staff to develop Essential Skills (including Core Skills).
- 6.2 It is the responsibility of managers of all levels within the college to enable staff to deliver this policy, where necessary directing resource or facilitating changes to curriculum and teaching. This includes ensuring all staff are appropriately skilled and qualified for their role.
- 6.3 It is the responsibility of vocational teams to design courses that include Essential Skills and Core Skills as appropriate, following curriculum design principles.
- 6.4 It is the responsibility of Core Skills and vocational teams to collaborate to include the three certificated Core Skills in programme design, and to adopt an appropriate delivery model for Core Skills on their course and offer support to meet internal and external verification requirements.
- 6.5 It is the responsibility of students to proactively engage in Essential Skills learning, and work with all staff to ensure new skills are developed or existing skills reinforced.
- 6.6 It is the responsibility of the Academic Partner to ensure any students in scope of the policy undertake any relevant diagnostic assessments to ascertain Core Skill levels.

7. Legislative Framework

[Further and Higher Education \(Scotland\) Act 2005](#)

[Equality Act 2010](#)

[Education Scotland – Curriculum for Excellence](#)

[Skills for Learning, Skills for Life, and Skills for Work \(2009\)](#)

[Developing the Young Workforce: Scotland's Youth Employment Strategy \(2014\)](#)

[Skills for Scotland: A Lifelong Skills Strategy \(2007\)](#)

8. Related Policies, Procedures, Guidelines and Other Resources

[College Development Network – The role of essential skills in Scottish national education policy](#)

[Education Scotland – How Good is our College?](#)

[Highlands and Islands Enterprise – Business Panel Survey: Workforce, Skills and Young Talent 2018](#)

[Scottish Funding Council - Outcome Agreement Guidance \(2016\)](#)

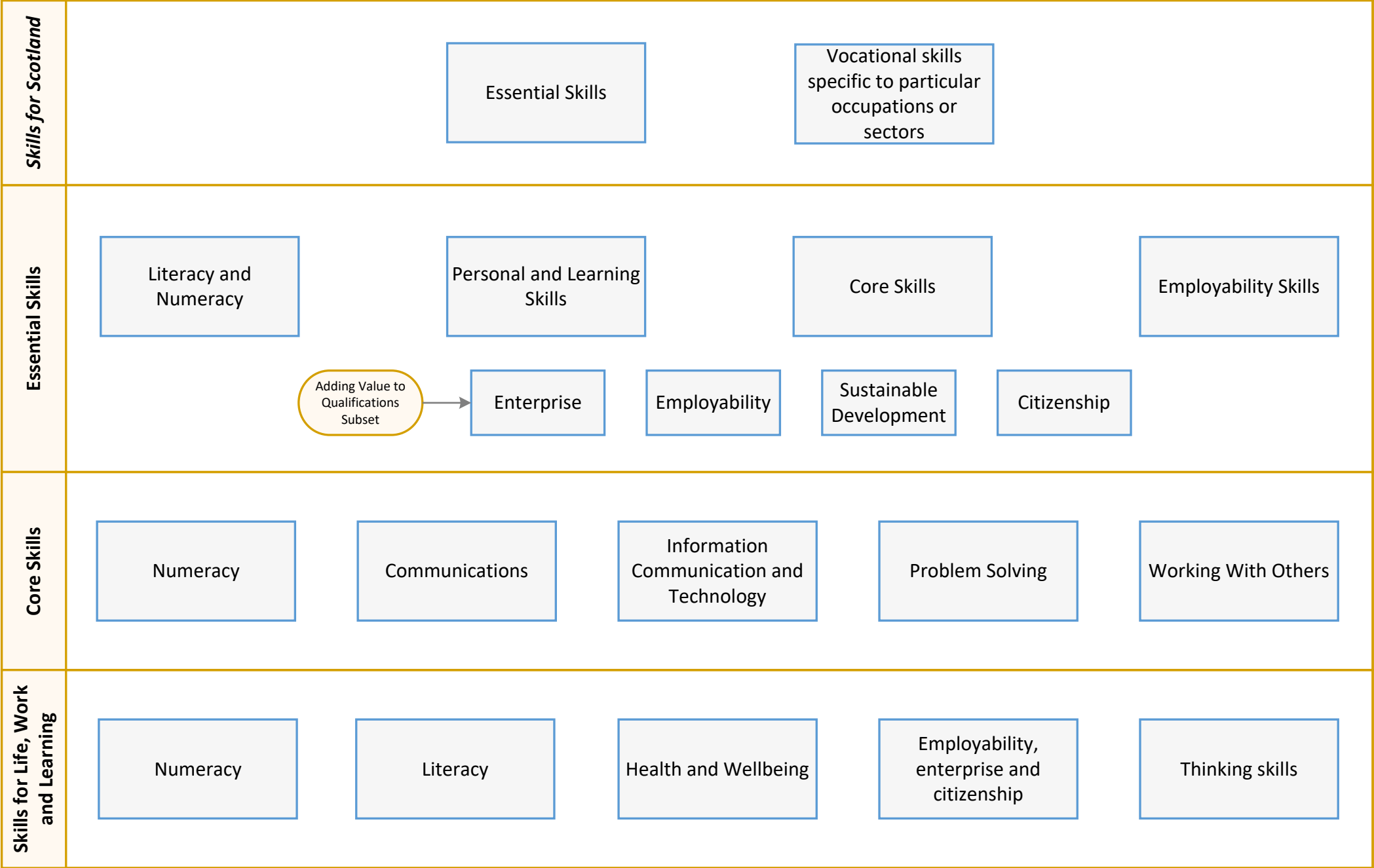
[Scottish Government: Costs of Learning Student Funding Guide](#)

9. Version Control and Change History

Version	Date	Approved by	Amendment(s)	Author
0				
1				
2				

DRAFT

Appendix 1 - Skills Map



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These definitions are based on the SQA Combined Core Skills Framework.

o # # u

Core Skill: Numeracy

To cope with the demands of everyday life, including work and study, people need to be comfortable with numbers and with graphs, symbols, diagrams, and calculators. The skills needed for this involved interpreting, processing, and communicating, quantifiable and spatial information.

Component: Using Graphical Information

- This is the ability to interpret and communicate quantifiable information that is given in writing, diagrams, or pictures. Attainment levels range from:
 - Working in familiar contexts with simple, specified tables, graphs and shapes
 - to:
 - Working in more abstract contexts and with more complex graphical information which may require some analysis, and where decisions have to be made on effective ways to communicate the information

Component: Using Number

- This is the ability to apply numerical and other relevant mathematical and statistical skills. Attainment levels range from:
 - Working confidently with basic numbers in everyday contexts,
to:
 - Working confidently with more complex numerical concepts and techniques in more abstract contexts

Core Skill: Information and Communication Technology

Information and Communication Technology is concerned with the electronic collection, organisation, analysis, presentation, and communication of information. It encompasses all media types and formats as well as all relevant tools.

The Core Skill focuses on the ability to use information and communication technology to process information in a variety of ways which will be necessary for further learning in work and in the home. It is not about developing IT specialists who will act as first-line support for others or install specialist systems.

Component: Accessing Information

- This is the ability to use information and communication technology to support a range of information-accessing activities. Attainment levels range from:
 - Accessing basic information and communication technology to perform simple processing of familiar data and to select information from a local database or a simple internet search,
to:
 - Working confidently with more complex numerical concepts and techniques in more abstract contexts

Component: Providing/Creating Information

- This is the ability to use information and communication technology to provide, create and process information. Attainment levels range from:
 - Using familiar application software to carry out very simple processing tasks and providing/creating very simple information technology,
to:
 - Using a range of information and communication technology in unfamiliar contexts, observing security procedures and the needs of other users. Evaluating and sharing information.

Core Skill: Working with Others

The fact that Working with Others is a Core Skill emphasises the importance of co-operation and teamwork in social, learning, and working situations. Working with Others has two components: Working Co-operatively with Others, and Reviewing Co-operative Contribution.

While achieving a shared goal is the main focus, co-operation with others should be developed through all stages of any collaboration.

Reviewing your own contribution and learning through reflection also has a wider application to personal development.

Component: Working Co-operatively with Others

- This is about using interpersonal skills appropriately, to recognise and value the roles of other people, taking responsibility for your own contribution, and supporting co-operative working in appropriate ways. Attainment levels range from:
 - Identifying, with support, your own role and the roles of other people, and helping to achieve a shared goal, to:
 - Analysing the roles and behaviour of others and adapting your own behaviour to deal with the complexity of challenging and changing dynamics

Component: Reviewing Co-operative Contribution

- This is the ability to discuss the process of working co-operatively with other people, reflecting on and reviewing the collaboration. This might include commenting or resolving issues and handling other people's behaviour.
- Learners should evaluate the outcomes, identify the value of their own contribution, and reflect on any personal learning and development that may be needed to enhance their contribution to future collaborative work. Attainment levels range from:
 - Identifying a strength and weakness in the way you helped achieve things together, suggesting how your own contribution could be strengthened in the future, to:
 - Identifying and gathering evidence, critically evaluating your own contribution, and making appropriate recommendations about future learning and contributions

Core Skill: Problem Solving

The three components of this skill are the stages involved in tackling issues and problems in personal, social, and work contexts. They are often used in sequence, and repeatedly. Each component can also be a focus of activity in its own right.

Component: Critical Thinking

- Critical Thinking is about using analysis and reasoning to make decisions and to create or suggest ideas, courses of action, and strategies.

Attainment levels range from:

- Working in situations that involve a few, easily-identified factors set in familiar contexts,

to:

- Analysing the roles and behaviour of others and adapting your own behaviour to deal with the complexity of challenging and changing dynamics.

Component: Planning and Organising

- Planning and Organising is the ability to plan a task, taking account of available resources, and to manage the task to completion. Attainment levels range from:

- Creating plans involving a small number of steps and using familiar resources,

to:

- Efficient management of a more complex plan, which may include a review of strategy and a degree of research in identifying the resources to be used to deal with difficulties.

Component: Reviewing and Evaluating

- Reviewing and Evaluating is the ability to reflect on and review the process of tackling issues and problems, to evaluate the outcomes, and to identify where alternative strategies might have been used.

Attainment levels range from:

- Identifying a strength and weakness in a strategy,

to:

- Identifying and gathering evaluation evidence, evaluating strategies, and making appropriate recommendations.

Appendix 2 – Delivery Models

	Discrete	Contextualised	Integrated	Embedded	Cross-Assessed
Outline	Groups are timetabled to attend formal non-contextualised classes with generic teaching and discrete summative assessment activities.	Similar to discrete provision but with some delivery and/or assessment activities set in a vocational context.	Where appropriate, delivery and/or assessment may be undertaken by either a Core Skills specialist within a vocational class or by a vocational specialist within a Core Skills class (or a mix).	As per SQA guidance, Core Skills can be achieved where they are embedded in SQA qualifications.	Where appropriate, tools of assessment are created jointly by Core Skills specialist and the vocational specialist, and assessed jointly.
Pros	<ul style="list-style-type: none"> - Easy to timetable. - Easy to track/monitor. - Facilitates transferability. 	<p>As for discrete, plus:</p> <ul style="list-style-type: none"> - May provide greater motivation. - Can help to emphasise importance/relevance. 	<p>As for contextualised, plus:</p> <ul style="list-style-type: none"> - Can foster greater shared practice and better relationships between teaching staff. 	Automatic certification is awarded on completion of a vocational unit identified as carrying embedded Core Skills.	<p>As for integrated, plus:</p> <ul style="list-style-type: none"> - Learners can achieve multiple credits from one activity.
Cons	<ul style="list-style-type: none"> - Can appear to be non-vocationally relevant. - Difficult to motivate certain groups. 	<ul style="list-style-type: none"> - Resource intensive to establish. - Difficult to tailor levels appropriately. - Not possible for all components of all core skills. - Contingencies required. 	<ul style="list-style-type: none"> - Resource intensive (team teaching). - Timetable challenges. - Contingencies required. 	<ul style="list-style-type: none"> - Non-discrete provision can reduce the impact of undertaking Core Skills and may reduce opportunities for specific skill development in a more widely applied context. 	<ul style="list-style-type: none"> - Resource intensive at planning stage time. - Timetabling. - Marking.

Department/Section:

Date of Assessment:

Review Due:

Author/Owner:

Signature:

Date:

Step 1

Aim of proposed activity/decision/new or revised policy or procedure:

New ☐
Revised ☐
Existing ☐

Who will be affected?

Who will be consulted?

Evidence available:

Step 2

Potential Positive/Negative/Neutral Impact Identified. P, N, N/I	Age	Disability	Gender Reassignment	Marriage/Civil Partnership*	Pregnancy and Maternity	Race	Religion or Belief	Sex	Sexual Orientation
Eliminating Discrimination									
Advancing Equality of Opportunity.									
Promoting Good Relations.									

Step 3

Action to be taken:

Summary of EIA Outcome – please tick

No further action to be carried out ☐
Amendments or changes to be made ☐
Proceed with awareness of adverse impact ☐
Abandon process – Stop and Rethink ☐

Please forward completed EIA forms to Nicholas Oakley, Governance and Policy Officer.

Board of Management

Subject/Title:	Principal's Report
Author: [Name and Job title]	Prof Christopher O'Neil, Principal & Chief Executive
Meeting:	Board of Management
Meeting Date:	10 th October 2019
Date Paper prepared:	1 st October 2019
Brief Summary of the paper:	This report provides the Board with an overview of new and continuing activity
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	No If yes, please specify:
Risk implications:	No If yes, please specify:
Equality and Diversity implications:	No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Status – [Confidential/Non confidential]	Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of 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.)			

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

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

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

PRINCIPAL'S REPORT

Budget & Actions

The position we reported and the budget approved last year, following the work done on the FFRs was challenging but as expected the circa £800k deficit budget did move considerably. As is seen in a later paper the underlying position, based upon achieving student targets, is greatly improved. The significant shifts from the deficit of £800k were a result of:-

- Pensions – SPPA funding for Pension increase £384k
- CITB and apprenticeships increase of £250k
- Non-pay budgets reduced by 3%, £183k

Following other shifts, the circa £200k deficit for this year has already reduced by £100k following staff reductions and will improve again following further actions and an increase in trading.

The above work, and other actions, including curriculum development, resource efficiencies and 3rd stream development are outlined in our Finance Strategy.

However, we are currently behind on both FE and HE numbers. Whilst both shortfalls are a concern, the HE numbers are unlikely to move significantly and up-to-date data is the subject of a separate report. The sector is starting to feel the impact of changing demographics but that does not fully explain the inconsistent drop in numbers we have seen in some key areas, especially business and computing, engineering and the creative arts. The numbers require course by course analysis and are and will be further scrutinised.

The reduction in numbers provides an immediate challenge in that we will have the RAM allocation adjusted in year, a position we are addressing in the following ways:-

- Workforce planning
- Review of Temporary Staffing Requests (TSR)
- Work-Load Analysis (WLA) review
- Investment plan
- Scholarly activity, review of staffing capabilities and flexibility
- Marketing campaign for semester 2 particularly Further Education, infill classes and school pupils
- Review of online courses, prioritisation of Semester 2 delivery
- Recruitment scrutiny
- Review viability of the operation of the Sheiling restaurant
- Review of all services to identify savings.
- Review of the Business, Computing and Hospitality curriculum area
- Increase in 3rd stream activity
- Review of Student Staff Ratios (SSR)

In addition, we need even more effective use of our estate. One action agreed is to cease the storage and sale of woodchips in the School of Forestry and to repurpose the estate to allow the minimal but impactful growth in construction provision. As of October, a growth in timber construction classes of 2 apprentices per class group will increase income by circa £60k which will be accommodated in Forestry ahead of a re-organisation of the ground floor space over summer 2020. A similar and pragmatic approach is also being applied to commercial courses which, in the past have either been cancelled or run in local hotels because of pressure on large teaching spaces. We will undergo a timetable and room audit to ensure space usage is being maximise

Workforce & Curriculum

The work force planning process above is not a short term piece of work but a comprehensive response to longer term trends and changes. The out-come of the process will provide stability as we move forward in the next 5 year period and allow us to respond to the outputs of our internal curriculum review. The work force planning process is the subject of a later restricted paper but some of the growth and refocus of staff effort is driven by the initial outputs of our curriculum review and curriculum developments. These include -

- BSc Optometry – The Development Team along will attend a professional accreditation event with the General Optical Council (GOC) in London on the 8th of October. We have worked with the GOC to ensure the outcome of the process is resolved in November ahead of UCAS registration thus allowing us to deliver from September 2020. Staff recruitment, using ESIF and EO funds with a contribution from us is nearly complete but these staff will be classified as EO because of the respective terms and conditions of employment. This will have a bearing on the minimum number of students that we need to recruit to break even. The General Optometry Council will dictate the maximum number of students that UHI can support for the initial period of 4 years. The design capacity is for 60 students split between 40 in Inverness and 20 in Moray College. Early indications from FODO and the sector is this achievable.
- MRes - We have approved 4 MRes degree routes in literature. At this point there is interest in 2 of these routes, Eco-literature and for Science Fiction and Fantasy with 3-4 students in the pipeline. We are restricted as to the number of students to 6 in total as only one academic member of staff is currently qualified to be the Director of Studies for the 35000 word dissertation. It is anticipated that each student would attract £5k of income plus there may be some marginal revenue in the “writing-up” phase after the initial year has been completed. There is a clear need for staff development in this area to build our capacity to supervise research students. We have however appointed a Visiting Professor who brings considerable supervisory experience and as a part of the professorship will work with students and staff to develop our capacity.

In working with employers and other groups the following developments are all in process. In some instances the provision is new, some is re-purposed to respond to changing demand and some builds upon existing provision to extend opportunities and the offer.

- BSc Software Development launched with IBM, bid with SDS for Graduate Apprentices (GA) route
- GA Engineering
- GA Business & Management
- GA Social Work
- GA Occupational Therapy
- MSc Oral Health Science
- MSc Engineering Scheme
- Masters in Environmental Data Science
- PGCert in Heritage & Festival Management
- MSc Psychology conversion
- MSc HRM
- MEd Critical Enquiry

FE developments include:-

- CompTia PenTest +
- Health and Safety Qualification Suite
- SMSTS and Refresher
- Care Cooks Qualification

Along with the above we have also seen significant and ongoing growth in our Modern Apprenticeship provision as a direct consequence of our negotiations with SDS and CITB. This approach will give context for our up-coming negotiations with SNIPEF and SECTT. The following table demonstrates the financial impact of the construction modern apprenticeship growth:-

TOTAL	Total Craft & Tech MA Numbers				Total	MA Value (by learner year)					
	Y1	Y2	Y3	Y4		Y1	Y2	Y3	Y4	Sub-Tot	Total *
2019/20	132	79	60	0	271	£ 256,150	£ 136,719	£ 174,632	£ -	£ 567,501	£ 602,501
2020/21	136	121	65	48	370	£ 260,662	£ 225,155	£ 158,272	£ 147,446	£ 791,535	£ 826,535
2021/22	131	129	93	62	415	£ 250,133	£ 234,391	£ 220,152	£ 175,376	£ 880,052	£ 915,052
2022/23	128	126	101	88	443	£ 244,491	£ 227,832	£ 243,956	£ 243,118	£ 959,397	£ 994,397
2023/24	130	122	97	98	447	£ 248,735	£ 221,242	£ 233,540	£ 276,724	£ 980,241	£ 1,015,241

There is however a pressing need for a full and thorough curriculum review to be rolled out across the partnership. We have and continue to change significant parts of our curriculum but there are areas of activity over which we currently have little or no control, but do carry liability.

Micro-RAM & the Partnership

Last year's shift in the Micro-RAM outcomes and its impact are a case in point. Due to the insight of the newly appointed Heads of School and Deputy Heads of School we are gaining greater clarity around the drivers and are now able to exercise a (limited) degree of influence across the partnership.

There has been a very clear shift and maturing in the thinking and engagement of the subject areas driven by the Heads. We are moving toward a position where the ownership of both local problems and solutions are with the people with the insight to be

pro-active. We have also reviewed our committee structures and mapped them onto the Board committees and defined what we believe will be a better form of horizontal dialogue. See appendix 1.

The concern and problems that were caused by the reported Micro-RAM and changes to our HE number count last academic year have been addressed but are far from resolved. Following my presentation to Board, I met with the UHI Principal and CEO designate and laid out the problems caused and the “binary” solutions I had available to manage Inverness College and our current and future finances.

The first solution was that EO cover the financial impact that an unexpected shift in numbers, for which they were responsible, whilst we collectively sought a more permanent and less volatile solution.

The second was that Inverness College assess the impact of the Micro-RAM and “draw in” any shared modules, where possible that were inefficient and adding unmanaged and unexpected cost to our budget.

The first solution was rejected and as a result the Heads of School assessed all shared modules and began the process of drawing teaching back, where possible, to Inverness to cut and control our outgoing costs but not our staffing. This created a lot of disquiet across the partnership and we were challenged through Partnership Planning Forum and Partnership Council.

The main challenge focussed upon BSc Psychology, an online programme that we lead on behalf of EO with some of the modules delivered through the partners. Our action drew some remote delivery back to Inverness where we could fully utilise our own staff in the efficient delivery of a programme that is experiencing reduced applications and enrolments. Some of the smaller partners expressed concerns that Inverness’s actions would force redundancies in their colleges.

My responses were:-

- My actions were a tactic and not a strategy
- My role as the chief accounting officer is to guarantee to the Board the effective and efficient use of funds
- The Board has a responsibility to the RSB to guarantee the same
- That the problem with the Micro-RAM is a symptom of a curriculum and delivery mode that is no longer fit for purpose
- There are too few students

As a result of our actions, a ‘cushion’ has been put in place for this academic year so that we and no other partner will experience such financial shock and that following the Programme Boards recommendations, a complete review of the RANM and Micro-RAM is to begin with cross partner representation. Consequently we reversed the decision to draw in any teaching from the partners.

To illustrate my concern to the rest of the partnership in regard to the statement I made about too few students, I commissioned a piece of work on the national picture for BSc Psychology that use data from Heidi+ and the SFC, the summary of which is below:-

Current Market The market has increased by 10% between 2012-2018, see page 1.

Who's Trending? The OU are leading the way with 15% of the market share, see page 7. In Scotland, their market has grown by 12% in the last 2 years from 1600 – 1800 students in 2018. Of note, RGU has entered the market in 2016 but has already achieved a market share a third of the size of UHI's (see page 16). UWS has grown their numbers from 35 in 2015/16 to 155 in 2017/18, see page 18.

Who's Falling Out of Favour? QMU Has reduced its market share and has kept its numbers steady over the past 3 years. UHI has shown the slowest market growth in comparison to other Scottish institutions (see page 16).

Highlands Market – Who Has it? UHI has just under half of the Highland market share however this number has steadily declined over the last 3 years, indicating this is unsustainable (see page 23). OU's market share has remained steady in the Highlands and is catching up with UHI's share (see page 22).

Highlands Students – What Ages to What Institutions? UHI has captured 75% of the mature market in Highlands with OU capturing the remaining market, see page 23. Other institutions recruiting from the Highlands are unsurprisingly capturing the younger market.

Summary of Data UHI is currently competing with market leader OU for a declining mature student market.

It is clear that there is a market for psychology, but we are targeting the wrong part of it and despite a debate about the quality of our online provision being equal to or better than the Open University's they have taken a disproportionate amount of what we would consider to be our natural market. This data has been presented to both PPF and Partnership Council along with an argument that a comprehensive curriculum review is necessary across UHI. The initial data reviews I have commissioned for other courses is as equally troubling.

International & Partnership

International, RUK and full cost recruitment continues to be challenging. On a target of 20 we have achieved 8 students this year. My trip to Nigeria and Ghana yielded a number of enquiries that lead to 3 applications none of which have enrolled. We believe there are a number of barriers to such recruitment from the curriculum offer to process. Through the Depute Principal (KR) we are playing a key role with the UHI Business Improvement Team to identify barriers to the delivery of the now approved UHI International Strategy.

In terms of the UHI workstreams the following are being undertaken:

1. Internationalising the Curriculum (led by KR)
2. Marketing and Recruitment
3. Admissions and Administration
4. Student Support and Satisfaction
5. Structures and Sustainable Finance

6. Embedding Internationalisation beyond Recruitment
7. International Strategy

KR also is a member of the Steering Group. The Remit and Terms of Reference have been agreed.

The internationalising the curriculum workstream activities to date include prioritising selected UHI programmes for international delivery and developing the value proposition for these to support marketing and recruitment.

Other international activity continues to grow.

The Scottish Experience residential programme generated circa £100k last year with margins in the range 40-60%. We are seeing repeat business mainly from US partners (some of whom operate on a 2 year cycle with us). Progress for 2019/20 is healthy for this time of the cycle having already delivered a programme for NODAI (Japan) and strong indications have been received from several US partner institutions that they will return. We also had visitors from Lakehead University (Ontario) who were not part of the Scottish Experience and they wish to explore the option of coming to the SSF with student study groups.

As a result of the work of SSF and the Scottish Experience Programme there has been a relationship developing with NODAI and the SSF and ERI. The Head of SSF has been instrumental in developing this relationship and earlier in the summer UHI hosted 2 senior members of their Faculty prior to the a group of students and 2 Professors visiting at the end of August/beginning of September. This was followed up by the Head visiting Japan with one of our own forestry students to present at a conference.

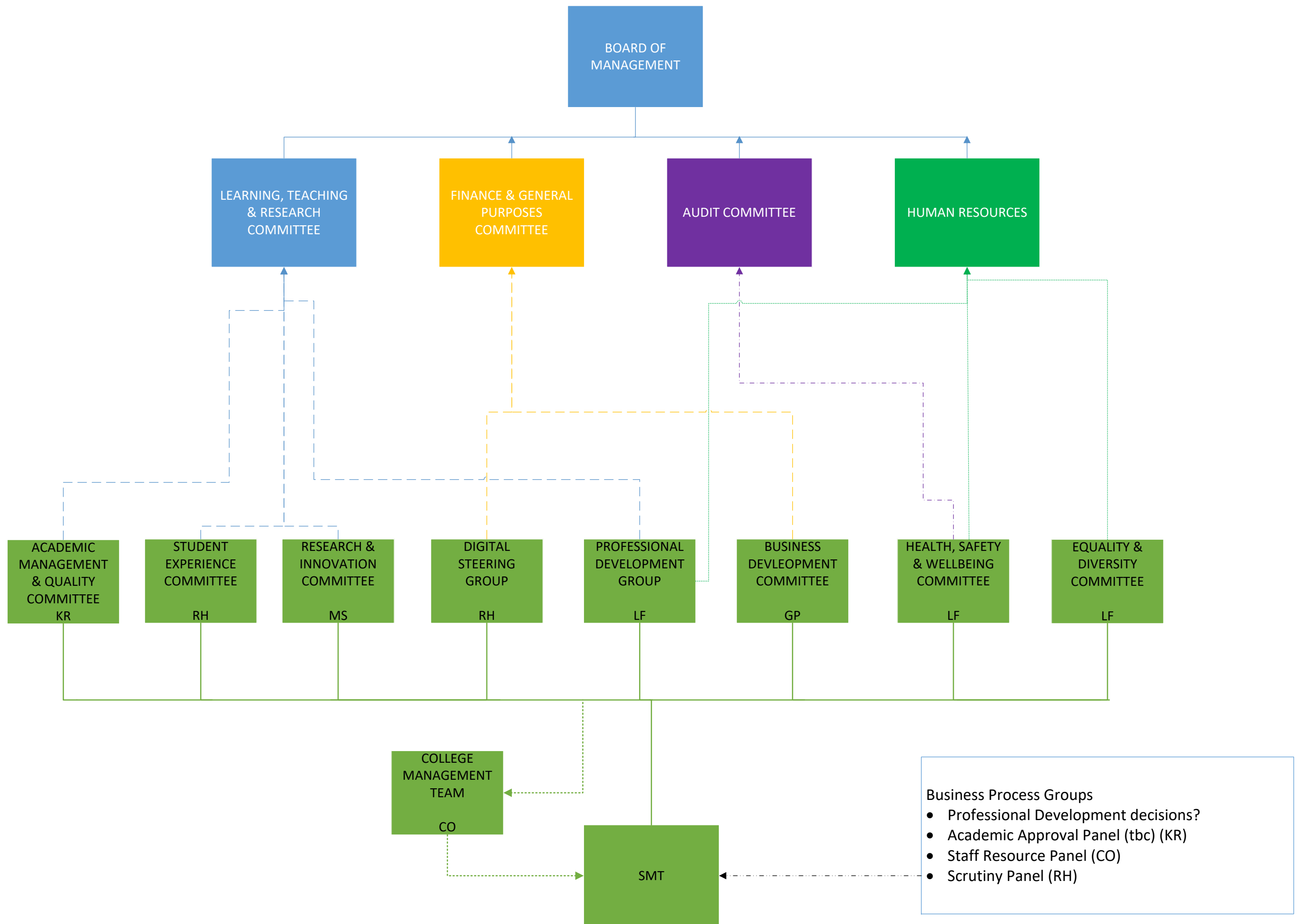
We have also invited NODAI to partner with us to provide a development programme for Probationer Managers in the Indian Forestry Service where IC /SSF has been shortlisted (University of Bangor and the University of Vancouver are the others in contention) to provide a proposal for forestry management training.

Other partnership activity on a more local scale includes working with Highland Rugby and other sporting organisations with the wider aim of providing integrated facilities, community out-reach and opportunities to grow our sports science offer.

Strategic Plan 2020-2025

We have begun the process of drafting our 2020 – 2025 strategic plan. To date we have had SMT workshops in which we have assessed our existing plan and started a gap analysis and route forward. The timetable is attached at appendix 2 and we have confirmed the process of staff and student involvement and will go on to confirm Board and Stakeholder involvement as per the previous strategic setting exercise. A fuller report will be presented at the next Board.

Professor Christopher O'Neil
Principal and CEO



Strategic Plan 2020-25 – indicative planning timeline

23 Sept 2019	<p>SMT scoping – away day 1/2:</p> <ul style="list-style-type: none"> • Review of progress against existing aims and objectives: • SWOT analysis (or similar) against current and projected local, regional and national drivers and priorities <p>Above tasks allocated to SMT members to prep and present proposals at away day(s) to start discussions.</p>
30 Sept 2019	<p>SMT scoping – away day 2/2:</p> <ul style="list-style-type: none"> • Identification of revised mission/vision/purpose and strategic themes for 2020-25
Oct 2019 Dates tbc	<p>“2020-25 vision” workshops:</p> <ul style="list-style-type: none"> • Staff and students presented with draft mission/vision/purpose • Consultation and opportunity to shape vision through feedback and discussion.
10 Oct 2019	<p>Board of Management meeting:</p> <ul style="list-style-type: none"> • Principal’s paper to Board collating/summarising key outcomes of SMT away day, staff consultation etc so far.
Oct/Nov 2019 Date tbc	<p>Board Strategic Planning Event 1:</p> <ul style="list-style-type: none"> • External stakeholder context setting workshop • Presentations from key local, regional and national stakeholders on their strategic focus for 2020-25 • Highland Council, HIE, SDS, SFC...EO?...others
Nov 2019 Dates tbc	<p>“2020-25 strategic themes” workshops:</p> <ul style="list-style-type: none"> • Staff and students presented with draft strategic themes (shaped further by vision workshops and Board event). • Consultation and opportunity to shape themes through feedback and discussion.
Nov 2019 Date tbc	<p>Board Strategic Planning Event 2:</p> <ul style="list-style-type: none"> • Principal presents vision and themes • SMT present themes and related objectives • Board members lead discussion on above, eg Chair leads vision discussion, Chair of F&GP leads finance discussion...
17 Dec 2019	<p>Board of Management meeting:</p> <ul style="list-style-type: none"> • Principal presents final Strategic Plan 2020-25 (not publishable format) • Inverness College UHI Strategic Plan 2020-25 approved

	<ul style="list-style-type: none"> • Goes forward for design and publishable format(s)
Jan-Feb 2020	<p>SMT prepare underpinning strategies for approval through Board committees in March 2020</p> <ul style="list-style-type: none"> • Strategies allocated to SMT as per objectives • SMT lead to work with relevant Heads/managers to draft • SMT workshop where drafts presented and discussed, amendments agreed • Presentations to staff and students ahead of Board committees (tight timeline)
March-Apr 2020	<p>Strategies submitted to Board committees:</p> <ul style="list-style-type: none"> • Audit Committee 10 March • HR Committee 12 March • Learning, Teaching and Research Committee 17 March • Finance and General Purposes Committee 19 March
2 April 2020	<p>Board of Management meeting:</p> <ul style="list-style-type: none"> • Underpinning strategies presented for approval by SMT, cover paper from Principal • Strategies approved (following any amendments), formatted and published.

Programme board

A case for change

“There are no shortcuts in evolution”

Louis D. Brandeis

September 2019

Background

The programme board was tasked with considering the challenges identified at the partnership assembly meeting held at Eden Court in September 2018 and those identified through the working group discussions. The board was asked to build an evidence base for change and set out recommendations to address the challenges identified.

The board has almost completed this task. The student working group survey was necessarily delayed to ensure that we could capture the views of both new and existing students. The survey will run for three weeks from the 21 October with initial findings available from 11 November and the final report and analysis on 22 November.

The programme board intends to hold a partnership assembly on 29 November to discuss the results from the survey and to hear progress updates from the senior executives tasked with delivering the recommendations set out below.

Evidence base

A primary task of the programme board and its working groups was to develop a cogent and coherent evidence base to identify the root causes of the challenges identified by the assembly. These were, though not limited to;

- A lack of clarity about authority and the impact that this has on our decision-making processes;
- Questions regarding representation on governance and decision-making groups
- The separation and internal competition within the partnership
- The ineffectiveness of leadership
- The challenges of our structure
- The lack of a shared vision

All groups engaged with stakeholders from across the partnership in their respective areas of students, staff, finance and governance. They drew on the wealth of information that has been collated and gathered by other change initiatives and the general business of the partnership.

The finance and staff groups, in particular, had a significant challenge accessing basic partnership information, such as the numbers of staff employed and basic income and expenditure. This was exacerbated by a lack of centrally validated current repositories for such data. The lack of effective information sharing protocols, concerns in respect of GDPR, the effectiveness and value of current information gathering exercises underpin the reluctance to undertake further work. These barriers slowed the progress of these groups and meant that they had to draw their conclusions from incomplete partnership information.

These technical concerns, however, have little bearing on the evidence drawn out. All groups found that the majority of issues are already clearly identified and have been for some time. The partnership already knows what it has to do, but it cannot agree on how to do it. The approach taken to deliver these key pieces of partnership wide work, particularly over the last two years, has further fractured the partnership and broken key relationships, both individual and organisational.

The evidence that exists, to underpin the imperative and strategies for change, is (in addition to the financial and activity data that can be gathered) a collection of opinion, conjecture and perceptions. These are primarily about equity, transparency, effectiveness and value, shaped by the current set of difficult organisational behaviours and culture. It is a neat demonstration of how not to undertake

partnership working underpinned by organisational change and improvement grinding to a halt. The partnership is suffering because of this impasse across a whole range of aspects, not least the ever-growing financial pressures, the question of long-term sustainability and the inability to address the challenges objectively.

Leadership time, both executive and non-executive, has been sucked into circular debates about structural change, control and power rather than focussing on developing the partnership to deliver more than the sum of its parts for students, staff and the communities it serves. The behaviours and culture have become such that organisations have retreated into themselves; decisions are very often made in silos with little or no support from the collective, and that is to the detriment of all.

There is an agreed and clearly articulated mission and vision for the University of the Highlands and Islands. However, this has not found purchase or led to a unified approach for the partnership. There is a lack of common understanding about what tertiary means and how that definition shapes structures, processes, agreements, behaviours and the culture of the partnership. This lack of shared understanding fuels the disagreements that persist through decision-making fora.

The partnership still holds together because without it, the majority, if not all the partners are unsustainable in their own right in the medium to long term and also because it is how education is now delivered across the region. Partner organisations have lost the real reasons why they should be in the partnership, the sense of a collective ownership of the partnership mission and strategy; and the benefits that working together will bring partners both individually and collectively.

Rationale for changes

The recommendations set out in this document are not ground-breaking and some of them are well worn and have been discussed before. However, that does not mean that the necessity to develop mutual agreeable solutions for these elements of the business have gone away or that there are new solutions that are waiting to be identified. What must change, is the approach the partnership takes to solving them.

The recommendations give the senior leadership an opportunity to rebuild how the partnership functions from the bottom up, linked to measurable deliverables that will improve the impact and the ability of the partnership to deliver on its core mission and vision, for all aspects of further and higher education. The proposed review of resource allocation mechanisms, for example, is about embedding the type of partnership we wish to be in our core processes. The partnership should not compete internally to the detriment of partners, it should cross-subsidise to ensure equitable access to further and higher education across the region, in a transparent, explainable and unequivocal manner.

In 2016, the strategic working group gave the partnership the opportunity to undertake this work, but for the reasons above, it failed to seize the opportunity and must now undertake this reform in a more difficult financial environment. These recommendations, once again, provide the opportunity to build enhanced partnership arrangements, processes and structures that allow all elements of the partnership to focus on the delivery of high-quality further and higher education provision. Due to the increasing challenging external environment, there is no time to waste.

The partnership will successfully deliver this reform if it can develop a shared vision, clear leadership and build a collegiate and collective approach to solving the issues that underpin the recommendations below. It needs to rediscover the ability to work together that delivered university title, degree and research awarding powers. It needs to identify the common aim that binds the

partnership together, to develop individuals and develop the region. It needs to empower all partners, at all levels of the business, to take the decisions required to improve how we work. It needs to build upon the diversity we have, within a framework that delivers on a coherent strategy for the whole region.

For the meantime, it needs to do this within the current constitutional arrangements with solutions that can stretch across organisational boundaries to deliver a cohesive partnership that is greater than the sum of its parts. This reform is not about stripping away the accountabilities and responsibilities that sit with the university court. It is about empowering the whole partnership to deliver on agreed shared and collective priorities, to use the whole partnership's strength and depth to make the partnership as successful as it can be.

The recommendations need to be developed and underpinned with a common understanding of what tertiary means in the context of the partnership. This will ensure that the solutions developed fit together as a whole and decision-making is aligned to the delivery requirements based on this shared understanding.

The work taken forward must continue to involve the wide range of internal and external stakeholders as part of the programme board and the assembly. This broad-based approach to change ensures that the recommendations to date, and their detail to follow, is influenced, informed and built upon the extensive knowledge and experience base that the university partnership has. To have ownership of the reform, and therefore be accountable for its success, is to have a real voice and influence in its development.

Glossary of terms

There is currently not a common nomenclature across the partnership, so for the avoidance of doubt, some of the key terms used in this paper are set out below.

The senior executive	The vice chancellor, the principals of academic partners and their respective senior management teams
The University partnership or the partnership	A collective term for the whole partnership, including both the university itself and the academic partners
'Executive office'	Often used as a substitute when referring to those non-teaching staff directly employed by the university itself, having originally been the name of the university building in Ness Walk, Inverness. Its use in this document is only in this context. It is not an official term and is, therefore, in parenthesis when used.

Recommendations

The recommendations that the programme board are bringing forward for consideration by the senior leadership of the partnership are noted below and set out within the body of this document. They are high level, they require to be prioritised, owned by those with the right expertise and capacity found within the partnership to deliver them at pace. The history of change within UHI demonstrates that unless this happens, momentum will fall away from the process.

Behaviour and culture

- 1. We seek to develop a more collegiate set of behaviours and culture through joint ownership of the reform of the partnership to deliver a common aim.**

Financial Sustainability

- 2. We create a panel, drawn from the partnership and chaired by the vice-chancellor, to assess the value added by the functional areas of 'executive office.'**
- 3. We develop and implement improved models for common pan-partnership support services**
- 4. We renew our financial allocation mechanisms to ensure they are fit for purpose**
- 5. We invest in a system that captures the cost and value of delivery**
- 6. We consider the development and parameters of a shared finance service now, alongside the wider work to develop common professional support services**

Staffing

- 7. We appoint or identify a single lead HR professional**
- 8. We consolidate HR systems and staff**
- 9. We develop complementary contractual arrangements for further and higher education staff**

Governance and Accountability

- 10. We empower partnership council to be a meaningful executive decision-making body**
- 11. We develop partnership-wide priorities, within the context of an agreed partnership-wide strategic sustainability plan, and the senior executive are held to account to deliver against these**
- 12. We task the senior executive with developing the shape of operational arrangements that will underpin how the partnership will operate.**
- 13. We deliver more balanced academic partner non-executive involvement in the university court and its committees.**
- 14. We should consider structure once the operational arrangements are agreed**

Students

To be completed once the survey is concluded

Behaviour and culture

It is clear through the programme board discussions, and those held within the governance and staff working groups, that the organisational behaviours and the culture are having a direct impact on the ability of the partnership to resolve its own issues. This is not necessarily about personalities but rather is borne from the challenges that are set out earlier in this report. The arrangements, processes and structures we currently work to, drive and create the environment that fosters this behaviour.

As such, a programme of work is required to develop a new collegiate set of behaviours, particularly within, and then cascaded down from, the leadership cohort, which will be more conducive to making the partnership a success. This programme has to be active, rather than passive, with individuals engaged in working together to solve and implement the recommendations that are noted below, actively engaged in shaping the partnership for the better with all stakeholders.

A key aspect of any cultural programme will be the interaction between the non-executives who sit on court and those that sit on academic partner boards of management or equivalent. There should be greater opportunities for joint working, attending (in whatever capacity) the committees and board meetings of different partners. This will help to aid understanding of the considerations and challenges that sit within different areas of the partnership.

The staff survey highlighted that there is disconnection between the experience and views of staff. To deliver on the aim to become a fully tertiary partnership these gaps need to be bridged. A greater understanding by all of the culture, challenges, aims and vision that individuals and partners have within these constituent parts needs to be developed and a culture, vision and priorities built that meaningfully encompasses all of the facets of the partnership. For staff, opportunities to shadow colleagues or short secondments should be considered as this will help to broaden understanding and knowledge.

Recommendation

- 1. We seek to develop a more collegiate set of behaviours and culture through joint ownership of the reform of the partnership to deliver a common aim.**

Measurement

The key test is whether the collective leadership of the University of the Highlands and Islands is able to come together and deliver the reform proposals for the partnership. The recommendations are at a relatively high level and there is significant detail to be worked through before implementation.

If quantitative evidence of progress in this required, then further survey work, both at a leadership level, and more broadly, could be undertaken to track progress in respect of a more collegiate and collaborative environment.

Financial sustainability

It is common knowledge that the financial picture is challenging. This is amplified by the uncertainty around Brexit and the ever-increasing competitive nature of the sector as a whole. To meet this challenge head-on, the partnership needs to reduce its running costs, improve its ability to understand the costs of delivery, increase income and improve the transparency and accuracy of its financial planning and resource allocation mechanisms. These strands have been identified primarily by the financial sustainability working group but also by the governance and accountability working group.

Evaluation of 'executive office'

In the evidence gathering stages of the process, the governance and accountability group reported that many staff held perceptions about the value that 'executive office' adds to the partnership as a whole and the transparency by which it makes decisions. The staff survey also highlighted that there is a lack of understanding of the relationship between the academic partners and 'executive office'.

As the accountable body the University, and by extension 'executive office', is required to set regional strategy, hold partners to account for delivery, but also to utilise its significant strength and depth to support partners to deliver all aspects of their business. To be successful, the partnership needs to clarify the roles and responsibilities of all parts of the business and ensure that they offer maximum value as efficiently and effectively as possible.

Addressing the negative perceptions of 'executive office' and ensuring that the central corporate functions of the partnership offer as much added value as possible needs to be addressed head on. The work of 'executive office' should be reviewed, by a panel drawn from the partnership, chaired by the vice-chancellor, to assess:

- The value added from functions within 'executive office' (both internally to 'executive office' itself and externally to the partnership) and how this is measured – the performance management arrangements and the targets that teams and individuals work to
- Whether there are functions within 'executive office' that could be better arranged to support the partnership
- Whether there are areas of specialism that could be added to the centre for the benefit of the wider partnership and the accountability that underpins this.

The teaching elements of the university, primarily the School of Health, Social Care and Life Sciences and the Centre for History should not be included within scope of the review as they will be included within wider work to consider the teaching offering across the partnership (portfolio and delivery costs). The work should also seek to delineate between those areas that should be the reserve of the accountable body in its own right, for example academic governance, and those areas that are partnership in nature, such as planning.

This work should be progressed alongside recommendation 3; professional support services.

Recommendation

- 2. We create a panel, drawn from the partnership and chaired by the vice-chancellor, to assess the value added by the functional areas of 'executive office'.**

Professional support services

The benefits of developing common pan-partnership professional support services have been articulated in many of the change processes that the partnership has taken forward. This was re-emphasised by both the financial sustainability working group and the results from the staff survey that demonstrate that the majority of staff support consolidating these functions.

This is unsurprising as there are clear benefits for the partnership should it agree the scale and scope of these arrangements. It will reduce duplication and waste, aid cohesion and clarity in policy and process, take advantage of economies of scale, provide better opportunities for staff to specialise in their particular field and potentially support the aim to disperse staff across different partners.

Whilst there are clear benefits, and general agreement that common professional shared services should be introduced, how to organise the services and by whom staff should be employed, creates differing costs and risks. The university has received advice in this regard, but these discussions have not progressed, largely because of the trust issues that exist at an organisational level.

The partnership has several routes that it could take to organise common professional support services. These are;

1. We utilise matrix management arrangements so staff do not move employers;
2. We create a support services company that staff transfer to;
3. The University of the Highlands and Islands employs support staff directly;
4. An academic partner employs the staff that provide a particular professional support function directly.

Considering the costs and benefits of these options needs to take into account;

- The VAT implications;
- The TUPE implications;
- Pension implications;
- Political implications in respect of the implementation of national bargaining for college professional support staff.

What is clear to the programme board is that these need to be evaluated in an objective way and consensus reached of which route the partnership should take to develop these arrangements. The substantial benefits that agreeing and implementing the solution to this issue will provide over the medium and long term is not in doubt.

This analysis, however, should not cut across the practical development of shared services in the immediate future. There is currently an opportunity to consider finance in particular, with a number of key posts now, or soon to be vacant. The establishment of a shared finance directorate for the partnership would provide a key test of the benefits for bring professional support service staff into a single team. Learning and information services provides the partnership with a live example of how a common service can be developed and delivered.

Recommendation

- 3. We develop and implement improved models for common pan-partnership support services**

Resource allocation and financial management

The programme board has received significant feedback that the financial allocation mechanisms that underpin the partnership are no longer fit for purpose. Alongside this, there is no effective way of measuring the cost of delivery across the partnership, financial planning is largely undertaken at an individual rather than partnership level and there is a lack of transparency in respect of financial decision making and financial flows.

The discussions in respect of financial allocation within the programme board have highlighted that this is far from just a mechanism to allocate resources but needs to reflect the wider aims and ambitions of the partnership. There is often a lack of understanding or transparency in how the figures are arrived at and it remains a significant point of tension for many partners. The resource allocation mechanisms that the partnership uses need to be updated to ensure that they are understood and transparent.

The university has proposed on a number of occasions the implementation of a mechanism to measure the cost of teaching delivery across the partnership, such as Trac(T). Understanding costs and being explicit about cross subsidisation is an essential part of any financial system for a partnership. Work should be undertaken to assess the viability of different systems of cost measurement and then implemented across the partnership to aid financial planning and curriculum development.

As noted within the professional support services recommendation above, there is an opportunity to bring together the finance teams into a shared service. In the first instance, this partnership work might encompass simply working through shared practices, policies and developing financial forecasts for the partnership. A number of colleagues believe that mechanisms, such as “zero based budgeting” should be introduced across the partnership to increase the rigour by which resources are allocated within partners and a shared finance service could lead on the development of options such as these.

Developing and agreeing a common approach to budgeting practice, making accounts more transparent and developing partnership wide forecasts will help to grow trust across the partnership. It will allow for more open and honest debate about the financial position and the prioritisation of investment decisions. Once the route to establishing shared services is developed, finance staff could migrate to this option.

Recommendations

- 4. We renew our financial allocation mechanisms to ensure they are fit for purpose**
- 5. We invest in a system that captures the cost and value of delivery**
- 6. We consider the development and parameters of a shared finance service now, alongside the wider work to develop common professional support services**

Measurement

There should be a partnership wide target to reduce running costs to which these recommendations would contribute and agreement about how savings are distributed agreed in advance to best support teaching provision across the partnership.

This should be one of the key priorities that the partnership takes forward collectively.

Staffing

A little over 1,000 staff (30%) from across the partnership answered the survey circulated by the staff development and progression working group in April 2019. The results and conclusions from this work mirror many of the findings from a consultation exercise to inform the strategic working group and the views expressed by staff throughout this process.

The view of staff remains unchanged, that the structure of the partnership impedes their ability to deliver, that there is not equity in the arrangements for professional development, career progression, reward and recognition and terms and conditions (though this has somewhat been ameliorated by national bargaining). The collective leadership has not addressed these concerns over the past few years and this hampers recruitment and retention of staff.

The 2019 survey highlighted that opinion does differ between 'executive office and colleges, large colleges and small colleges and staff primarily delivering on further or on higher education in many matters. The working group concluded that there are five fundamental issues that need to be addressed;

1. Cultural divide - Tertiary in name but not in nature?: The partnership has 3 strong subcultures – Further education, higher education and 'executive office' staff differ in terms of their views regarding terms and conditions, remuneration, identity, responsibilities, and academic partner and individual survival within the partnership.
2. Size matters: staff at larger academic partners feel that while they see the benefits of being part of the partnership, they feel their academic partner could survive without it; as well as wanting a change to the current governance structure; whilst smaller academic partners feel more financially dependent upon the partnership and would like the current governance model to remain.
3. Ability to progress: most staff, whether academic or support, feel that training and development and career progression could be better developed and defined.
4. Shared services: most staff, whether academic or support, wish to see an alignment of support services to reduce duplication of effort across the partnership. This should involve staff remaining employed by their local academic partner.
5. Structural change: most staff agree that the current structure is inefficient and cumbersome, although they have mixed views on what the structure should look like - but the majority would like to remain employed by their academic partner and not by a central employer; and think that each academic partner should operate within a university identity with a local emphasis.

The working group have agreed three recommendations that should be taken forward, alongside the cultural and behaviour recommendation noted above to develop a more cohesive partnership. The identification of a senior HR professional within the partnership to take ownership of delivering partnership wide changes is required to drive forward the recommendations and ensure that the voice of all staff is represented across all facets of the reform.

The harmonisation and equity of the policies, development, training and career progression opportunities should happen at pace and the HR and organisational development skills we have need to develop proposals that work across our organisational boundaries. This work will need to

account for the different nature of academic partners and the university itself to ensure that we continue to build on the diversity of the different academic partners.

The most challenging aspect of the recommendations is the development of complementary contractual arrangements for further education and higher education staff. This is required work but must be set against the financial reality of the partnership and the ongoing outputs from national bargaining in the further education sector. Realistic proposals, such as the progressive academic structure agreed by partnership council, need to be costed and brought forward that draw together the terms and conditions across the partnership and build on the strength of being able to recruit to both further education and higher education terms and conditions.

The constitutional basis of the partnership is such that this will be easier for some partners than others. Thought needs to be given about whether a staged approach will deliver quicker for staff or whether a partnership wide approach in the first instance is most appropriate.

Recommendations

- 7. We appoint or identify a single lead HR professional**
- 8. We consolidate HR systems and staff**
- 9. We develop complementary contractual arrangements for further education and higher education staff**

Measurement

Timescales will need to be set against each of these recommendations to ensure they are delivered in line with expectations.

Quantitative analysis could be undertaken on partnership wide recruitment and retention statistics, which may improve because of a more comprehensive partnership framework for staff.

Pan-partnership staff surveys could also be used to better track the opinion of staff as these areas are addressed.

Governance and accountability

The first assembly held in September 2018 identified a range of serious questions about the effectiveness of the governance arrangements, mechanisms for accountability and the decision-making processes. In broad terms, a lack of cohesion through much of what the partnership undertakes underpinned by unclear decision-making and accountability arrangements.

The working group considered the accountability framework and how this works, heard from colleagues representing the major parts of the business about the operational challenges within the current environment and begun to compare different constitutional models for the partnership as a route to addressing these challenges.

Accountability

The accountability framework for the University of the Highlands and Islands is clearly set out in legislation, regulation, sector codes of good governance and the internal documents that bind academic partners to the University. Whilst this is clear and unequivocal, the governance working group agreed that it has not found practical application within our processes.

This has led, for example, to unsatisfactory arrangements for holding individuals and organisations to account, slow and ineffective decision making; a lack of clarity around who should take decisions and the forums that these decisions should be agreed within. This confusion, over how accountability and decision-making works across the partnership, has heightened the lack of ownership that people have and the requirement to respond accordingly.

To address these shortfalls in the current arrangements, partnership council, or a similar style executive committee, should be empowered to make decisions on partnership wide operational matters. This would allow for collaborative and collegiate executive leadership from across the partnership to shape, plan, own and be accountable for key priorities, both collectively through the committee and onwards to the university court, and through individual partners for their contributions locally. It will coordinate regional initiatives and ensure that they are delivered at pace and coherently.

A strong message from the assembly meetings, largely by the academic partner non-executive cohort, is that more balanced academic partner representation is required on Court committee structures. A review of the further education regional board has been on the agenda since the programme board started its work so the working group have not considered the specifics of this request but believe academic partner representation needs to be addressed. The working group is happy to play a role in the development of these arrangements should this be appropriate.

Recommendations

- 10. We empower partnership council to be a meaningful executive decision-making body**
- 11. We develop partnership-wide priorities, within the context of an agreed partnership-wide strategic sustainability plan, and the senior executive are held to account to deliver against these**
- 12. We deliver more balanced academic partner non-executive involvement in the university court and its committees.**

Operational arrangements

The assembly and the evidence gathering process highlighted a number of outstanding operational matters and arrangements that are unresolved. These include, but are not limited to;

- The management of higher education across the partnership
- The effectiveness of the resource allocation mechanism
- The development of additional income streams
- The split between regional and local decision making
- The shape and scope of common professional support services

In many cases, ideas and solutions have been presented, but they have not found purchase and have not been implemented. This is not because the ideas are lacking in value, but rather it is because of the decision-making environment into which they have been placed and the perceptions of why those solutions have been put forward.

Many of these elements are captured in the recommendations above, but the work is wider than these sets of elements. The senior executive need to come together to agree the operational shape of the partnership in its totality, including how 'tertiary' is embedded through these arrangements and how it should function to deliver. This will give an objective basis for considering how the different elements fit together and the basis for mutually agreeable, transparently developed arrangements.

Recommendations

- 13. We task the senior executive with developing the shape of operational arrangements that will underpin how the partnership will operate.**

Structure

The governance and accountability working group took time to consider the different operating models we could adopt. This was built upon the work undertaken in the Capita report and the strategic working group. These discussions were characterised by the polarisation of views between retaining the current structure and moving to a unitary model, the viability of the first to succeed given our history, and the ability to deliver the second given the requirement to agree the arrangements with internal and external stakeholders. This polarisation goes right through the partnership with deeply held views on both sides and this made discussions on this element of the group's remit far more challenging than other areas.

The working group, however, determined that the benefits of changing structure could not be properly assessed without understanding the agreed shape of the operational arrangements. These will be supported, or hampered, by different constitutional models and without this clarity an objective assessment cannot be made.

At this stage, the theoretical discussion of what might be best in terms of structure and what the views of major stakeholders might be, turns the discussion into a circulate debate, one that the partnership has been caught in for some time. The group agreed that charging the senior executive to fix the operational problems, to collectively build the operational arrangements and environment that will support UHI to succeed, must be the first priority.

The success, or otherwise, of an approach to collectively solve the challenges we face will provide an evidence base as to whether the partnership can work in its current form or not. It provides the opportunity to focus on challenges that are solvable on our own terms, immediately, rather than focussing on structural change and the considerable resources and time that will take.

The messages received by the working group and the programme board is that there is no appetite from external and many internal stakeholders to support a move to a unitary structure or undertake the extensive legislative and regulatory work that creating a single organisation will require. The staff survey also found that whilst the majority of staff agreed that the structure causes impediment to how we deliver, they wish to remain employed by their current organisations.

Therefore, all the recommendations within this paper will need to be taken forward within the context of our current constitutional arrangements, and significant operational and cultural change can be progressed within these current arrangements. It is likely that as they are properly explored questions of constitutional structure will arise and these will need to be addressed at that point in time. The governance and accountability working group will continue to consider the benefits and flexibilities of different models so that we can import the best arrangements into our current structure.

Recommendation

14. We should consider structure once the operational arrangements are agreed

Measurement

The development of a number of key partnership priorities underpinned by measurable benefits

The implementation of more inclusive executive and non-executive decision-making structures

The development of a clear agreed operational environment for the partnership

Students

The student equivalence and experience group have developed an evidence-based methodology through which to conduct a survey measuring equivalence across the partnership. They are working with ScotInform to run focus groups and develop and distribute a survey to capture students views. The focus groups will be held on 2 October, the survey will be distributed on 21 October and will remain open for three weeks. An initial report of the findings will be available from 11 November with a final report and full analysis available on 22 November.

They are seeking to develop a student manifesto that sets out the equivalence that matters to students across the different partners. This will allow for comparative work to be undertaken to ensure that we are delivering what students value most.

The findings of this survey will need to be considered alongside the other outputs and recommendations from the process to date to ensure that they deliver on student expectations.

Recommendations

To be confirmed

Measurement

To be confirmed

Board of Management

Subject/Title:	Student Outcomes and Satisfaction Rates for 2018-19
Author: [Name and Job title]	Roddy Henry, Depute Principal
Meeting:	Board of Management
Meeting Date:	10 October 2019
Date Paper prepared:	3 October 2019
Brief Summary of the paper:	This report provides the Board with a provisional summary of high-level performance indicators (PI) relating to student outcomes and a summary of student satisfaction rates for the academic year 2018-19.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	This paper links to the strategic plan, particularly in relation to the student experience and the curriculum.
Resource implications:	No
Risk implications:	No
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	n/a

Status – [Confidential/Non confidential]	Non-confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of 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.)			

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

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

Student Outcomes and Satisfaction Rates for 2018-19

Executive summary

The report provides a summary of provisional performance indicators (PI) for student outcomes and satisfaction rates for 2018-19.

At the time of writing, success rates for students on HE programmes are still to be confirmed. Successful completion rates for students on full-time and part-time FE programmes are similar to last year, and have remained high overall. Overall pass rates for Higher and National 5 awards have fallen, although they are still ahead of college sector levels.

Student satisfaction rates remained high overall, and the NNS satisfaction rates has improved by 3 points on last year.

Main body of information

The calculations used for student outcome PIs are those applied 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
Further withdrawal	% of enrolled students leaving between 25% and the end of course
Completed: partial success	% of enrolled students completing the course but not achieving the award or progressing
Completed: successful	% of enrolled students completing the course and achieving the award 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 college data set for HE relates largely to HN awards and not degrees.

Student satisfaction is monitored and 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 National Student Survey (NSS) of final year HE students from qualifying programmes, and from the college's pre-exit student survey for all other students, now known as the Student Satisfaction and Engagement Survey (SSES). The NSS is a UK-wide survey of final year university students. The colleges FE returns from the SSES form its submission to the college sector national SSES return.

Provisional Student Outcomes

Note: all student outcomes have still to be audited through returns to the SFC and the Higher Education Statistics Agency (HESA) and may be subject to change. The figures below were taken from the college system on 3 October 2019.

A summary of provisional PIs across full-time and part-time, FE and HE programmes is provided in the table below: it should be noted that 14% of full-time HE and 28% of part-time HE outcomes are still to be confirmed at the time of writing this report.

LEVEL OF STUDY	ENRs	EARLY WD %	FURTHER WD %	PARTIAL SUCCESS %	SUCCESS %	EXCLUDED FROM PI	NO OUTCOME CODE
FEFT	1249	6.82%	15.80%	6.98%	70.41%	2	
FEPT	3368	2.20%	3.98%	7.82%	86.00%	4	
HEFT	1531	4.64%	6.93%	0.00%	75.69%	1	213
HEPT	1072	2.05%	4.20%	2.43%	63.81%		303
Grand Total	7220	3.49%	6.68%	5.21%	77.82%	7	516

The outcomes by level and mode of attendance over time are shown in the table below:

Student outcomes over time:

Level of study	2016-17	2017-18	2018-19	College Sector (2017-18)
FEFT	67.27%	70.59%	70.41%	66.1%
FEPT	81.31%	86.29%	86.00%	78.2%
HEFT	73.57%	80.42%	75.69%	
HEPT	74.53%	76.93%	63.81%	

Success rates on the college's full-time FE programmes have remained high overall although they have not improved on last year. Part-time FE outcomes have been above sector levels for several years and look to have maintained that level again this year. FE outcomes may be subject to change after final submission to SFC on 5 October.

Appendices I and II show a breakdown of full-time and part-time FE outcomes by subject area with a comparison to last year's success rates. Heads and Depute Heads of School are monitoring the implementation of actions for improvement across all programmes.

Success rates for students on HE programmes have still to be confirmed pending the processing of the outstanding outcomes.

Higher and National 5 Results

The overall pass rate for students taking Higher exams at the college this year was 64.5%, a drop of 9.5 points on last year. However, the national pass rate for students taking Higher awards at Scottish colleges fell by 4.7 points to 56.3%. The pass rate for Higher Psychology fell from 71% last year to 39% in 2018-19. This issue has been replicated across the sector and the national pass rate for Higher psychology in 2018-19 is 37.7%. Higher psychology accounts for a large number of college Higher candidates – 49 took the

award at Inverness College in 2018-19 – and this national drop has had a significant impact on the overall pass rate.

Higher passes	Overall pass rate			
	2015-16	2016-17	2017-18	2018-19
ICUHI	58%	69%	74%	64.5%
College sector	63%	67%	61%	56.3%

The overall pass rate for students taking National 5 awards at the college this year was 69%, a drop of 7 points from last year. The overall pass rate for all college students taking National 5 exams in Scotland also fell, by 3.4 points to 67.6%.

National 5 passes	Overall pass rate			
	2015-16	2016-17	2017-18	2018-19
ICUHI	74%	76%	76%	69.0%
College sector	68%	70%	71%	67.6%

Appendices III and IV show the pass rates for Higher and National 5 awards by subject.

Student Satisfaction Rates

Student satisfaction rates remain high overall. In terms of the SSES results, satisfaction rates remain high although both FE and HE rates fell slightly compared to 2017-18 (see the table below).

Overall satisfaction expressed in the NSS improved by 3 points to 83%. The overall rate for the university fell by 1 point to 84%, and is in line both the Scottish and UK sector levels.

Survey/level	Overall student satisfaction rate			
	2015-16	2016-17	2017-18	2018-19
SSES: FE	89%	87%	95%	93%
SSES: HE	87%	88%	90%	85%
NSS	82%	75%	80%	83%

The committee discussed the SSES findings at their June meeting. The Executive Office report on the NSS results is included in the items for noting on the agenda.

Roddy Henry
Depute Principal

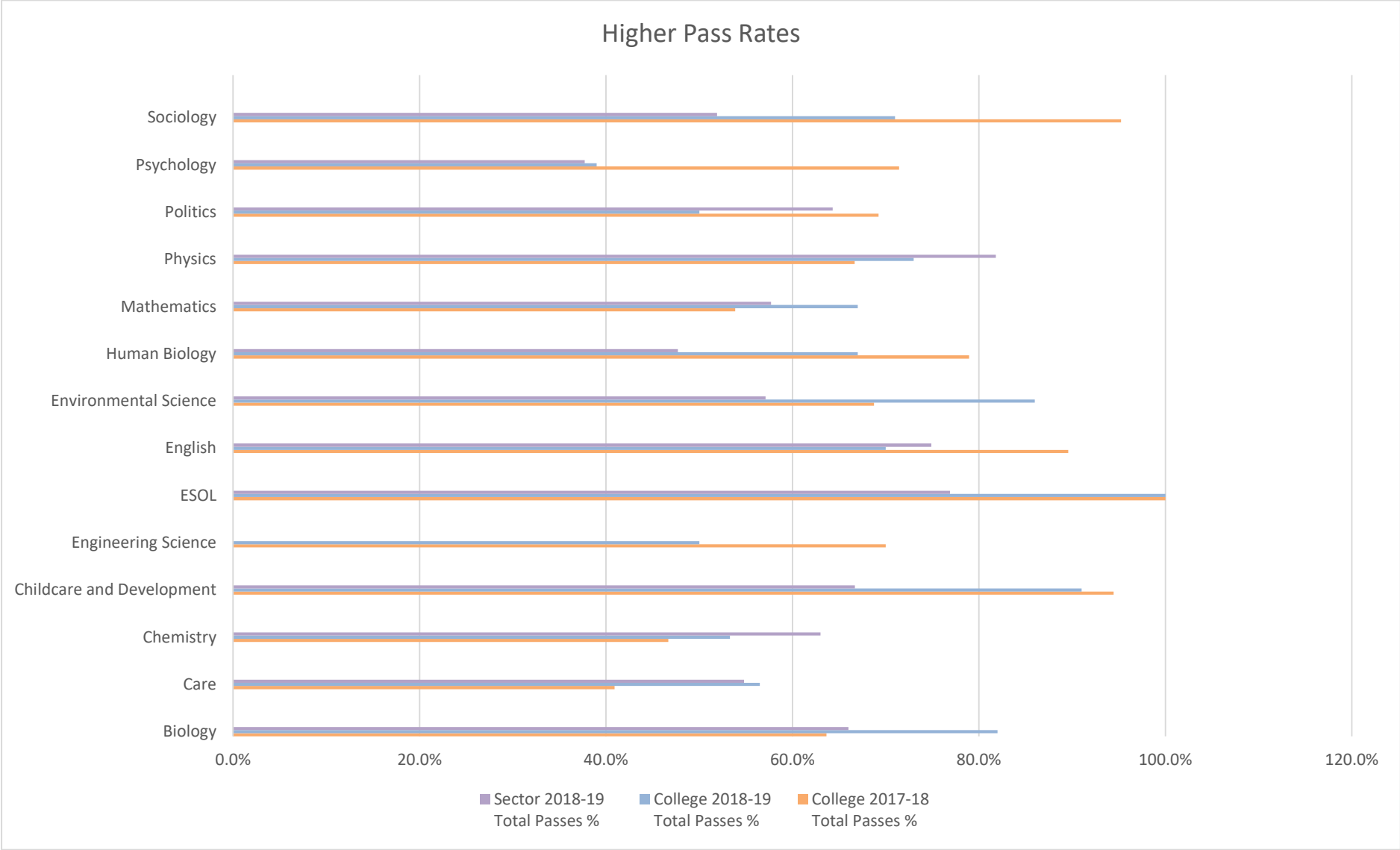
Appendix I: Full-time FE outcomes by subject area

LEVEL_OF_STUDY	EDUCATION SCOTLAND SUBJECT AREA	ENRs	EARLY WD %	FURTHER WD %	PARTIAL SUCCESS %	SUCCESS %	2017-18 SUCCESS %	Diff
FEFT	Art and design	44	2.27%	15.91%	0.00%	81.82%	64.15%	17.67%
	Business, management and administration	63	12.70%	11.11%	9.52%	66.67%	69.70%	-3.03%
	Care	151	6.00%	19.33%	12.00%	62.67%	62.41%	0.26%
	Computing and ICT	53	7.55%	15.09%	15.09%	62.26%	68.18%	-5.92%
	Construction	117	5.13%	9.40%	1.71%	83.76%	82.17%	1.59%
	Engineering	217	5.56%	14.81%	4.17%	75.46%	74.52%	0.94%
	Hairdressing, beauty and complementary therapies	164	7.93%	20.73%	6.71%	64.63%	66.86%	-2.22%
	Hospitality and tourism	49	8.16%	20.41%	6.12%	65.31%	72.55%	-7.24%
	Land-based industries	44	4.55%	25.00%	9.09%	61.36%	74.47%	-13.10%
	Languages and ESOL	102	2.94%	6.86%	0.00%	90.20%	93.02%	-2.83%
	Media	13	7.69%	23.08%	0.00%	69.23%	60.00%	9.23%
	Science	57	14.04%	10.53%	28.07%	47.37%	49.25%	-1.89%
	Social subjects	47	17.02%	12.77%	10.64%	59.57%	68.89%	-9.31%
	Special Programmes	52	5.77%	30.77%	1.92%	61.54%	65.00%	-3.46%
	Sport and leisure	76	3.95%	13.16%	5.26%	77.63%	71.05%	6.58%
FEFT Total		1249	6.82%	15.80%	6.98%	70.41%	70.59%	-0.18%

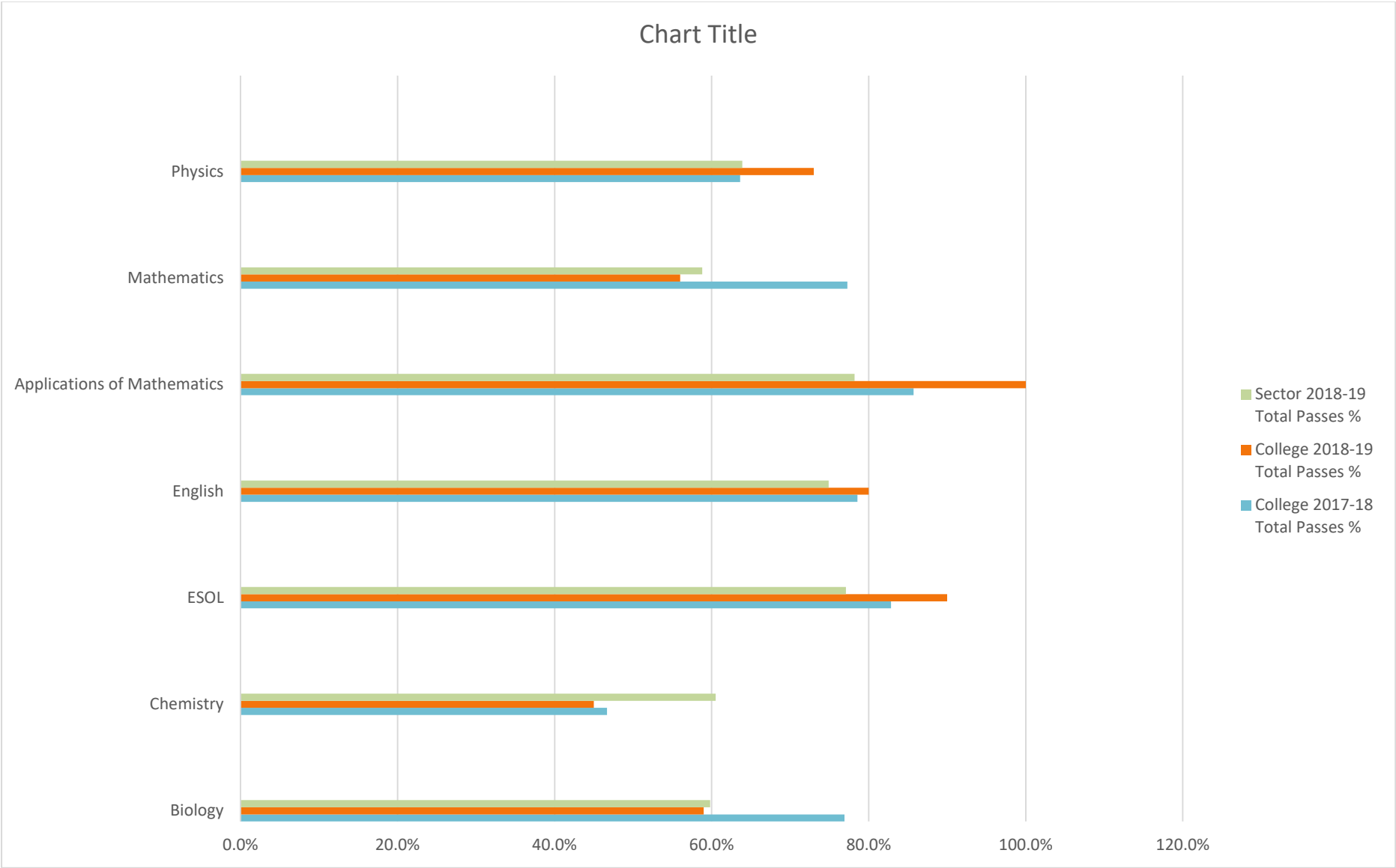
Appendix II: Part-time FE outcomes by subject area

LEVEL_OF_STUDY	EDUCATION SCOTLAND SUBJECT AREA	ENRs	EARLY WD %	FURTHER WD %	PARTIAL SUCCESS %	SUCCESS %	2017-18 SUCCESS %	Diff
FEPT	Art and design	20	0.00%	15.79%	15.79%	68.42%	80.77%	-12.35%
	Business, management and administration	437	0.23%	1.60%	5.72%	92.45%	90.00%	2.45%
	Care	595	2.18%	5.38%	11.76%	80.67%	83.24%	-2.57%
	Computing and ICT	88	3.41%	10.23%	12.50%	73.86%	67.06%	6.80%
	Construction	549	1.28%	2.55%	2.37%	93.81%	93.61%	0.20%
	Education and training	68	23.53%	1.47%	0.00%	75.00%	100.00%	-25.00%
	Engineering	523	0.38%	1.91%	8.41%	89.29%	86.93%	2.36%
	Hairdressing, beauty and complementary therapies	135	7.41%	6.67%	9.63%	76.30%	88.29%	-11.99%
	Hospitality and tourism	273	1.83%	3.30%	2.20%	92.67%	88.38%	4.29%
	Land-based industries	164	0.00%	1.24%	0.62%	98.14%	96.15%	1.98%
	Languages and ESOL	72	6.94%	5.56%	13.89%	73.61%	85.11%	-11.50%
	Performing arts	2	0.00%	0.00%	50.00%	50.00%		50.00%
	Science	102	5.88%	14.71%	26.47%	52.94%	50.48%	2.46%
	Social subjects	14	0.00%	28.57%	28.57%	42.86%	51.61%	-8.76%
	Special Programmes	313	1.92%	4.47%	11.18%	82.43%	77.57%	4.86%
	Sport and leisure	13	0.00%	7.69%	0.00%	92.31%	71.43%	20.88%
FEPT Total		3368	2.20%	3.98%	7.82%	86.00%	86.29%	-0.29%

Appendix III: Highers pass rates over time by award



Appendix IV: National 5 pass rates over time by award



Board of Management

Subject/Title:	Student Recruitment 2019-20 - update
Author: [Name and Job title]	Roddy Henry, Depute Principal – Planning and Student Experience
Meeting:	<i>Board of Management</i>
Meeting Date:	10 October 2019
Date Paper prepared:	2 October 2019
Brief Summary of the paper:	To provide the Board with an update on student recruitment so far in 2019-20.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	This paper links to the strategic plan, particularly in relation to the student experience and the curriculum.
Resource implications:	No
Risk implications:	No
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	n/a

Status – [Confidential/Non confidential]	Non-confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of 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.)			

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

Student Recruitment 2019-20: update

Table 1 below shows current enrolments. The HE enrolments include all types of provision, undergraduate, postgraduate taught and postgraduate research, and all funding streams. Part-time FE and HE enrolments will continue throughout the year, as will a number of full-time FE enrolments (c80 -100).

Table 1: enrolments by mode and level:

LEVEL_OF_STUDY	01.10.19 ENRs
FEFT Total	1094
FEPT Total	1346
HEFT Total	1399
HEPT Total	654

Tables 2 and 3 compare current full-time enrolments to Curriculum Plan (CP) targets and to enrolments in late September 2018. CP targets are always set high to allow for annual recruitment variations across programmes, however, there are some significant shortfalls at both FTFE and FTHE

Table 2: Full-time FE enrolments v Curriculum Plan (CP) targets and 2018:

DEPT (COLLEGE): FTFE	24.09.18	2019-20 CP TARGET	Current	Variance v CP Target	Variance v 2018
Business, Computing & Hospitality Total	124	156	118	-38	-6
Care, Health & Wellbeing Total	226	262	208	-54	-18
Construction & the Built Environment Total	86	80	93	13	7
Creative Arts Total	357	375	387	12	30
Education & Applied Sciences Total	115	103	88	-15	-27
Engineering Technology Total	206	242	158	-84	-48
Scottish School of Forestry Total	44	48	42	-6	-2
FTFE TOTAL	1158	1266	1094	-172	-64

Table 3: Full-time HE enrolments v CP targets and 2018:

DEPT (COLLEGE): FTHE	24.09.18	CP TARGET	Current	Variance v CP Target	Variance v 2018
Business, Computing & Hospitality Total	286	333	248	-85	-38
Care, Health & Wellbeing Total	412	465	434	-31	22
Construction & the Built Environment Total	85	91	94	3	9
Creative Arts Total	412	404	385	-19	-27
Education & Applied Sciences Total	128	117	117	0	-11
Engineering Technology Total	71	49	52	3	-19
Scottish School of Forestry Total	66	83	62	-21	-4
Research	11		7		

HEFT Total	1471	1542	1399	-143	-72
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Table 4 shows the **estimated** HE FTE by fee category based on current enrolments, and against targets set by via Partnership Planning Forum (PPF) and the Teacher Education Management Group (TEMG). The estimates are made using information from the student record system and historical values of FTE compared to enrolment numbers: they should be read as indicative only at this stage.

Table 4: Estimated HE FTE v PPF and TEMG targets:

Level	PPF/TEMG Target	Current estimated FTE	Variance
Undergraduate Scottish & EU	1603.9	1504	-99.9
Postgraduate Taught Scottish & EU	21.9	70	48.1
Undergraduate International & RUK	(2+19) 21	(9+20) 29	8
Postgraduate Taught Int & RUK	-	(0+10) 10	10
PGD Education (Primary & Secondary)	41	38	-3
TOTAL	1687.8	1651	-36.8

A suite of immediate actions was agreed at the Senior Management Team meeting on Thursday 19 September, the progress of which is summarised below:

- Consolidated HN and 1st year degree class groups to maximise efficiency; merged different SVQ/SCQF levels in vocational areas which mirrors what happens in industry and supports “buddy” systems.
- Using the Workload Analysis, we have reduced the number of temporary staffing requests and reduced teaching allocation for small class groups.
- Heads/Depute Heads of School are working with Marketing to produce a campaign for Semester 2 recruitment by the end of October. A list of degree modules suitable for infill as part-time unstructured study and by senior phase pupils is also being finalised.
- Flexible, online courses – with or without assessment - are being considered for Semester 2 offer.
- Staff recruitment monitoring and vacancy management has been intensified.
- Recruitment data is being scrutinised to inform curriculum planning and marketing for 2020-21, which should be finalised by December 2019.

Roddy Henry
Depute Principal – Planning and Student Experience

Board of Management

Subject/Title:	Workforce Planning
Author: [Name and Job title]	Lindsay Ferries, Director of Organisation Development
Meeting:	Board of Management
Meeting Date:	September 2019
Date Paper prepared:	September 2019
Brief Summary of the paper:	Building on the Finance Strategy approved at the Finance and General Purposes Committee in February 2019 and the Organisation and Professional Development Strategy 2017 - 2020; this report provides an update on my report to Board in March 2019 and the key areas of focus in the draft workforce plan for 2020-2025.
Action requested: [Approval, recommendation, discussion, noting]	Discuss
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Status – [Confidential/Non confidential]	Confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*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)	X	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.)			

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Board of Management

Subject/Title:	Sports Pitch Business Case
Author: [Name and Job title]	Roddy Henry, Depute Principal – Planning and Student Experience Felix Spittal, Project Manager
Meeting:	Board of Management
Meeting Date:	10 October 2019
Date Paper prepared:	24 September 2019
Brief Summary of the paper:	At the meeting in March 2018 the Board of Management agreed to support the College's commitment to take forward the installation of a synthetic sports pitch as phase 1 of the Campus Sports Development Project. This paper accompanies a Full Business Case that sets out the justification for the College undertaking phase 1 of this project.
Action requested: [Approval, recommendation, discussion, noting]	To seek approval for Inverness College UHI to proceed with a project to build a sports pitch on plot 13 with one-off projects costs expected to be circa £968,000. This will include an application to the Foundation of £250,000.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	Links to Strategy in following areas <ul style="list-style-type: none"> • To make Inverness College UHI a study destination of choice • To create a lively community of staff and students • To work with partners to develop Inverness as a 'university city' • To progress and maintain our inspirational estates, facilities and ICT infrastructure • To forge new partnerships, strengthen existing ones and work collaboratively
Resource implications:	<u>Yes / No</u> If yes, please specify: Capital Contribution through Inverness College Foundation. Possibility of revenue contributions for running costs. Staff time in Property & Estates and External relations in maintenance and booking respectively.
Risk implications:	<u>Yes / No</u> If yes, please specify: Operational: Potential to stretch resources in estates team Organisational: Financial revenue risk
Equality and Diversity implications:	<u>Yes/No</u> If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	A steering Group has been in place since 2016 which ensures that key stakeholders have been consulted on proposals and the voice of users has been incorporated into decision making. A wide range of stakeholders were also consulted as part of the EKOS feasibility study(2017) – their views have been incorporated into the Business Case.

Status – [Confidential/Non confidential]	Confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*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.)	Until the procurement process for the design and build contractor is complete (contract awarded)		

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

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



Board of Management

Subject/Title:	Health and Safety Annual Report 2018-19
Meeting and date:	Board of Management – 10 October 2019
Extract from Minutes of the Meeting of the Audit Committee held on 17 September 2019	

HEALTH AND SAFETY ANNUAL REPORT 2018/19

A report by the Director of Organisational Development advised that it had been a positive academic year.

There was now a level of consistency in terms of reporting and there had been some improvement in hand injuries since 2016-17 which was an area of concern and focus. Utilising the HASMAP audit standard and the implementation of the SHE system had been key drivers in these positive results, however it was noted that there were still some areas for improvement. It was noted that the new Academic Management school structure is a significant opportunity for the Schools to take greater responsibility for the management of H&S within their areas.

The Committee **WELCOMED** the continued progress in health and safety over the last year and recommended the Annual report to the Board of Management.

Board of Management

Subject/Title:	Health and Safety Annual Report 2018-19
Author: [Name and Job title]	Lindsay Ferries, Director of Organisational Development
Meeting:	Audit
Meeting Date:	16 September 2019
Date Paper prepared:	30 August 2019
Brief Summary of the paper:	To provide the Audit Committee with the annual report 2018/19 on matters pertaining to health and safety
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with: <ul style="list-style-type: none"> compliance partnership services risk management strategic plan new opportunity/change 	
Resource implications:	No If yes, please specify:
Risk implications:	No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	Health and Safety Committee, comprising a cross section of the college including management, staff and trade union reps.

Status – [Confidential/Non confidential]			
Freedom of Information Can this paper be included in “open” business* [Yes/No]			
*If a paper should not be included within “open” business, please highlight below the reason.			
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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.)			

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Executive Summary

There was one reportable incident for academic year 2018-2019 in comparison to 3 RIDDOR's for 2017-2018. This reportable incident took place in Q4.

RIDDOR report - HSE Reference 17AA913B13

The individual was attending a Union meeting in the Lecture Theatre. The individual was sitting in the 2nd row on the right-hand side of the theatre. Upon conclusion of the meeting, the individual was exiting the row and walking towards the central stairway of the lecture theatre, to exit the room. As the individual reached the end of the row, and upon turning to her left to walk down 1 step, she went over her ankle and fell down to the floor. The step height is approximately 18cm. There were multiple first aiders in the room who attended, and an ambulance was called and attended as it was clear the individual's ankle was broken.

On investigating the incident, it appears that the individual misplaced their footing on descending the step which resulted in her twisting and falling. The central steps on the Lecture theatre stairwell do not carry the width of the walkway and this may have played a part in the loss of footing. This is the first incident recorded of this nature and the design of the steps would not allow an adaptation without creating another potential hazard and/or accessibility issue to arise. The only control measure available therefor is to remind individuals to take due care and attention descending the steps.

Summary of Incidents

Accident/Incident/Near Miss Reporting Summary Sheet			
		2017-18	2018-19
No. of reports		340	280
2017-18 Incident Severity	Minor	Moderate	Major
	243	36	1
Incidents by Locality	Total		
Inverness Campus	158		
SSOF	9		
Nursery	112		
UHI Research Hub	1		
Who was involved	2017-18		2018-19
Student	140		88
Staff Member	37		32
Member of the public	5		-
Child	112		111
Not Set	38		45
Contractor	3		1
Other	5		3
Type of Incident	Total		

UE (Undesired Event/Near Miss)	150
Property Damage	9
Theft	3
Dangerous Occurrence	3
First Aid Case	91
MTC (medical treatment Case)	20
Specified injury	2
Dangerous Occurrence	3
Definitions: <ul style="list-style-type: none"> • First Aid case - An injury for which an injured person requires treatment by a First Aider and returns to full duties • Medical treatment case - is an injured or sick person who requires treatment (more than First Aid) and is advised to seek professional medical treatment or an ambulance is called. • Undesirable Event/Near miss – An event during which injury, ill health, loss of equipment/asset or death could have occurred, but didn't actually occur. • Specified Injury – Injuries specified by HSE which are reportable 	

HAND & FINGER INJURIES, 3 Year Analysis

Between August 2018 and July 2019 hand and finger injuries accounted for 8% of the colleges recorded accidents and incidents. This academic year has seen an increase of 1% in the amount of hand injuries. For 2018-19 there were 22 reported hand/finger injuries, compared to 21 in 2017-18. However there was a decrease in the 1st Quarter of 2018-19 from 13 to 9.



Stats have again shown that the 1st Quarter of a new year is when most hand injuries occur. As a result of this our hand safety presentation and campaign is being continuously used throughout the academic year and is a focus at student induction.

Analysis of Incidents

While previous years has seen a significant rise in reportable incidents, 2018/19 for the first time, saw a slight reduction on the previous year from 340 reported accidents, incidents and near misses to 280.

Academic Year	No. of reports	Percentage increase/decrease
August 2018- July 2019	280	-18%
August 2017- July 2018	340	94%
August 2016 –July 2017	175	73%
August 2015 - July 2016	101	—

H&S Management System (HASMAP)

Utilising the HASMAP audit standard, audits have continued over the year focussing on risk assessment and risk control. Of the Audits carried out this year, reports have been submitted to the department along with actions to close out any observations made. There were no issues subjecting the organisation to material risk which would require the attention of management and the H&S Committee. They were matters which if addressed would enhance efficiency and effectiveness. As we progress through the year we will be looking at other audit areas such as Leadership, Competence and Communication.

Audits Completed thus far include:

- Forestry
- Welding and Fabrication
- Hospitality/Professional Cookery
- Construction – Machine shop
- Electrical Installation

PUWER Audit

PUWER questionnaire forms have been distributed to the following heads of schools for completion;

- Paul Moody - Construction
- Iain King - Engineering
- Amanda Bryan - Forestry

The purpose of this work is for these departments to establish whether they have appropriate management arrangements in place for their workshop and other equipment as defined under PUWER and the Management of Health and Safety at Work Regulations.

Summary

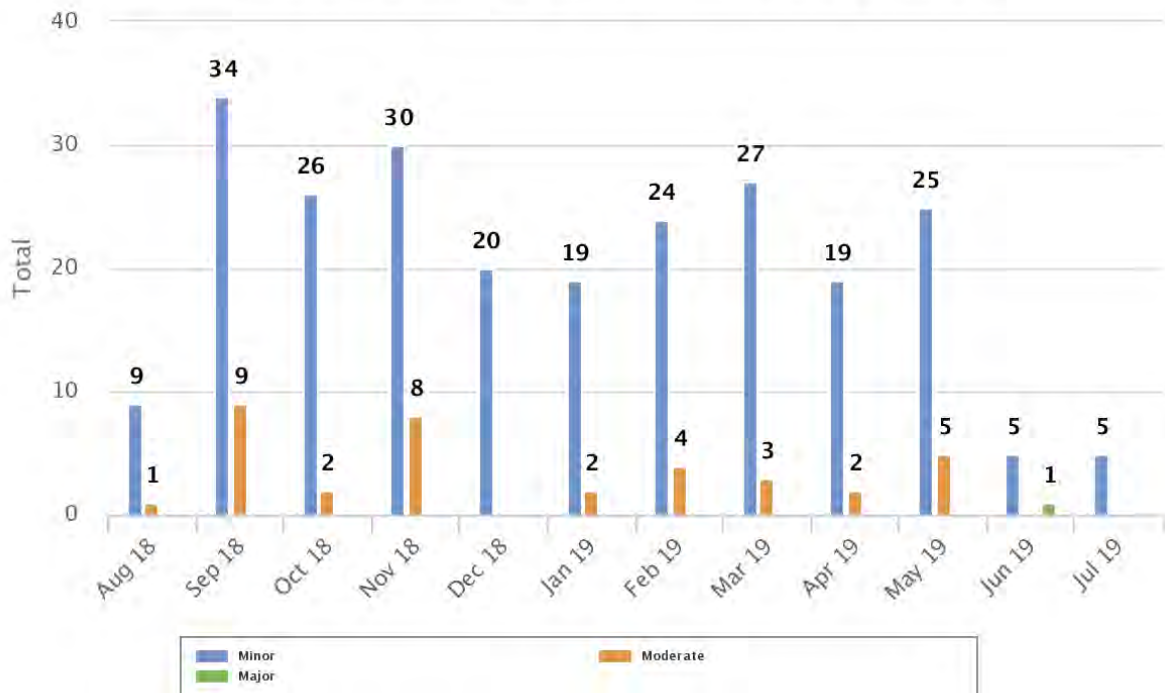
It has been another positive year for the College in terms of the Management of Health and Safety. We are now seeing a level of consistency in terms of reporting and seen some improvement in hand injuries since 2016-17 which was an area of concern and focus. Utilising the HASMAP audit standard and the implementation of the SHE system have been key drivers in these positive results, however there are still some areas for improvement. The new Academic Management school structure is a significant opportunity for the Schools to take greater responsibility for the management of H&S within their areas.

It is with regret that I have to notify that the Health and Safety Manager is leaving us at the end of August. He would like this opportunity to thank staff and particularly the members of the Audit and H&S Committee, for their support over the last 3 and a half years, and for the part they have played in making the College a safer environment.

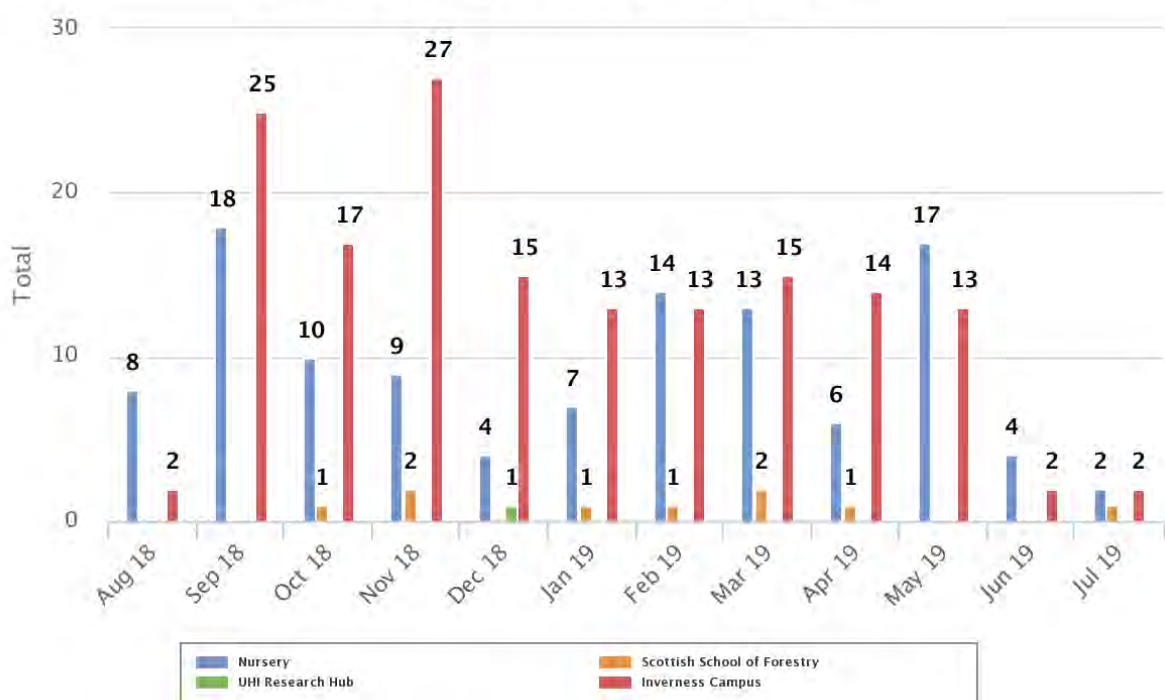
Interviews for Richi Hart's successor are scheduled in October. In the interim Martin Kerr, Estates and Campus Services Manager is covering.

Appendix 1

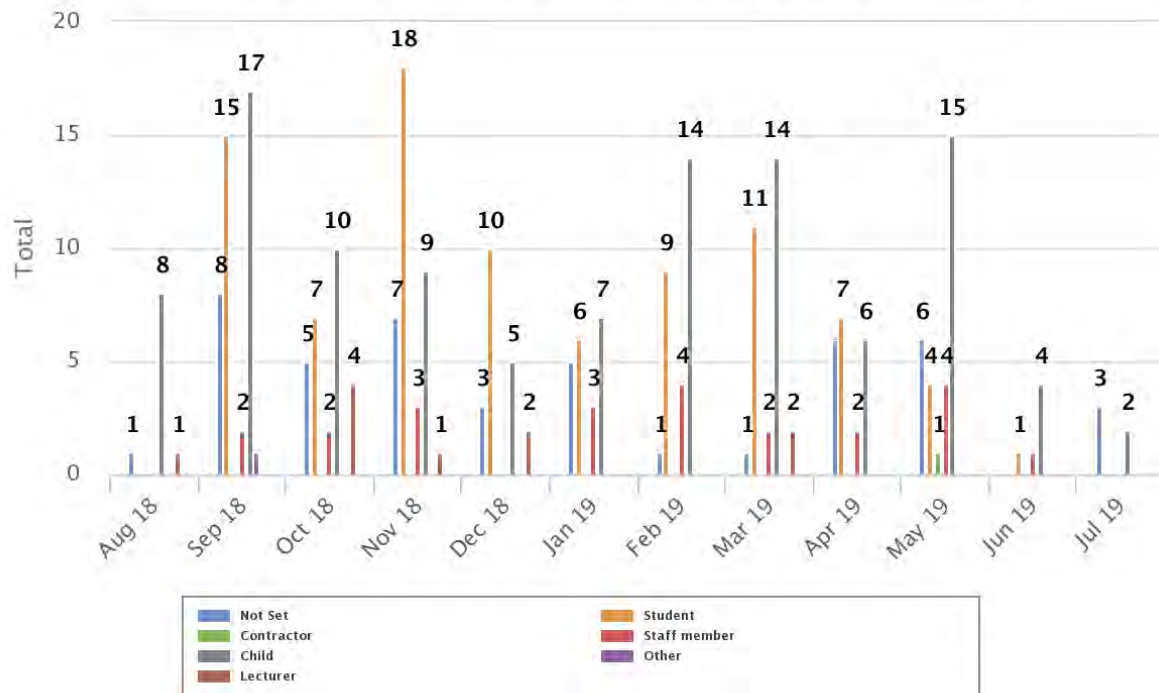
Incident Record – Date Range – Incident Severity



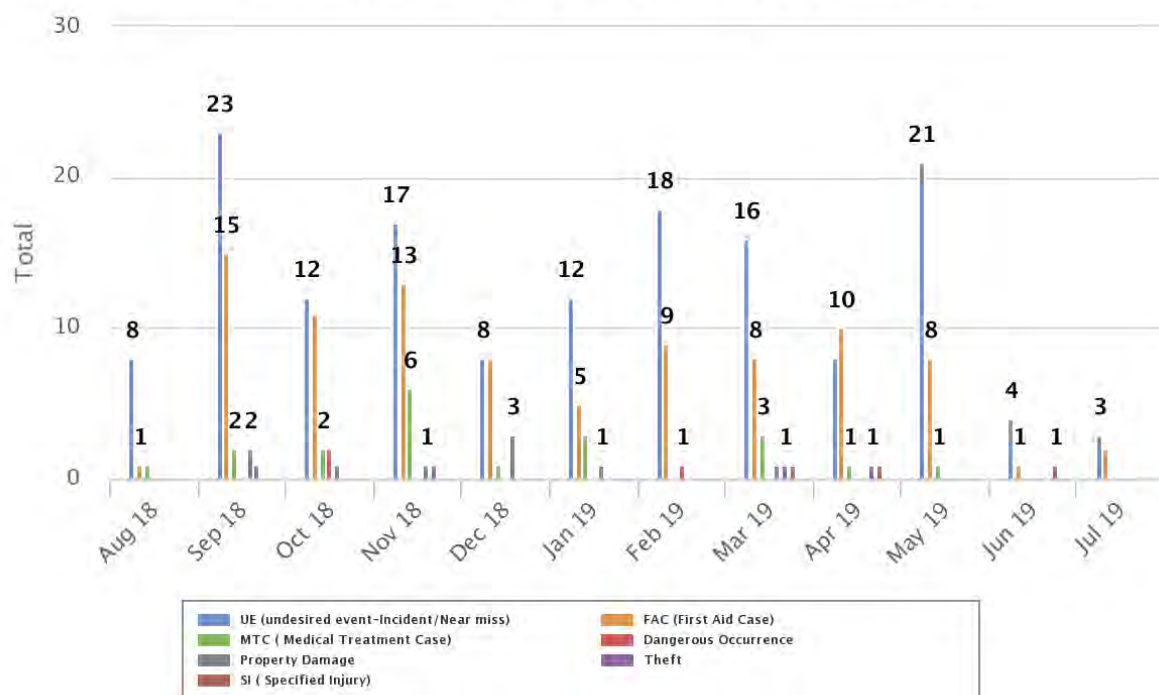
Incident Record – Date Range – Locality



Incident Record – Date Range – Who Was Involved



Incident Record – Date Range – Type of Incident



Incident Record - Date Range - Incident Sub Type												
Type	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Jul 19
Not Set	5	8	6	11	2	1	5	0	0	0	0	0
Contact With Hot Surface	0	2	0	1	0	0	0	0	1	0	0	0
Contact With Sharp Object	1	2	2	1	3	1	2	2	1	1	1	0
Lifting and handling injuries	0	1	0	0	0	1	0	1	0	0	0	0
Slip,trip fall on same level	2	10	4	3	6	4	5	5	8	6	1	0
Struck against	0	2	2	7	0	0	2	1	1	2	0	0
Struck by moving,flying or falling object	0	0	1	3	0	0	1	1	0	1	0	0
Contact with hand tool	1	0	0	0	0	0	1	0	0	0	0	0
Overexertion/strain	0	1	0	0	0	4	0	0	1	0	0	0
Contact with machinery	0	1	0	0	0	0	0	0	0	1	0	0
Struck by moving,flying or falling objec	0	0	0	1	0	0	0	0	0	0	0	0
Dangerous Occurrence	0	1	0	1	0	0	2	1	1	1	0	0
Exposed to harmful substance	0	0	0	1	0	0	0	1	0	0	0	0
Fall from height	0	0	0	0	0	0	1	0	0	1	0	0
Fume inhalation	0	0	0	0	0	0	0	0	0	0	1	0
Personal items	0	0	0	1	0	0	0	1	1	0	0	0
Damage to college equipment	0	1	0	0	0	0	0	0	0	0	0	0
Damage to college property	0	0	1	0	1	0	0	0	0	0	0	0
Damage to personal items	0	1	0	0	2	1	0	1	0	0	0	0
General sickness	0	3	3	1	3	1	1	1	1	0	0	0
Medical issue	0	0	0	1	0	0	0	0	0	0	0	0
Bitten	1	3	1	1	1	0	0	0	0	0	0	0
Object in eye	0	1	0	1	0	2	0	0	0	0	0	0
Fire alarm activation	0	1	0	1	0	0	0	0	2	0	0	0
Other	0	4	7	3	1	6	7	14	2	14	2	5
Contact with hot liquid/vapour	0	0	0	0	0	0	0	1	0	0	0	0
Slip/Trip/Fall	0	0	0	0	0	0	0	0	1	0	1	0
Dangerous driving	0	1	0	0	1	0	0	0	0	3	0	0
Diabetic Incident	0	0	0	0	0	0	1	0	1	0	0	0