

Finance and Resources Committee

Agenda

Meeting reference: F&R2024-25/04a

Date: Wednesday 28th June 2025 at 6:30pm

Location: Online

Purpose: Additional meeting

* Denotes items for approval or discussion.

Members should contact the Secretary in advance of the meeting if they wish to request an item be starred.

	Agenda Items	Author	Led by	Paper
1	Welcome and apologies		Chair	
2	Additions to the Agenda		Chair	
3	Declaration of a Conflict of Interest in any Agenda Item			
4	Minutes of the Meeting of the Finance & Resources Committee held on 28 May 2025		Chair	Paper 1
5	Actions arising from previous minutes			
6	Financial Performance & Budgets			
6.1	UHI Perth Management Accounts: Year to 30 April 2025 & Forecast to 31 July 2025	Depute Principal (Operations)	Depute Principal (Operations)	Paper 2
*6.2	UHI Perth Budget update	Depute Principal (Operations)	Depute Principal (Operations)	Paper 3
7	Strategy			
*7.1	UHI Perth Recovery Plan	SLT/PLG	Interim Principal	Paper 4
8	Human Resources			
8.1	National Recognition and Procedure Agreement Update	Director of HR & Organisational Development	Director of HR & Organisational Development	Paper 5
9	Date and Time of next meeting • Tuesday 16 September 2025 @ 5pm		Clerk	
*10	Review of Meeting & Key Messages (Committee to check against the Terms of Reference to ensure all competent business has been covered & to note Key Messages to be communicated to appropriate stakeholders)			Paper 6

Finance & Resources Committee

DRAFT Minutes

Meeting reference: F&R2024-25/04

Date: Wednesday 21 May 2025

Location: Online

Members present: Elaine Piggot, Chair
Deirdre Joy, Board Member
Ian Robotham, Board Member
Alistair Wylie, Interim Chair of Board
Richard Fyfe, Staff Board Member
Xander McDade, Student Board Member

In attendance: Lynn Murray, Deputy Principal (Operations)
Katy Lees, Director of HR and Organisational Development
Jill Martin, Director of ICT
Ian McCartney, Clerk to the Board
Phil McNaul, Consultant

Observers: David Gourley, Director of Teaching, Learning and Quality Enhancement
Christiana Margiotti, Director Curriculum
Jane Lewis, UHI Vice-Principal for Strategic Projects

Apologies: Gavin Whigham, Director of Estates
Nicki Inglis, Director of Curriculum
Deborah Lally, Director of Student Experience

Chair: Elaine Piggot

Minute Taker: Ian McCartney

Quorum: 4

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MINUTES

Item		Action
	<p>Prior to commencement of formal business, Chair advised members on a range of housekeeping matters and shared expectations, with a particular focus on ensuring cover sheets for papers were clear and accurate, and expressed a preference that papers should be peer-reviewed where appropriate prior to issuing.</p> <p>Chair reinforced that Board members have an obligation to provide scrutiny and offer support to senior leadership while not interfering with operational matters</p> <p>Clerk briefed Committee on the current Terms of Reference, and members each provided an overview of their relevant experience to Committee.</p>	
1.	<p>Welcome and Apologies</p> <p>Chair welcomed everyone to the meeting and noted apologies.</p>	
2.	<p>Additions to the Agenda</p> <p>There were no additions to the agenda.</p>	
3.	<p>Declaration of Conflict of Interest in any Agenda Item</p> <p>There were no declarations made.</p>	
4.	<p>Minutes of Meeting of Finance & Resources Committee, 24 March 2025</p> <p>The minutes were approved as a true and accurate record of the meeting.</p>	
5.	<p>Matters Arising from previous minutes</p> <p>Chair noted that all items of Matters Arising would be dealt with within the respective Agenda Item.</p>	
6.1	<p>UHI Perth Management Accounts: Year to 30 April 2025 & Forecast to 31 July 2025</p> <p>Depute Principal (Operations) briefed Committee on the current position re the Internal Audit on budgeting processes, and on the current position re the External Audit Plan for year to 31 July 2025.</p> <p>Depute Principal (Operations) advised Committee on a Section 22 notice from Audit Scotland, noting that the scope for this notice had not yet been agreed with the Auditor General therefore timescales</p>	

	<p>were not known. Depute Principal (Operations) further advised that notice of the Section 22 had been recorded on the Audit Scotland website. Interim Chair of Board reported that pre-emptive media had been drafted with UHI on this matter.</p> <p>Depute Principal (Operations) advised that the Management Accounts to April 2025 were not available due to finance team focusing on Budget and Recovery Plan. UHI have been advised accordingly and are providing resource support.</p> <p>Chair queried whether all appropriate information would be provided to future Committee meetings. Depute Principal (Operations) advised that the plan was to produce monthly forecasts to the end of the current Financial Year.</p>	
6.2	<p>Mid-Year Review 2024/25</p> <p>Depute Principal (Operations) presented the MYR, which had been submitted to SFC at the end of March. The forecast loss for AST was included in this figure as it is required within the FFR.</p> <p>Committee NOTED Paper 3.</p>	
6.3 & 7.1	<p>UHI Perth Draft Budget 2025/26 & Indicative Budgets 2026/27 and 2027/28; and UHI Perth Recovery Plan</p> <p>Depute Principal (Operations) presented the current draft of the Budget per Paper 4, noting work done to progress the Budget, while expressing concern over predicted budget deficits and challenges presented without investment.</p> <p>Depute Principal (Operations) advised that there would be a further review of the Budget prior to the June Board meeting to allow further exploration of risks and material variances.</p> <p>Student Board Member thanked Depute Principal (Operations) for work carried out to date, but noted concern re escalating deficits and sought understanding of how the current picture had been arrive at. Depute Principal (Operations) noted that errors previously identified re the 2024/25 budget forecast paper had been modelled over the next 3 years, and projected pay increases had been included, however income based on student numbers and credits had been projected to remain static.</p> <p>Board Member noted that the planned actions, while positive, would be hard to progress without investment, and reliance on International income may no longer be justifiable, therefore thought may need to be given to more fundamental changes to course delivery and structure. Chair noted that the Budget was the starting point for the Recovery Plan, and that the Interim Principal's key priorities will include income generation and cost reduction.</p>	

	<p>Chair queried whether issues around AST had been budgeted for. Depute Principal (Operations) advised that the AST Management Fee had been removed from the Budget, however alternative provision re the BSc course was noted as a risk, and only the current provision is provided in figures until some additional work can be concluded. Committee were advised that a figure range should soon be available, and that flagging assumptions with the RSB should suffice at this stage.</p> <p>With regards to the Recovery Plan, Depute Principal (Operations) advised that the Consultant supporting the work on the Recovery Plan was using data for the last 3 years and modelled for the next 3 years to allow work on ratios to provide flags in key areas. Data will be closely analysed before looking at options to ensure there is a narrative provided with a clear strategic objective and gap analysis.</p> <p>Consultant warned that the current trends were not positive, and that sustainability is not yet clear, however progress is being made on identifying the key areas to address. Consultant advised that the approach being taken is one that builds strong foundations rather than set unrealistic ambitions, however there will need to be a significant cost realignment and a need to identify all sources of income.</p> <p>Student Board Member noted reassurance had been provided by this process, in particular around the 3-year timescale, however the data around student numbers was extremely concerning and indicated a strong requirement to increase focus on those specialist areas where UHI Perth are sector leaders, and to identify where niche areas exist to fill gaps, which can only be delivered through growth.</p> <p>Board Member queried whether Budget assumptions were looking at the modelling of different scenarios. Consultant clarified that the Plan will be supported by cashflow projections that run scenarios with associated management actions, however this model is not quite ready yet.</p> <p>Chair concluded discussion by noting the likely requirement to call an additional round of F&R and Board meetings in June.</p>	
6.4	<p>Staff & Student Financial Information</p> <p>Director of HR presented Paper 5, which provided a summary of staff and student financial information to end April 2025. Consultant advised that the ratios provided looked out of step with the sector and these therefore need to be looked at within the Recovery Plan.</p> <p>Student Board Member queried the level of backfill indicated by the</p>	

	<p>numbers shown, and the impact of this on VFM for the scheme. Director of HR advised that the College has a higher level of long-term sick than experienced before, therefore it is harder to flex contracts, and extra staff are needed to provide cover.</p> <p>Chair requested that Director of HR to provide Organogram to further assist understanding of staffing issues.</p> <p>Board Member noted it would be useful to receive additional data around different fee status by sector. Depute Principal (Operations) advised that funding isn't provided based on that methodology, rather UHI provide an averaged amount per student/credit; SFC are currently looking at that model. Chair advised that this issue be taken forward via the Transitions Project.</p>	Director of HR
8.1	<p>Estates Planning SLWG – Interim Report</p> <p>Student Board Member presented Paper 6, which provided an update from the SLWG on Estates Planning. It was noted that the paper was issued late at short notice due to key data being received at short notice, therefore the SLWG had not yet reviewed the paper in full. Student Board Member drew particular attention to the discussions and proposals around the Goodlyburn Building.</p> <p>Following discussion around the key issues, Committee accepted the recommendations noted within the Cover Paper on the proviso that these remain draft recommendations until the report can be reviewed by the SLWG before being brought before the Board.</p>	
8.2	<p>Estates Update</p> <p>In the absence of the Director of Estates, Committee noted Paper 7, with any queries re Paper 7 to be directed to author.</p>	
9	<p>HR Update</p> <p>Director of HR presented Paper 8 for information, highlighting sections around the National Job Evaluation Project and the National Recognition Agreement, and noting that the Staff Survey had closed in April with a feedback report being presented to PLG next week.</p> <p>Director of HR advised that the Tayside Pension Fund agreement had not yet been signed, however this would be presented to Board for approval in June.</p> <p>Board Member queried whether the likely scale of the back-pay re the National Job Evaluation Project was known as yet. Director of HR advised that the numbers were not known and that the SFC were looking to amend how these were dealt with within annual accounts. Depute Principal (Operations) clarified that SFC had not</p>	

	<p>yet provided written commitment around their underwriting of proposed costs.</p> <p>Committee noted Paper 8.</p>	
10	<p>Digital Transformation Update</p> <p>Director of ICT presented Paper 9, highlighting the Scottish Digital Strategy, and providing an update on the progress around teaching rooms.</p> <p>Committee noted Paper 9.</p>	
11	<p>Student Consultation re Food & Beverage Service On Campus</p> <p>Committee received a report of a student consultation exercise on food and beverage provision on campus, per Paper 10.</p> <p>Depute Principal (Operations) advised that the contract for catering was due to be brought before Board for approval, which may impact on how many of these recommendations can be taken forward.</p> <p>Chair suggested that the recommendation for this paper be for SLT to take account of the implications of the report; this approach was agreed. Depute Principal (Operations) was requested to liaise with Director of Estates to take this matter forward.</p>	Depute Principal (Operations)
12	<p>Committee Terms of Reference: EDIT</p> <p>Committee APPROVED Paper 11.</p>	
13	<p>Committee Meetings</p> <p>The following Committee minutes were presented for information and noted:</p> <ul style="list-style-type: none"> • JNC for Lecturers, 05 March 2025 • JNC for Support Staff, 18 April 2025 • Perth Staff Group, 27 February 2025 • Perth Staff Group, 26 March 2025 	
14	<p>Date & Time of Next Meeting</p> <ul style="list-style-type: none"> • tbc 	
15	<p>Review of Meeting</p> <p>Committee confirmed that the meeting had been conducted in line with its Terms of Reference.</p>	

Information recorded in College minutes are subject to release under the Freedom of Information (Scotland) Act 2002 (FOI(S)A). Certain exemptions apply: financial information relating to procurement items still under tender, legal advice from College lawyers, items related to national security.

Notes taken to help record minutes are also subject to Freedom of Information requests, and should be destroyed as soon as minutes are approved.

Status of Minutes – Open ☒

An **open** item is one over which there would be no issues for the College in releasing the information to the public in response to a freedom of information request.

A **closed** item is one that contains information that could be withheld from release to the public because an exemption under the Freedom of Information (Scotland) Act 2002 applies.

The College may also be asked for information contained in minutes about living individuals, under the terms of the Data Protection Act 2018. It is important that fact, rather than opinion, is recorded.

Do the minutes contain items which may be contentious under the terms of the Data Protection Act 2018? **Yes** ☐ **No** ☒

Committee	Finance and Resources
Subject	UHI Perth Management Accounts: Year to date and Forecast to 31 July 2025 at 30 April 2025 (Q3 24/25)
Date of Committee meeting	25/06/2025
Authors	Lynn Murray, Depute Principal – Operations Yemi Orioge, Finance Manager
Date paper prepared	23/06/2025
Executive summary of the paper	<p>This paper includes the year-to-date actual position at 30 April 2025 (Q3 24/25) of £0.325m deficit as well as the full-year financial forecast to 31 July 2025 at 30 April 2025 of £1.370m deficit.</p> <p>This forecast improves the position previously reported at H1 (half-year to 31 January 2025) by £0.4m.</p> <p>Appendix 1 – Year-to-date actuals and full year financial forecast at 30 April 2025 (Q3 24/25)</p>
Consultation How has consultation with partners been carried out?	The Finance Team has had discussions with budget holders across the organisation to arrive at the position set out in this paper.
Action requested	<input checked="" type="checkbox"/> For information only <input checked="" type="checkbox"/> For discussion <input type="checkbox"/> For recommendation <input type="checkbox"/> For approval
Resource implications (If yes, please provide details)	Yes Budgeted income and expenditure is included
Risk implications (If yes, please provide details)	Yes Notes the risk to financial sustainability

<p>Link with strategy</p> <p>Please highlight how the paper links to the Strategic Plan, or assist with:</p> <ul style="list-style-type: none"> • Compliance • National Student Survey • partnership services • risk management • other activity [e.g. new opportunity] – please provide further information 	Financial sustainability
<p><u>Equality and diversity</u></p> <p>No</p> <p>If yes, please give details:</p>	Click or tap here to enter text.
<p>Island communities</p> <p>Does this activity/ proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?</p>	<p>No</p> <p>If yes, please give details:</p> <p>Click or tap here to enter text.</p>
<p><u>Data Protection</u></p> <p>Does this activity/ proposal require a Data Protection Impact Assessment?</p>	<p>No</p> <p>Set out any data protection aspects and whether a data protection impact assessment is needed</p>
<p>Status (e.g. confidential/non confidential)</p>	Non-Confidential
<p>Freedom of information</p> <p>Can this paper be included in “open” business?* -Yes</p>	<p>Papers should be open unless there is a compelling reason for them to remain closed. If a paper, or parts of a paper, are to remain closed the reason for that exemption must be specified – see reasons below</p>

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

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

For how long must the paper be withheld? Until the OBC and FBC are approved and funding awarded to begin the project. This would be for an estimated 12 months.

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

Background

1. The Board approved the budget for 2024/25 at the meeting on 14 December 2024. Management accounts and a financial forecast to the end of July 2025 at 31 January 2025 (H1 – half-year 1) were provided to the Finance and Resources Committee on 24 March 2025 and to the Board meeting on 2 April 2025.
2. The H1 forecast review identified several items of income and expenditure that had not been included in the 2024/25 budget. The review at 30 April 2025 (Q3 – quarter 3) has identified further items that were not included in the H1 forecast or the budget. This is not a good position for UHI Perth, however it is encouraging that increased resources in the Finance team and engagement with all budget holders is improving understanding of financial management expectations and corporate knowledge of figures for income and expenditure.
3. At H1 a deficit of £1.8m was identified, which was a £0.5m increase to the approved budget for 2024/25 of £1.3m. This led to significant concern from the Executive Office of UHI as the Regional Strategic Body (RSB) as well as the Scottish Funding Council (SFC) as further liquidity support was requested as a result. A financial recovery plan is currently being developed for the next three years.

Year-to-date position at 30 April 2025 (Q3 24/25)

4. The 2024/25 budget was phased evenly over 12 months. The 2025/26 budget process required budget holders to estimate phasing of budgets over 12 months and estimates should become more accurate in future years with reference to historic data.
5. The 2024/25 phased budget showed a deficit of £0.967m at Q3 while the actual figures at Q3 shows a deficit of £0.325m, resulting in a variance of £0.642m. £1.999m variance related to income as there were many income sources that had not been included in the budget (see explanations for full-year forecasts below). The largest variance in non-staff costs related to the catering cost of £0.765m that had not been included in the budget, as identified previously.

Full year financial forecast at 30 April 2025 (Q3 24/25)

6. Meetings took place between Finance Business Partners and budget holders across UHI Perth to prepare income and expenditure forecasts at 30 April 2025 based on nine months actual expenditure and three months forecast. The breakdown of the revised forecast of £1.370m deficit is shown at appendix 1, comprised of £26.884m income and £28.254m expenditure. This represents an improved position of £0.4m from the H1 forecast for the reasons set out below.

Income

	FY Budget 24/25	Q3 Forecast	Variance
	£'000	£'000	£'000
Income			
Academic			
FE Teaching Grant	8,487	8,487	0
Student Support	2,340	2,251	(89)
SFC/RSB Grants	874	1,390	516
HE Teaching Grants	6,676	7,229	553
Tuition Fees	2,980	2,908	(72)
SDS Contracts	535	594	59
International Income	1,211	1,579	368
Other Income	252	361	109
	23,355	24,799	1,443
Commercial			
Catering/Residences	1,080	1,117	36
Other Income	177	210	33
ASW	700	759	59
	1,957	2,086	129
Total Income	25,313	26,884	1,572

7. There was a considerable knowledge gap amongst the Finance team and budget holders about the types of income and amounts that UHI Perth are due to receive. A list of income sources has now been compiled, which is being updated with more detailed information. Back-up documentation will also be sourced and held in one place in the Finance team directory.
8. Significant variances between budget and the forecast at 30 April 2025 for income are shown in the tables below.

SFC/ RSB grants	£'000
24/25 budget	874
HE estate grant	61
Bursary	23
Sanitary products	21
D & A College - Science Futures	55
International Test and Learn - SG	16
Centre for Mountain Studies - various research funding	95
Teachers Pension Funding from SFC	245
Q3 forecast at 30/04/25	1,390
HE Teaching Grants	£'000
24/25 budget	6,676
Shared Services funding for ICT - UHI EO	278
UCS (sport) controlled numbers not in budget	164
Reduced clawback from £800k to £700k	100
HE Main Grant underestimated	11
Q3 forecast at 30/04/25	7,229
Tuition fees	£'000
24/25 budget	2,980
HE Full Time (SAAS) Tuition fee budget overestimation	(43)
HE Part Time (SAAS) Tuition fee budget overestimation	(19)
HE Part Time - (Self Financing) budget overestimation	(16)
HE Self financing full time budget underestimation	55
Postgraduate Fees Self financing budget overestimation	(49)
Q3 forecast at 30/04/25	2,908
International income	£'000
24/25 budget	1,211
Unbudgeted TNE income received for 434 students	279
Unbudgeted departmental income	89
Q3 forecast at 30/04/25	1,579

Other income	£'000
24/25 budget	252
CMS research projects	60
Needs Assessment funding	26
Horsecross Arts funding	4
Unbudgeted departmental income	19
Q3 forecast at 30/04/25	361

Staff costs

	FY Budget 24/25	Q3 Forecast	Variance
	£'000	£'000	£'000
Staff Costs	16,944	17,009	65
Contracts & Timesheet	1,101	1,319	218
VS & Pension Strain	823	1,050	227
Total Staff Costs	18,868	19,379	511

9. The variations in staff costs are shown in the table below. The additional pension strain costs have been reported previously and discussed by the Board. A process will be put in place that better controls contract and timesheet costs, which relate mainly to cover in ASW and the curriculum.

Staff costs	£'000
24/25 budget	18,868
Additional staff cost due to staff changes	65
Additional pension strain in the year due to actual	228
Increased contracts & timesheet cost over budget	218
Q3 forecast at 30/04/25	19,379

Non-staff costs

	FY Budget 24/25	Q3 Forecast	Variance
	£'000	£'000	£'000
Non-Staff Costs			
Travel & Subsistence	221	157	(63)
Training & Other staff costs	153	104	(49)
Course costs & exam fees	1,413	1,499	86
Supplies & Services	262	1,608	1,347
ICT	765	706	(59)
Property costs	1,911	1,834	(77)
Legal & Admin	571	582	11
Bursary costs	2,340	2,251	(89)
Finance costs	98	133	35
Total Non-Staff costs	7,733	8,875	1,142

10. The largest variation to non-staff costs was identified in H1 as catering costs of £0.765m had been missed from the budget. Significant variances between budget and the forecast at 30 April 2025 for non-staff costs are shown in the tables below.

Course costs and exam fees	£'000
24/25 budget	1,413
Unplanned UCS (sport) uncontrolled numbers payment	101
Savings on budgeted exam fees	(15)
Q3 forecast at 30/04/25	1,499

Supplies and services	£'000
24/25 budget	262
Catering cost not in budget	765
Residency cost understated in budget	38
Unbudgeted prizegiving and graduation cost	18
Temps. Agency fee increase-Finance Dept.	54
Unplanned Student Equipment/Kits - All depts.	106
ICT departmental licences not in budget net of savings in spend	374
Savings from other supplies and services across various cost centres	(8)
Q3 forecast at 30/04/25	1,608

Cashflow

11. At 30 April 2025 there was cash in bank of £1.4m. The Finance team is working on the forecast cash position to 31 July 2025 and an update will be provided at the Committee meeting. The three-year cashflow in the draft budget paper will be revised to reflect this position.

Risks

12. There are three risk categories in the ERM (Enterprise Risk Management) strategic risk register that relate to the financial sustainability of UHI Perth – academic income, commercial income and financial (income and cost risk). The Board has minimal risk appetite for the academic and financial categories and a cautious risk appetite for the commercial category.
13. With less than two months left of the financial year at time of writing the risks to the 2024/25 budget are much reduced. The Perth Leadership Group will continue to identify and mitigate risks to the budget and any significant issues will be highlighted to the Board and the Executive Office of UHI.

Recommendation

14. It is recommended that the Finance and Resources Committee notes the year-to-date actual position of £0.325m deficit and full-year forecast position of £1.370m deficit at 30 April 2025 (Q3 24/25). There is continued action to improve the knowledge of Finance Team members and budget holders with the aim of improving the timeliness and accuracy of financial information.

Appendix 1 – Year-to-date actuals and full year financial forecast at 30 April 2025 (Q3 24/25)

	Actuals Q3 YTD 24/25	Budget Q3 YTD 24/25	YTD Variance	FY Budget 24/25	Q3 Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Income						
Academic						
FE Teaching Grant	6,450	6,365	(85)	8,487	8,487	0
Student Support	2,009	1,755	(254)	2,340	2,251	(89)
SFC/RSB Grants	1,392	656	(737)	874	1,390	516
HE Teaching Grants	4,691	5,007	316	6,676	7,229	553
Tuition Fees	2,886	2,235	(651)	2,980	2,908	(72)
SDS Contracts	324	401	77	535	594	59
International Income	1,213	908	(305)	1,211	1,579	368
Other Income	275	189	(86)	252	361	109
	19,241	17,517	(1,724)	23,355	24,799	1,443
Commercial						
Catering/Residences	951	810	(141)	1,080	1,117	36
Other Income	198	133	(65)	177	210	33
ASW	594	525	(69)	700	759	59
	1,743	1,468	(275)	1,957	2,086	129
Total Income	20,984	18,984	(1,999)	25,313	26,884	1,572
Staff Costs	12,682	12,723	41	16,944	17,009	65
Contracts & Timesheet	990	826	(164)	1,101	1,319	218
VS & Pension Strain	635	603	(33)	823	1,050	227
Total Staff Costs	14,307	14,151	(155)	18,868	19,379	511
Non-Staff Costs						
Travel & Subsistence	129	165	37	221	157	(63)
Training & Other staff costs	63	115	52	153	104	(49)
Course costs & exam fees	1,308	1,060	(249)	1,413	1,499	86
Supplies & Services	1,196	196	(1,000)	262	1,608	1,347
ICT	503	573	71	765	706	(59)
Property costs	1,393	1,433	40	1,911	1,834	(77)
Legal & Admin	413	428	15	571	582	11
Bursary costs	1,916	1,755	(161)	2,340	2,251	(89)
Finance costs	82	73	(8)	98	133	35
Total Non-Staff costs	7,002	5,800	(1,202)	7,733	8,875	1,142
Net Deficit	(325)	(967)	(642)	(1,289)	(1,370)	(81)

Committee	Finance and Resources
Subject	UHI Perth – Revised draft budget 2025/26 – version 2
Date of Committee meeting	25/06/2025
Authors	Fiona Cameron, Interim Director of Finance Lynn Murray, Depute Principal – Operations
Date paper prepared	23/06/2025
Executive summary of the paper	<p>This paper includes a revised draft budget for 2025/26 (version 2) that includes amendments following the Financial Forecast Return (FFR) assumptions and other adjustments. This forms a baseline for the Financial Recovery Plan.</p> <p>Draft budget 25/26 £2.649m deficit, 26/27 £3.252m deficit and 27/28 £3.855m deficit.</p> <p>Appendix 1 – Draft budget 2025/26 and plans for the next two years (version 2)</p> <p>Appendix 2 – Three-year cashflow forecast (version 2) – to follow</p>
Consultation How has consultation with partners been carried out?	There have been discussions with the Executive Office on some of the amendments within this version of the draft budget.
Action requested	<input type="checkbox"/> For information only <input checked="" type="checkbox"/> For discussion <input checked="" type="checkbox"/> For recommendation <input type="checkbox"/> For approval
Resource implications (If yes, please provide details)	Yes Budgeted income and expenditure is included

Risk implications (If yes, please provide details)	Yes Notes the risk to financial sustainability
Link with strategy Please highlight how the paper links to the Strategic Plan, or assist with: <ul style="list-style-type: none"> • Compliance • National Student Survey • partnership services • risk management • other activity [e.g. new opportunity] – please provide further information 	Financial sustainability
<u>Equality and diversity</u> No If yes, please give details:	Click or tap here to enter text.
Island communities Does this activity/ proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?	No If yes, please give details: Click or tap here to enter text.
<u>Data Protection</u> Does this activity/ proposal require a Data Protection Impact Assessment?	No Set out any data protection aspects and whether a data protection impact assessment is needed
Status (e.g. confidential/non confidential)	Non-Confidential

Freedom of information Can this paper be included in “open” business?* -Yes	Papers should be open unless there is a compelling reason for them to remain closed. If a paper, or parts of a paper, are to remain closed the reason for that exemption must be specified – see reasons below
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* If a paper should **not** be included within ‘open’ business, please highlight below the reason.

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

For how long must the paper be withheld? Until the OBC and FBC are approved and funding awarded to begin the project. This would be for an estimated 12 months.

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

Background

1. On 5 June 2025 the Board approved the draft deficit budget of £1.479m for 2025/26 as a basis for the Financial Recovery Plan (FRP) subject to confirmation that the FFR assumptions are met.
2. The Scottish Funding Council (SFC) published the FFR assumptions on 3 June 2025 to complete three-year plans from 2025/26. The FFR is due to be submitted to the SFC on 30 June 2025 and UHI Perth must submit a draft to the Executive Office of UHI as Regional Strategic Body (RSB) prior to this date.
3. The RSB published a final funding allocation to academic partners on 5 June 2025, which has been reviewed to include any budget changes.

Draft budget for 2025/26 - version 2

4. This paper should be read in conjunction with the paper on the draft budget 2025/26 that was approved by the Board on 5 June 2025. Rather than repeating the same information, only changes to the previous version of the budget will be referred to in this paper.
5. Amendments to the draft budget for 2025/26 and plans for the following two years are set out in the table below. Draft 2 of the 25/26 budget is included at appendix 1 and shows a deficit of £2.649m with income of £26.277m and expenditure of £28.926m.

Budget adjustments since 5 June 2025	Income	Staff	Non-staff	Impact	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000
Board on 5 June 2025	26,960	19,369	9,070	(1,479)	(2,549)	(3,471)
FFR assumptions						
Remove capital grant from revenue budget	(799)			(799)	(800)	(800)
Employers NI uplift - increase	57			57		
Pay assumptions - 9% over 3 years		(81)		81	292	530
Other						
Resource Group - AST replacement			489	(489)	(248)	(167)
HE income - 30 graduate apprenticeships	53			53	53	53
Staff cost amendments		62		(62)		
PKC funding	6		6	0		
Recruitment fees			11	(11)		
	26,277	19,350	9,576	(2,649)	(3,252)	(3,855)

6. Material adjustments are as follows:
 - Remove capital grant from revenue budget – this was identified in the draft budget on 5 June as a risk. The FFR for all Colleges in Scotland assumes that capital funding for estates must be used for capital spend when previously it could be used for ongoing repairs and maintenance. This puts £799k more

pressure on our revenue budget. SFC continues to engage with Scottish Government on this matter.

- Employers NI uplift – UHI Perth’s final allocated funding from the RSB was £57k higher than budgeted.
- Pay assumptions – we had previously budgeted for 4.14% each year for academic and support staff. The FFR assumption is 9% over 3 years. 4.14% in 25/26 has been agreed for academic staff with 1.14% funding provided by the SFC.
- Resource Group – AST replacement - this is the additional cost if SFC approval is given to appoint another provider to enable current students of the BScH Aircraft Maintenance Engineering and Management to complete their degree programme. This was identified as a risk in the Board paper of 5 June although final figures were not known at this time.
- HE income – graduate apprenticeships – 30 GAs were missed in the draft budget on 5 June bringing the total HE numbers to 1,560 FTE.
- Staff cost amendments – minor amendments identified after the first draft budget was issued.

7. The FFR guidance states that Colleges should continue to account for job evaluation costs based on Colleges Scotland costings. For UHI Perth the provision is predicted to be £3.74m from 2018 to 2025/26.

Capital funds

8. As set out in paragraph 6 above, in line with FFR guidance UHI Perth has capital funding of £799k. A programme of capital spend will be set out in the estates strategy.

Cashflow

9. There is a paper tabled at this Committee meeting that shows a revised forecast for 2024/25 at 30 April 2025 of £1.4m. Appendix 2 (to follow) will show the revised cashflow after taking into account this revised forecast and the other adjustments identified in version 2 of the draft budget for 2025/26 and plans for the following two years.

Recommendation

10. It is recommended that the Finance and Resources Committee endorses version 2 of the draft deficit budget of £2.649m for 2025/26 as a basis for the FRP.
11. It is recommended that the Committee notes version 2 of the plans for the following two years that forecast deficits of £3.252m in 2026/27 and £3.855m in 2027/28 prior to any mitigating actions being taken, that act as placeholders to demonstrate the scale of the challenge that the FRP will need to address. A FRP is being developed that will be submitted to the UHI Perth Board, RSB and SFC before the end of August 2025.

Appendix 1 – Draft budget 2025/26 and plans for the next two years (version 2)

	Draft Budget 25/26	Approved Budget 24/25	Variance	Plan 26/27	Plan 27/28
Income	£'000	£'000	£'000	£'000	£'000
Academic					
FE Teaching Grant	8,750	8,487	263	8,750	8,750
Student Support	2,410	2,340	70	2,410	2,410
SFC/RSB Grants	612	874	(262)	288	288
HE Teaching Grants	7,251	6,676	575	7,251	7,251
Tuition Fees	2,616	2,980	(364)	2,616	2,616
SDS Contracts	511	535	(24)	511	511
International Income	1,473	1,211	262	1,473	1,473
Other Income	443	252	190	344	345
	24,066	23,355	711	23,645	23,646
Commercial					
Catering/Residences	1,281	1,080	201	1,305	1,321
Other Income	70	176	(106)	68	68
ASW	860	700	160	885	910
	2,211	1,956	255	2,258	2,300
Total Income	26,277	25,311	966	25,902	25,945
Staff Costs	18,307	16,944	1,363	18,786	19,412
Contracts & Timesheet	858	1,101	(243)	885	913
VS & Pension Strain	185	823	(638)	0	0
Total Staff Costs	19,350	18,868	482	19,671	20,325
Travel & Subsistence	140	221	(81)	143	143
Training & Other staff costs	102	153	(51)	107	107
Course costs & exam fees	1,920	1,413	507	1,715	1,634
Supplies & Services	1,861	262	1,599	1,793	1,795
ICT	619	765	(146)	720	761
Property costs	1,844	1,911	(67)	1,900	1,930
Legal & Admin	595	571	24	607	605
Bursary costs	2,410	2,340	70	2,410	2,410
Finance costs	84	98	(14)	88	89
Total Non-Staff costs	9,576	7,734	1,842	9,483	9,475
Net Deficit	(2,649)	(1,291)	(1,358)	(3,252)	(3,855)

Committee Cover Sheet

Paper No.4

Name of Committee	Finance & Resources Committee
Subject	UHI Perth Recovery Plan - Progress Update
Date of Committee meeting	25/06/2025
Author	Catherine Etri, Interim Principal
Date paper prepared	23/06/2025
Executive Summary Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	Paper provides a Plan Process and associated Gantt Chart around the UHI Perth Recovery Plan, and is provided for information. Additional supporting information for the Recovery Plan is available on the Board Teams Page. The final Recovery Plan will be presented for Board Approval during August 2025.
Committee Consultation Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.	n/a
Action requested	<input checked="" type="checkbox"/> For information <input type="checkbox"/> For discussion <input type="checkbox"/> For endorsement <input type="checkbox"/> For approval <input type="checkbox"/> Recommended with guidance (please provide further information, below)
Strategic Impact Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf If there is no direct link to Strategic Objectives, please provide a justification for inclusion	Yes/ No

Committee Cover Sheet

of this paper to the nominated Committee.	
Resource implications Does this activity/proposal require the use of College resources to implement? If yes, please provide details.	Yes/ No
Risk implications Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk? If yes, please provide details.	Yes/ No Click or tap here to enter text.
Equality & Diversity Does this activity/proposal require an Equality Impact Assessment? If yes, please provide details.	Yes / No
Data Protection Does this activity/proposal require a Data Protection Impact Assessment? If yes, please provide details.	Yes / No Click or tap here to enter text.
Island communities Does this activity/proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?	Yes / No If yes, please give details: Click or tap here to enter text.

Committee Cover Sheet

Status (ie confidential or non-confidential)	Non-Confidential If a paper needs to remain confidential for a prescribed period of time before being made 'open', please advise how long must the paper be withheld: Click or tap here to enter text.
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Freedom of Information

Please note that **ALL** papers will be included within 'open' business unless a justifiable reason can be provided.

Please select a justification from the list, below:

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

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and

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Financial Recovery Plan Process

1. Stage 1: Setting the Scene (12th June – 20th June)

- 1.1. Staff are empowered with new **“Think Yes”** culture at June Staff Conference. All staff offered the opportunity to make suggestions for improvement as part of staff conference.
- 1.2. Staff suggestions will be shared with PLG/SLT for discussion at the workshop session on Monday 16th June. Consideration of opportunities for quick wins in the spirit of **“Think Yes”** and opportunities for any savings/efficiencies/income generation from staff suggestions.
- 1.3. As part of the Financial Recovery Plan (FRP) development process:
 - 1.3.1. **Task 1:** PESTEL Analysis – Kirsty Campbell (by 20th June 2025)
 - 1.3.2. **Task 2:** SWOT Analysis – SMs/SLs/team managers (by 20th June 2025)
 - 1.3.3. **Task 3:** Academic Strategy (using stakeholder feedback) – David Gourley

2. Stage 2 – Initial Savings/Growth Proposals (16th June – 30th June)

- 2.1. UHI Perth needs to deliver **£3.5m** in **savings** and **growth** by 2027/28. Most of this will need to be found through **income growth**.
- 2.2. Front line managers are asked to collate suggestions for savings and generating income to their Director by Friday 20th June. Focus on Staff and Team responses from 13 June Staff Conference, in particular opportunities to reduce administration burden and remove systems duplication.
- 2.3. Using the FRP Pro Forma to ensure consistency PLG will be asked to prepare proposals either through savings or **realistic** income growth. Professional Services (in particular Finance and HR) will be required to provide financial value and staffing data to support directors in preparing their proposals.
- 2.4. Directors should give consideration to opportunities presented by UHI transformation and consider if there are functions that we can withdraw from that would have little impact on the student experience in line with the “think yes” culture.
- 2.5. The amount of savings/income growth will be informed by the ratio work already undertaken which will be agreed by the Independent Financial Consultant, Interim Finance Director and the Interim Principal. Directors will be encouraged to provide more savings/growth than the minimum target amount required.
- 2.6. Savings and Income Growth Targets will be provided to:
 - 2.6.1. Depute Principal – Operations (Finance and Procurement)
 - 2.6.2. Director of Curriculum Arts, Humanities & Education
 - 2.6.3. Director of Curriculum Business, Science, Technology & Wellbeing
 - 2.6.4. Director of Teaching, Learning & Quality Enhancement
 - 2.6.5. Director of Student Experience
 - 2.6.6. Director of Estates
 - 2.6.7. Director of HR and Organisational Development
 - 2.6.8. Director of Information Services
 - 2.6.9. Director of Partnerships
 - 2.6.10. Director of Centre for Mountain Studies
- 2.7. The Interim Principal will prepare management saving proposals.
- 2.8. Proposals should be ordered by Directors, from most acceptable to least acceptable in line with the College’s strategic priorities and financial principles.

3. Stage 3 – Initial Proposals Peer Review (30th June – 14th July)

- 3.1. Each director’s initial proposals will be peer reviewed by the Interim Director of Finance and the Independent Financial Consultant. The purpose of the peer review is to scrutinise the credibility of the proposals and add in external objectivity. Proposals that are considered to be put forward in “bad faith” i.e. have been put forward with the intention that they will be rejected by the BRG (Budget Review Group) or that transfer a pressure/problem to another directorate will be removed at this stage.
- 3.2. Following peer review Directors may be asked to revise proposals to ensure credibility and accuracy.
- 3.3. The Interim Principal will then consider all proposals and may ask Directors to further revise any proposals.
- 3.4. Upon the completion of the initial peer review stage, the Interim Principal will arrange the combined proposals from most acceptable to least acceptable in line with the College’s strategic priorities and financial principles for the Budget Review Group’s consideration (Stage 4).

4. Stage 4 – Budget Review Group Initial Appraisal (14th July – 18th July)

- 4.1. A Budget Review Group (BRG) will be formed to be chaired by the Interim Principal. The composition of the BRG will include a mix of key internal and external stakeholders.
- 4.2. The BRG will go through all the proposals and provide constructive challenge to test whether proposals are deliverable. They will then accept/partially accept/reject proposals.
- 4.3. The BRG may also consider additional proposals not previously submitted by Directors.

5. Stage 5 – Detailed Proposal Preparation (14th July – 28th July)

- 5.1. Directors will be asked to work up more detailed information including, more detailed costings on all proposals accepted by the BRG including any new proposals suggested by the BRG. This work can begin ahead of BRG decisions being made to meet the tight timelines.

6. Stage 6 – Detailed Proposal Peer Review (28th July – 4th August)

- 6.1. Each Director's detailed proposals will be peer reviewed by the Interim Director of Finance and the Independent Financial Consultant. Following review further revisions to strengthen proposals may be requested.
- 6.2. The Interim Principal will then consider all proposals and may ask directors to further revise proposals.
- 6.3. Upon the completion of peer review the Interim Principal will arrange the combined proposals from most acceptable to least acceptable in line with the Colleges strategic priorities and financial principles for the Budget Review Groups consideration.

7. Stage 7 – Budget Review Group Final Appraisal (4th August – 8th August)

- 7.1. The BRG will undertake a final review of the proposals to ensure that they are acceptable and deliverable before submission of the completed recovery plan to Finance & Resources Committee and the Board.

8. Stage 8 – Financial Recovery Plan Approval (11th August – 20th August)

- 8.1. The draft Financial Recovery Plan will be considered by Finance & Resources on Thursday 14th August (subject to Board Member availability).
- 8.2. The draft Financial Recovery Plan will be considered for final sign off by the UHI Perth Board on Wednesday 20th August (subject to Board Member availability).
- 8.3. Submission to the Regional Strategic Body (RSB) and Scottish Funding Council (SFC) following UHI Perth Board sign off.

9. Stage 9 – Implementation (August/September 2025)

- 9.1. **Task 4:** Enabling Strategies – based on FRP decisions made)
- 9.2. Student Services Strategy – Deborah Lally
- 9.3. Estate Strategy – TBC
- 9.4. Finance Strategy – Lynn Murray/Fiona Cameron
- 9.5. People Strategy – Katy Lees
- 9.6. Marketing & Communications Strategy - TBC
- 9.7. **Task 5:** Management Reporting for Decision Makers – Lynn Murray/Fiona Cameron
- 9.8. **Task 6:** Professional Services Catalogue – based on the FRP decisions
- 9.9. **Task 7:** Financial Model – based on the FRP decisions
- 9.10. **Task 8:** Risk Register – based on the FRP decisions – Kirsty Campbell

Detailed Timeline

Thur 12th Jun: Staff submit suggestions as part of staff conference.
Mon 16th Jun: PLG/SLT Workshop
Fri 20th Jun: 12 pm deadline for front line managers to submit suggestions to Directors.
Mon 30th Jun: 12 pm deadline for Directors to submit initial proposals for peer review.
Tues 8th Jul: 5pm deadline for peer reviewed submissions to be sent Interim Principal for review.
Mon 14th Jul: 12 pm deadline for initial proposals to be sent to BRG members.
Thur 17th Jul: Budget Review Group Meeting (Hold All Day)
Fri 18th Jul: Directors informed what is being progressed to detailed proposal stage.
Mon 28th Jul: 12 pm deadline for Directors to submit detailed proposals for peer review.
Mon 4th Aug: 12 pm deadline for final proposals to be sent to BRG members.
Thur 7th Aug: Budget Review Group Meeting (Hold All Day)
Mon 11th Aug: FRP papers sent to Finance & Resources Committee
Thur 14th Aug: 5 pm Finance & Resources Meeting to approve FRP
Fri 15th Aug: FRP papers sent to Board
Wed 20th Aug: 5 pm Board Meeting to approve FRP
Submission to RSB & SFC
Implementation

FRP Process

1 Stage 1: Setting the Scence (12-20 June 2025)

- 1.1 Staff are empowered with new “**Think Yes**” culture at June Staff Conference. All staff offered the opportunity to make suggestions for improvement as part of staff conference.
- 1.2 Staff suggestions will be shared with PLG/SLT for discussion at the workshop session on Monday 16 June. Consideration of opportunities for quick wins in the spirit of “**Think Yes**” and opportunities for any savings/efficiencies/income generation from staff suggestions.
- 1.3 As part of the Financial Recovery Plan (FRP) development process:
 - 1.3.1 **Task 1:** PESTLE Analysis – Kirsty Campbell (by 20 June 2025)
 - 1.3.2 **Task 2:** SWOT Analysis – SMs/SLs/team managers (by 20 June 2025)
 - 1.3.3 **Task 3:** Academic Strategy – David Gourley (by 20 June)

2 Stage 2 – Initial Savings/Growth Proposals (16- 30 June)

- 2.1 UHI Perth needs to deliver £3.5m in savings and growth by 2027/28. Most of this will need to be found through income growth.
- 2.2 Front line managers are asked to collate suggestions for savings and generating income to their Director by Friday 20 June. Focus on Staff and Team responses from June Staff Conference, in particular opportunities to reduce administration burden and remove systems duplication.
- 2.3 Using the FRP Pro Forma to ensure consistency PLG will be asked to prepare proposals either through savings or realistic income growth. Professional Services Directors (in particular Finance and HR) will be required to provide financial value and staffing data to support directors in preparing their proposals.

[illegible]

Thur 12 June	Staff submit suggestions as part of staff conference.
Mon 16 June	PLG/SLT Workshop
Fri 20 June	12pm deadline for front line managers to submit suggestions to Directors
Mon 30 June	12pm deadline for Directors to submit initial proposals for peer review
Tues 08 July	5pm deadline for peer reviewed submissions to be sent Interim Principal for review
Mon 14 July	12 pm deadline for initial proposals to be sent to BRG members
Thur 17 July	Budget Review Group Meeting (Hold All Day)
Fri 18 July	Directors informed what is being progressed to detailed proposal stage
Mon 28 July	12pm deadline for Directors to submit detailed proposals for peer review
Mon 04 August	12pm deadline for final proposals to be sent to BRG members
Thur 07 August	Budget Review Group Meeting (Hold All Day)
Mon 11 August	FRP papers sent to Finance & Resources Committee
Thur 14 August	5pm Finance & Resources Meeting to approve FRP
Fri 15 August	FRP papers sent to Board
Wed 20 August	5pm Board Meeting to approve FRP

Name	Job Title	Initials	Project Role
Catherine Etri	Interim Principal	CE	Project Owner
Lynn Murray	Depute Principal Operations	LM	Project Owner
Phil McNaull	Consultant	PMcN	Consultation/Advisor
Xander McDade	HISA Perth President	XMcd	Student Experience/tbc
Rosalind Bryce	Director of CMS	RB	Postgraduate Curriculum
Fiona Cameron	Interim Director of Finance	FC	Project Lead Finance
Deborah Lally	Director of Student Experience	DL	Project Lead Student Experience
Katy Lees	Director of HROD	KL	Project Lead Human Resources
Jill Martin	Director of Information Services	JM	Project Lead Digital Infrastructure
Christiana Margiotti	Director of Curriculum: AHE	CM	Project Lead: Curriculum
David Gourley	Director of TLQE	DG	Project Lead: Academic Quality
Nicky Inglis	Director of Curriculum: BSTW	NI	Project Lead: Curriculum
Gavin Whigham	Director of Estates	GW	Project Lead: Estates
Lin Shen	Director of International Partnerships	LS	International Partnerships
Stephen Ayton	Sector Manager: Built Environment & MV	SA	Academic Curriculum
Ronnie Dewar	Sector Manager: Humanities & Social Science	RD	Academic Curriculum
Nick Green	Sector Manager: Audio, Arts & Creative Tech	NG	Academic Curriculum
Heidi Hope	Sector Manager: Science, Engineering & Engineering	HH	Academic Curriculum
Katrina MacIntyre	Sector Manager: Early Years & Education	KMacI	Academic Curriculum
Suzanne Miller	Sector Manager: Beauty, Hairdressing & Wellbeing	SM	Academic Curriculum
John Small	Sector Manager: Language School & SVS	JS	Academic Curriculum
David Watt	Sector Manager: Music & Music Business	DW	Academic Curriculum
Ype Van Der Schaaf	Sector Manager: Business, Hospitality & Leisure	YVDS	Academic Curriculum
Kirsty Campbell	Risk Management & Project Officer	KC	Project Team
James Wood	Process Improvement Manager	JW	System/Process Improvement
Christine Paton	General Manager: ASW	CP	Commercial Activity
Les Hutchison	Estates Officer	LH	Physical Estate

Committee Cover Sheet

Paper No. 5

Name of Committee	Finance and Resources Committee
Subject	NRPA – Support Staff Only Update to Colleges
Date of Committee meeting	25/06/2025
Author	Katy Lees, Director of HR and Organisational Development
Date paper prepared	09/06/2025
Executive Summary Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	<p>At the College Employers Scotland (CES) meeting on the 21 May 2025 it was agreed that Colleges will update their Boards that UNISON and Unite have resigned from the current National Recognition and Procedure Agreement (NRPA) and have requested a support staff only NRPA. The attached briefing paper has been prepared by CES as an update for Boards.</p> <p>This paper is for information only at the current time. The current NRPA which UNISON and UNITE have resigned from covers both support staff and academic staff and recognises UNISON, UNITE, GMB and EIS-FELA.</p> <p>Within UHI Perth we currently recognise EIS-FELA and UNISON, although we have received a request from the GMB to consider recognising them, but are awaiting membership number from the GMB before this is considered further.</p>
Committee Consultation Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.	None
Action requested	<input checked="" type="checkbox"/> For information <input type="checkbox"/> For discussion <input type="checkbox"/> For endorsement <input type="checkbox"/> For approval

Committee Cover Sheet

	<input type="checkbox"/> Recommended with guidance (please provide further information, below)
Strategic Impact Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.	N/A at the current time
Resource implications Does this activity/proposal require the use of College resources to implement? If yes, please provide details.	No – for information
Risk implications Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk? If yes, please provide details.	No Click or tap here to enter text.
Equality & Diversity Does this activity/proposal require an Equality Impact Assessment? If yes, please provide details.	No
Data Protection Does this activity/proposal require a Data Protection Impact Assessment? If yes, please provide details.	No Click or tap here to enter text.
Island communities Does this activity/proposal have an effect on an island community which is significantly different from its effect on other communities	No If yes, please give details: Click or tap here to enter text.

Committee Cover Sheet

(including other island communities)?	
Status (ie confidential or non-confidential)	Non-Confidential If a paper needs to remain confidential for a prescribed period of time before being made 'open', please advise how long must the paper be withheld: Click or tap here to enter text.

Freedom of Information

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Please select a justification from the list, below:

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

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and

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CONFIDENTIAL: Internal Briefing – UNISON and Unite – Resignation from the Current NRPA

Background

The current National Recognition and Procedures Agreement (NRPA) has been in place between colleges and trade unions since approximately May 2015.

UNISON and Unite formally communicated to all signatories on Wednesday 19 March 2025 of their intention to resign from the current NRPA, and requested negotiations commence to complete a sole Support Staff NRPA.

The other signatories to the NRPA, the EIS-FELA and the GMB, have expressed their opposition to the resignations of UNISON and Unite, and have stated that the current NRPA can continue to operate regardless of these resignations.

The CES Team's view, supported by legal advisers, is that the current NRPA cannot continue to operate for the GMB in the absence of UNISON and Unite.

Extraordinary CES Meeting

On Wednesday 16 April 2025, CES held an extraordinary meeting. CES agreed to:

- take a proactive position and develop a new NRPA to take to the support staff trade unions to formally negotiate terms
- aim to work towards a six-month notice period as requested by the trade unions, with the expectation that in real terms it could take nine to twelve months to develop a revised NRPA and finalise signatories
- aim to bring a final draft revised NRPA to the upcoming CES meetings in May 2025 for final review
- gather dates from individual colleges for upcoming committee/board meetings where the revised NRPA could be discussed/agreed to understand an achievable timeline.

Engagement with the EIS and GMB – Tuesday 29 April 2025

At this meeting, there was a clear disagreement between the parties about whether the current NRPA could continue to operate effectively, considering UNISON and UNITE's resignations. However, there was eventually an acceptance by the trade unions that employers would not amend the current NRPA to allow it to continue for only the EIS-FELA and the GMB.

The CES Team informed the EIS-FELA that, although the current NRPA can still operate for them regardless of the resignations of UNISON and Unite, there remains a need for it to reform in line with the recommendations of the Lessons Learned review.

The GMB formally requested to be part of negotiations on the new support staff only NRPA, even though its stated position was still not to resign from the current NRPA at this time.

Discussions and Decisions at CES Meetings in May 2025

Support Staff

It is agreed that ideally, all three support staff trade unions currently recognised in the NRPA should transfer over to any new support staff-only NRPA. This would include UNISON, Unite and GMB.

However, this is dependent on whether UNISON and Unite would accept GMB being party to a new NRPA.

If the GMB is not included in formal negotiations by employers, and the current NRPA becomes inoperable for it, it is anticipated that the GMB will accuse employers of effectively derecognising it from National Bargaining.

However, as negotiations over a new NRPA are not covered under the current NJNC arrangements, there is no requirement for CES to replicate the membership of the NJNC – Side Table (Support), in negotiations over a new support staff, only NRPA.

The CES Team recommended continuing informal discussions with UNISON and Unite on a new support staff-only NRPA at this time and informs the GMB that it will not be party to any formal negotiations, as it has not formally resigned from the current NRPA.

If, however, the GMB formally resigns and UNISON and Unite still refuse to allow it to be part of joint negotiations due to the breakdown in their relationship, CES will need to consider the pros and cons of pursuing a support staff-only NRPA with UNISON and Unite alone.

This decision would be revisited at a future CES meeting, as it could have significant consequences for colleges and the GMB, both nationally and locally.

Decision

CES agreed to informing the GMB that it will not be party to any formal negotiations at this time, as it has not formally resigned from the current NRPA. CES also agreed to commencing formal discussions with UNISON and Unite on a new support staff-only NRPA.

CES noted, however, that if the GMB does formally resign from the current NRPA, UNISON and Unite may still refuse to be part of any joint negotiations with the GMB.

It was noted by CES members with large GMB memberships that there was little sign of the national issues impacting industrial relations at a local level.

Lecturing Staff

It is envisaged that negotiations on a reformed NRPA for lecturing staff will need to be conducted concurrently with negotiations for support staff. However, as neither the EIS-FELA nor colleges would be resigning from the current NRPA, this does not require a specific timeframe.

Nevertheless, it is the CES Team's view that this should be initiated sooner rather than later to capitalise on the momentum for NRPA reform resulting from the changes to the support staff side.

The CES Team, therefore, recommended that negotiations with the EIS-FELA start as soon as is practical, once more clarity is provided on the progress of the support staff only NRPA.

Decision

Given the position with the support staff trade unions, CES agreed that negotiations with the EIS-FELA on reforming the current NRPA into a lecturing staff only NRPA should start as soon as is practical, once more clarity is provided on the progress of the support staff only NRPA.

Members Questions and CES Team Answers

1. Will a new NRPA developed with Unison and Unite be imposed on GMB?

- It cannot be imposed on the GMB, but they will be invited to join it once negotiated with UNISON and Unite – unless they resign and join negotiations

2. Where will a new support staff NRPA leave EIS-FELA? Will the existing NRPA just become by default the teaching NRPA?

- Other than removing the need for the Central Committee the Side Table Lecturing can continue unabated.
- However, employers would still look to reform lecturer negotiating arrangements along the lines of the Lessons Learned recommendations.
- If, however, GMB does not voluntarily leave the current NRPA, there is the risk colleges would need to service notice on GMB and the EIS-FELA in order to take up the new support staff only NRPA and then negotiate a separate lecturing NRPA

3. What is the call to arms for Board members? Should I be alerting them to expect to be asked to approve a new NRPA in the autumn?

- Mainly making them aware that you may be coming to them to ask about the college signing up to a support staff only NRPA – potentially as early as July.
- It is also important that they understand the risk outlined above.

FINANCE AND RESOURCES COMMITTEE

Membership

Chair of the Board of Management

No fewer than 2 other Independent Members of the Board of Management

Principal & Chief Executive

One place reserved by invitation for a Student Member of the Board, as nominated by HISA Perth.

One place reserved by invitation for a Staff Member of the Board, to be determined by Staff Members of the Board

In attendance

Depute Principal (Academic)

Depute Principal (Operations)

Other appropriate staff members of the College by invitation

Quorum

The quorum shall be 4 members of which at least 2 to be Independent Members.

Frequency of Meetings

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

Terms of Reference

- 1 Consideration of the annual estimate of revenue income and expenditure.
- 2 Consideration of the annual estimate of capital income and expenditure.
- 3 Responsibility to ensure that appropriate control systems are in place:
 - a to administer and control all revenue and capital grants received from the Scottish Government and all other sources.
 - b to administer and control the payment of all monies due and the collection of all income due.
 - c to ensure the efficient management of the College Catering Service and Food Court and Halls of Residence.
 - d to administer and control matters relating to the repair, maintenance and upkeep of land, buildings etc.
- 4 Liaison with the Audit Committee in reporting to the Board on the state of the College's finances.
- 5 Consideration and approval of the College's Financial Regulations and Procedures, ensuring their implementation, monitoring and review in relation to all matters financial, including approving organisations in which funds may be invested and setting investment limits.
- 6 Generally the formulation of advice to the Board on financial matters and the supervision of the financial affairs of the Board.

- 7 Strategic oversight of procurement, contract management and ICT service level agreement on behalf of the Board.
- 8 Consideration of tenders received for any works the cost of which are in excess of £50,000.
- 9 The acquisition and/or disposal of heritable property whether by purchase/sale or lease.
- 10 Consideration of any proposals to obtain plant equipment furnishings or fittings the cost of which is expected to be more than £50,000.
- 11 Consideration and assessment of priorities for capital grant for new building work or the major modification of existing buildings. Recommendations to the Board on issues relating to College estates and resources
- 12 The oversight of the Board's statutory functions and responsibilities as an employer of the staff of the College.
- 13 Consideration of all matters relating to:
 - a the establishment and staffing structure of the College;
 - b the salaries, wages and conditions of service of all staff except the Principal, Executive and Managers as individual contracts with the Board.
- 14 Responsibilities for early retirement/early severance policy.
- 15 Oversight of the disciplinary and grievance policies and procedures of the College.
- 16 Consideration of matters relating to staff relations including union recognition and local bargaining agreements.

Reviewed October 2024